

GENERAL CHARTER CONDITIONS

BASE PORTOROŽ – MARINA PORTOROŽ

The General Charter Conditions define the prerequisite and sufficient conditions related to yacht charter; the insurance, booking and terms of payment, cancellation of charter, taking possession of the yacht by the Charterer, security deposit, obligations and duties on the part of the Charter Operator and the Charterer during the charter term, the due delivery of craft by the Charterer.

SUBJECT MATTER OF CHARTER

The subject matter of the Charter shall at least include the chartering of the yacht and hiring of its compulsory and additional equipment, the usual wear of the yacht and equipment, and the insurance for the yacht.

Unless otherwise agreed with the Charter Operator, the chartered yacht may not be used for the following purposes:

1. for commercial passenger transport,
2. the yacht shall not be sub-chartered to third party,
3. for transportation of domestic animals.

CRAFT INSURANCE

All crafts have got the compulsory insurance cover. The insurance comprises the liability of the owner and user of the craft for damage to third parties, and hull insurance with a deductible.

BOOKING AND TERMS OF PAYMENT:

The craft booking is confirmed upon the payment of the advance agreed in the Contract. The Charterer is obliged to make all other payments in accordance with the Contract.

CHARTER CANCELLATION

If the Charterer cancels the contract, it shall repay an adequate part of the charter fee to the Charter Operator:

- for cancellations made no later than eight weeks before the agreed charter date: 30% of the charter fee, for cancellations made between the eighth and fourth week before the agreed charter date: 50% of the charter fee,
- for cancellations made four weeks or less before the agreed charter date: 100% of the charter fee.

CRAFT TAKEOVER BY THE CHARTERER

The Charter Operator is required to deliver and position the chartered craft and other equipment in an adequate seaworthy condition at the time and location as agreed with the Charterer. Should the Charter Operator, due to technical problems and unexpected reasons,

such as craft damage or defect incurred in the preceding charter term, be unable to make the chartered craft available as agreed, the Operator shall provide the Charterer with another craft of adequate length, capacity and quality within 24 hours. If the Charter Operator is unable to position an adequate replacement craft in due time, it shall return the paid charter fee to the Charterer. In no case is the Charterer entitled to any compensation for damage or cost refund.

Both parties shall inspect the craft, equipment and inventory list, as well as the condition of any additional equipment hired. The condition found shall be marked in the checklist in which the parties may enter all their findings. The filled-out check list shall be confirmed by their signature. Any subsequent complaints regarding the condition of the craft, equipment or other hired gear made at the time of return of the craft will not be considered.

SECURITY DEPOSIT

The Charterer shall deposit the security in the amount agreed before the take-over. This can be paid in cash or by an acceptable credit card. The security deposit is also required if the skipper is included in the charter. The deposit shall be used as a security for the payment of damages or loss to the craft and equipment that is not included in insurance cover. The Charterer is always liable for any damage to the engine resulting from lack of lubricants, and damage to the sails unless the latter occurred due to extreme weather conditions.

OBLIGATIONS AND DUTIES OF THE PARTIES DURING THE CHARTER

For the charter hereunder, the navigation is limited to the Adriatic Sea. For any use of the craft hereunder outside the Adriatic, the Charterer shall obtain a prior consent from the Charter Operator.

The Charterer shall keep inside the navigable waters and comply with the provisions on the maximum number of the crew, as specified in the Navigability License of the chartered craft.

At the takeover of the craft the Charterer ensures that the skipper of the craft possesses the required and sufficient knowledge and skills for navigation and operation of the chartered craft. As a proof of the skipper's competency and qualifications, it is necessary to present his Certificate of Competency as Skipper (in original) for inspection. The Charter Operator is entitled to conduct a practical test of the Skipper's competency, at its discretion. If the Charter Operator ascertains that the Charterer's Skipper does not possess the required knowledge and skills, the Operator may prohibit said skipper from operating the chartered craft. In such a case the Charterer is required to provide for another competent skipper. The Charterer is not entitled to a refund of the charter fee paid in case the skipper is found to be incompetent.

Before and during the operation of the craft the Skipper is not entitled to consume any alcohol or other substances that may affect his capability for navigation and use of the craft.

