



General Conditions of the Charter Contract

CHARTER FEE AND PAYMENT Charter fee includes: yacht dues for its usage in the period of time stated in the contract. Charter fee does not include: petrol expenses, tourist and residence taxes and a mooring place out of domicile marina. The chartered yacht with complete equipment can be used only after the payment was regularly settled to the Charteree's account:

- 50% of the charter fee latest 5 (five) days upon signing the contract
- 50% of the charter fee latest 31 (thirty-one) days before the beginning of the charter.

If the payments are not made by the due dates, the Charteree reserves the right to cancel the contract/reservation and to charter the yacht to a third party.

DEPOSIT The security deposit has to be deposited in starting marina by the Charterer when taking over the yacht in cash or by credit card. The security deposit shall be refunded in its full amount unless the existence of damage or a defect on the yacht or the equipment is found during the returning of the yacht.

In case of loss or damage on the equipment, particular parts of the yacht or the yacht itself, Charteree shall retain the amount (a part or the whole deposit), which corresponds to the value of repair, acquisition and / or purchasing the equipment or particular part of the yacht. In case the caused damage has the consequence that the yacht cannot be subsequently chartered, Charteree has the right to retain the amount corresponding to the loss of profit.

CHARTEREE'S OBLIGATION The Charteree is obliged to deliver to the Charterer a completely clean and dry yacht in seaworthy conditions with full fuel and water tanks in the agreed time and place.

If there is any reason that Charteree did not fulfil above mentioned conditions, the Charterer has the right to ask for a money refund, for the days he has not been using the yacht. Also if the Charteree cannot place the yacht at disposal at the agreed place 24 hours after the expiry of the time period for the takeover, or provide another yacht, at least similar or with better characteristics, the Charterer has the right to give up the contract and demand the total amount of the charter fee for as many days as he did not have the yacht at his disposal. The Charterer could demand only the amount of the charter fee; any other rights to indemnification are excluded.

In case of damage or defect on the yacht or its equipment caused by the normal natural yacht consumption the Charterer is obliged to inform the Charteree immediately. The Charteree is obliged to remove the damage upon notification.

If the Charteree removes the damage within 24 (twenty-four) hours, the Charterer has no right to require any reimbursement.

TAKE OVER AND HAND OVER OF THE YACHT The Charterer will take over the yacht in agreed time and place. When taking over the yacht, the Charterer is obliged to check the condition of the yacht and its equipment according to the inventory list.

Any possible objections have to be made until the start of navigation. Any possible covered defects on the yacht or its equipment, which couldn't be known to the Charterer at the moment of the takeover, as well as defects which could arise after the takeover, do not give right to the Charterer to reduce the charter fee. The Charteree reserve the right not to hand over the yacht if the Charterer is not competent for any reason to operate the yacht or to allocate a skipper to the yacht and charge for it.

If the Charterer fails to take over the yacht within 48 hours, the Charteree is authorized to give up the contract.

On hand-over inventory quoted on the inventory list should be checked again to see if the yacht and the equipment are in working order. The Charterer is obliged to return the yacht cleaned and tidied without the crew and their personal luggage at agreed marina at least until the time specified by the Charter contract, including the physical take-over lasting for an hour. Therefore, it is obligatory to return the yacht in the marina the night before as indicated in the Charter contract. If the returning of the yacht is later that stated in the Charter contract, the Charterer has the following fees:

- for the delay up to three hours one day charter fee
- for the delay of more than three hours triple daily charter fee plus all other expenses.

Delay cannot be justified by bad weather conditions.

CHARTERER'S OBLIGATION After taking possession of the yacht, the Charterer shall bear all costs of the daily berth in the port, or in the marina, costs of fuel, oil, water, cleaning and all other necessities, as well as eliminating all damages and defects, which can appear while the yacht is under Charterer's responsibility and which are not a result of natural yacht consumption.

