

**1. PAYMENT** Charterer is obliged to effect payment of 50% of the total amount within 5 days after signing the Contact while the balance has to be paid 4 weeks prior to commencement of the charter, unless other terms are agreed on with a Charter Agency. The payments can be effected in cash, by check or by bank transfer

**2. CHARTER FEE** Charter fee covers the use of vessel. The vessel is handed over to the Charterer with full water and fuel tanks, seaworthy and clean, and should be returned in the same condition.

**3. TRANSFER** Lessor is obliged to deliver vessel seaworthy. If Lessor fails to make vessel available to Charterer at the agreed time and place (regardless of reason), Charterer may request reimbursement for days he did not have the vessel of similar or better characteristics, Charterer may withdraw from the contract and claim reimbursement for as many daily rent charges as the vessel was unavailable. There are no other compensation rights. Charterer is obligated to check whether the vessel is seaworthy and whether all equipment items as per checklist are on the vessel. All shortages, defects of vessel or equipment unnoticed at delivery give no right to Charterer to reduce the original charter fee. Charterer is obligated to hand over the vessel to Lessor at agreed time and place. If Charterer fails to return the vessel on the time and place set, he makes a commitment to pay the Lessor the triple day charge plus Lessor's loss and expenses resulting by there delay. The delay is justified in case of force major only and in that case Charierer is obliged to inform Lessor immediately.

**4. DEPOSIT** Before taking over the vessel, the Charterer leaves the deposit by the check-in & check-out office. In cash, Eurocheques, VISA or MASTER credit cards. The deposit is fully refunded if the vessel is returned to Lessor at the agreed time and place undamaged.

**5. INSURANCE** The vessel is mandatory insured for all damages done to third parties. Vessel's Full insurance Policy covers (with deductible) EUR 1600. - of all damages except those resulting from force major. Damages covered by insurance, which are not immediately reported to the closest Harbour Master and Lessor, will not be acknowledged in terms of insurance policy, and from those, eventual damages are becoming full responsibility of the Charterer.

**6. CHARTERER'S RESPONSIBILITIES** For Charterer's acts and/or neglect for which the Lessor is responsible to a third party, Charterer will cover all expenses to Lessor for material and legal costs resulting from such acts and/or neglect. Charterer is particularly responsible in case the vessel is sized by officials on the basis of illegal action. In case of average and accident Charterer will record course of events and request the necessary written certificate from Harbour Master. Charterer will also immediately notify Lessor about such event. In case of vessel seizure or prohibition of further sailing by Government official or other persons. Charterer is obliged to immediately notify the authorised officials and Lessor. The costs of damaged items of vessel or equipment are to be covered by Charterer, i.e. Lessor will deduct the amount in question from the Deposit. Charterer is obliged to check the oil in the engine every day, damages resulting from the lack of oil in the engine will also be covered by Charterer. Damage of underwater part of vessel must be followed by vessel inspection, Charterer being responsible for the expense.

**7. CHARTERER'S LIABILITIES** Charterer is obliged to sail within the Adriatic Sea. He makes commitment that will neither sublet not lend the vessel to any other person, that he will not take part in regattas, use the vessel for any commercial purposes, and that will sail under safe weather condition. Charterer declares that he possesses a valid navigation license or if otherwise, that he will leave the conduct of the vessel to a crew member who has the license required.

**8. CHARTER WITHDRAWAL** If for any reason Charterer is unable to take over the vessel, he may find another person who will enter the contract in his place with Lessor's prior consent. If no replacement can be found, lessor shall retain:

30% of charier fee for withdrawals up to month prior to charter commencement

100% of charter fee for withdrawals within one month before the charter commencement

**9. COMPLAINS** Only those complains that shall be submitted in writing on the occasion of returning the vessel and signed by Lessor's representative and Charter personally, shall be taken into consideration.

**10. JURISDICTION** In case of disagreement of dispute, the attempt will be made, to settle it peacefully by an agreement. If it cannot be resolved in the above manner, it will be subject of jurisdiction of the court in Split.

**(11). SKIPPER RESPONSIBILITY** Lessor gives to Charterer services of skipper. Skipper bears full responsibility for proper exploitation of a vessel, its safety and damages inflicted to the vessel due to skippers wrongdoing.

(company stamp / signature)

(charterer/agency)

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