The Skipper shall:

operate the craft with the due care and observe the technical characteristics as indicated in the documents of the craft, and use the craft in accordance with the instructions provided therein,

daily control the lubricant levels in the engine, as the expenses for engine damage resulting from negligent lack of oil are not covered by the insurance and will be fully charged to the skipper,

comply with the directions of the competent authority – Harbour Master's Office in the event of navigation stop due to weathering or other perils,

always anchor the craft in a safe anchorage, where the craft is under control at all times,

get acquainted with the Customs laws and other regulations governing the navigation of the host country, and undertake the border formalities as required by the law,

handle the documents and keys with due care; report any damage thereto, or loss thereof to the Charter Operator.

The Charterer is responsible for adequate handling with the craft and compliance with the maritime regulations, as well as navigational skills.

During navigation, the Charterer shall regularly control the condition of the craft lube and in the event of accident, damage or major defect, the safety of passengers, crew and other persons involved shall come first; after that any other measures to avoid further damage to the craft or equipment shall be taken, along with filing the report to the nearest Harbor Master's Office. In a defect, accident or damage event to the craft, the Charterer shall produce a report and provide for a detailed description of the course of events. Such report shall be used as evidence in resolving the damage event with the Harbor Master's Office, medical personnel, authorized surveyors in the damage or accident claims procedures. In a defect, accident or damage event to the craft, the Charterer shall promptly inform the charter base at the telephone number as indicated in the documents received at the take-over of the craft.

The Charterer may on its own initiative procure the spare parts, consumption materials or any servicing required, amounting up to EUR 100. For any costs in excess of that amount the Charterer shall obtain a prior consent from the Charter Operator. Only the costs approved by the Operator shall be reimbursed, against invoice or receipt. Such invoice or receipt shall be issued to the Charter Operator as indicated in the information folder with documents.

CRAFT DELIVERY BY THE CHARTERER, CONDITION OF CRAFT

The Charterer shall deliver the craft to the Operator at the agreed time and location regardless of weather conditions. The craft shall be delivered in the same condition as received. If delivery is not made in due time as a result of the Charterer's improper conduct or fault, the latter shall pay damages for each day of delay, amounting to double daily charter fee, or 2% of the weekly charter fee for each hour of delay. If the craft is delivered to another location, the Charterer shall bear the entire transfer costs for craft re-location. The craft shall be deemed as duly delivered to the Operator after it has arrived at the agreed location and the acceptance of delivery is effected.

The Charterer shall deliver the craft with the full fuel and water tanks, cleaned, without any waste or garbage on board, with orderly equipment, as the craft was received. If the fuel is not filled up, the Charterer shall reimburse the Operator for the entire fuel quantity of the tanks, or at the price-list of the Operator. Should the Charterer not comply with these requirements for bringing the equipment in orderly condition or cleaning the craft, the Operator is entitled to additionally charge these tasks to the Charterer.

At the time of delivery the Operator shall carefully inspect the craft and the condition (internal and external parts) of the craft, equipment and extra equipment hired, and check against the Check-list markings made and approved at the time of take-over thereof.

Should the Charterer find any defects of or damages to the craft, or any other shortage before delivery, it shall inform the Operator before delivery of the craft. The Operator is entitled to charge compensation for any damages and defects ascertained within 24 hours after the acceptance of delivery was made and claim such compensation from the Charterer.

The expenses of any damage to the craft attributable to the Charterer, and any cost of equipment or parts thereof lost or damaged shall be charged to the Charterer at cost (procurement value, installation, repair, transport, etc.). The Charterer shall further bear the cost/expenses for the loss of earnings from charter of the craft due to incapacity of chartering it out to customers.

If the damages cannot be appraised promptly, the Operator shall have them assessed and charge to the Charterer in 30 days after the Charterer has delivered the craft. For such a

term the Operator is entitled to retain the entire security deposit.

If the damage is appraised promptly upon delivery and is lower than the security deposit, but the Charterer is unable to make good or settle the damage promptly, an additional period of 8 days is granted to the Charterer for remedy. In the contrary case, the Operator is entitled to realize the entire security deposit.

FINAL PROVISIONS

The General Charter Conditions are an integral part of Charter Contract. The signature on the Charter Contract confirms that the Charterer has been acquainted with and accepted these General Charter Conditions.

The service provider reserves the right to change the provisions hereof any time and without prior notice to the customer, aiming to achieve compliance with the applicable legislation and internal acts. The effective date of such change shall be the date of publication on the web site of the service operator. Should the Client not object in 15 days, it shall be deemed that it agrees with the changes.

Valid from November 2012.