The Charterer is obliged to sail within the Croatian territorial waters. The Charterer is obliged to respect customs and other regulations and rules, take care of the yacht and its equipment and navigate it carefully and in accordance with the maritime practice and sail only during safe weather conditions and good visibility.

The Charterer, or skipper, declares undoubtedly that he disposes of all necessary navigational skills and that he possesses a valid license necessary for the navigation at the open sea and the radiophone certificate, which have to be presented to the Charteree.

The Charterer undertakes and states that he shall not sub charter the yacht or rent it to a third party, that he shall not participate in regattas or yacht races, that he shall not use the yacht in commercial purposes, professional or night fishing, and he shall not sail at night and by unsafe weather conditions.

Number of persons aboard is to correspond to the crew list. The Charterer assumes the responsibility for the consequences of non-observance to his obligations.

In case of accident or damage of the yacht or its equipment during the trip, the Charterer is obliged to inform the Charteree without delay. The Charterer is obliged to notify the Charteree and the authorities in case the yacht or equipment is missing, if the further navigation is not possible or in case the yacht was seized, or if further navigation was prohibited by the state authorities or a third party. The keeping of pets (dogs, cats, birds and similar) on the yacht is not allowed, unless a previous agreement was reached in that regard.

The Charterer is obliged to keep a log book, check daily oil level in the engine and take care of the sails.

CHARTERERS LIABILITY For the damages caused by actions and failure of the Charterer for which the Charteree is liable to a third party the Charterer is obliged to settle the damages to the Charteree in their entirety, whether it is the case of material and / or legal

expenses that were created from such actions and failures.

The Charterer is explicitly liable for the yacht in case any official body confiscates it due to inappropriate and illegal actions undertaken during the usage of the yacht.

The Charterer is obliged to pay all the charges for failures made by himself, for which the Charteree might have criminal or financial responsibility. In case of any damage or accident the Charterer is obliged to write down a suitable report and to inform the authorised bodies (harbormaster, police, doctors) and the Charteree in case of the yacht disappearance, impossibility to navigate the yacht, as well as in case state organs or a third party seized or confiscated the yacht or prohibited further navigation.

INSURANCE The insurance is determined by the conditions stipulated by the insurance company where the yacht is insured. The yacht has *kasko* insurance and the insurance against damages from a third party. Damages covered by the insurance which are not immediately reported either to the Charteree or to the insurance company shall not be acknowledged as per insurance policy. In that case the Charterer is personally responsible for the total damage as a result of not reporting the damages. The insurance covers all the damages by franchise caused by weather conditions or by other natural disasters, but not the damages made on purpose. Charges for the damages made by purpose are not limited by the amount of security deposit and the Charterer must cover all the expenses caused by damages made on purpose.

The damages on the sails and on the engine caused by the oil deficiency in the engine are not covered by the insurance. The Charterer bears all the charges for these damages.

CHARTER CANCELLATION If the Charterer for any reason cannot start the charter the Charterer can find other Charterer by himself (with previous acceptance of Charteree). If the Charterer is not able to find another Charterer, Charteree shall retain:

- 30% of the contracted price if the charter was cancelled up to 61 (sixty-one) days before the beginning of the charter
- 50% of the contracted price if the charter was cancelled in the period from 60 (sixty) to 31 (thirty-one) days before the beginning of the charter
- 100% of the contracted price if the charter was cancelled within thirty days before the beginning of the charter

If a cancellation occurred for objective reasons (death of a family member, severe injuries, war etc.) the advance payment shall not be refunded, but the Charteree shall give the vessel to the Charterer in another available period within the same season.

COMPLAINTS Any eventual complaints of the Charterer shall be taken into account only in the written form and if delivered to the Charterer no later than 8 days after the disembarkation of the Charterer. If the Charterer files a complaint at the moment of the check-out, the complaint shall be taken into account only in the written form and if signed by the authorized person of the Charteree.

ARBITRAGE In case of dispute which cannot be resolved in a friendly manner, the parties accept the jurisdiction of the court in Split.

CHARTERER – signature:

DATE: _____