

General Charter Conditions

1. RENTAL PRICE

The rental price includes the use of the fully equipped boat, boat insurance exceeding the contracted deposit and personal insurance for the crew. The rental price does not cover costs of fuel and other necessities, the skipper's fee, and other additional services such as marina and berthing costs, water, electricity and local taxes during the charter period.

2. METHOD OF PAYMENT

The charterer agrees to hire the Yacht and shall pay the Charter Fee, the Security Deposit, the Advance Provisioning Allowance and any other agreed charges, in clear funds, on or before the dates and to the Account specified in this GCC.

Method of payment:

1. 40% of the rental price upon approval
2. 60% of the rental price at least 4 weeks prior to the rental date

The above-described method of payment cannot be changed without approval of BETA CHARTER d.o.o. The final calculation will be done upon return of the rented boat.

3. OBLIGATIONS OF THE CHARTERER

- a. The charterer agrees to sail within the Croatian territorial waters (written permission must be obtained for any exception).
- b. The charterer agrees to treat the boat and all her equipment carefully and according to naval laws and ethics.
- c. The charterer agrees not to rent or lend the boat to any other person, not to use the boat in any competition(s), not to use the boat for commercial purposes, such as, commercial fishing, sailing courses etc., not to board more crew than stated in the crew list, not to board pets or other animals, not to use the boat in unfavorable weather conditions, not to undertake to steer the vessel at night, but only in safe weather conditions.
- d. The charterer is obliged to respect all customs and other rules and regulations, to keep the log book correctly and hand it over to the lessor at the return of the boat. The renter or one of the crew members must have a valid boat leader's license as well as a VHF marine radio station license in order to handle the boat.
- e. The charterer undertakes to watch the weather forecast in order not to bring into danger the vessel's safety and to avoid delayed delivery.
- f. The charterer undertakes to inform the lessor in case of delayed vessel's delivery.
- g. The charterer undertakes to inform the lessor immediately in case of damage during the renting period.
- h. The charterer undertakes to inform the lessor immediately if the vessel needs to be repaired in case of the damage during the renting period.
- i. The charterer undertakes to inform the authorized harbor master's office, to make the protocol for insurance company and to inform the lessor in case of greater damages or if some other vessels take part in such damages.
- j. The charterer undertakes to inform the nearest police department immediately and ask for a copy of the report in case of disappearance of the vessel or her equipment.
- k. The charterer undertakes to return the vessel in agreed place and time, in good condition and with full fuel-reservoirs.
- l. The charterer undertakes, in case of delayed vessel's delivery in agreed place and time, to pay:
 - the daily rental – for 3-hours-delay
 - three times daily rental plus all costs arisen for lessor – in case of delay over three hours and every commenced new day of delay.
- m. The charterer undertakes to check carefully the vessel's condition and equipment according to the inventory list when taking over the vessel.
- n. In case of breaking or not considering previously stated obligations the charterer is responsible for all the consequences and expenses caused. The charterer agrees that the lessor settles the expenses from the deposit paid when accepting the boat.

4. BOAT DOCUMENTS

The renter will receive all valid documents needed for rental and is required to take proper care of them during the rental period.

5. OBLIGATIONS OF THE LESSOR

- a. The lessor's obligation is to ensure that the boat is in good condition, clean and tidy, ready to sail (full gas and water tanks) and fully equipped.
- b. The lessor will do a test round with the manoeuvre of great speed and landing at the renter's request.
- c. Should the boat be unavailable for any reason not related to the charterer, the lessor is obliged to provide a similar or better replacement boat for the same price during the maximum period of 24 hours from the contracted takeover time. In case the lessor is not able to provide either the reserved vessel or its replacement at the 24 hours time, he undertakes to offer the charterer the following possibilities:
 - Meeting the charterer's costs for the days while waiting for taking over the vessel;
 - Providing adequate accommodation while waiting;
 - After expiring of the 48 hours deadline and abandonment of the Contract and renting, the lessor undertakes to return the sum paid.
- d. The lessor undertakes to inform the charterer and return him the amount paid according to the Contract no later than 15 days prior to beginning of the rent in case of cancellation of the arrangement because of unpredictable circumstances.
- e. All other expense claims (travelling expenses, overnight stays, refund for lost days and ruined vacation...) are excluded.

6. DEPOSIT

Prior to the rental, the charterer is required to pay the deposit in height of 1.500 EUR (the deposit can be paid in cash or by credit card). The deposit will be returned in full to the charterer provided that the boat is returned on time, clean and tidy, not damaged and gas tank(s) is/are full. Even if the boat rental includes a skipper's service, the charterer is required to put down a deposit that does not cover costs related to the skipper's negligence and careless operation of the boat and equipment. In case of damage or loss of equipment the lessor keeps (according to the extent of damage) a part of whole deposit till the final settlement of expenses.

7. RENTAL CANCELLATION

In case when the charterer withdraws from the contract on his own request he is not entitled to any compensation. In case that the charterer cannot take over the boat for any reason he must inform the lessor. If the charterer finds another charterer that will take the rent under the same conditions he is refunded 80% of the paid sum. If the lessor or charterer do not find another charterer at least 4 weeks before the beginning of the rent is the charterer obliged to pay the whole rent regardless if he will use the boat or not. The lessor shall use his best endeavours to re-let the Yacht and shall not unreasonably withhold his agreement to re-let. However, he shall not be obliged to accept any charter if he considers in his sole discretion that this may be detrimental to the Yacht, its reputation, its crew or its schedule.

8. DAMAGE

- a. When the accidents or damages occur the charterer is obliged to write »Accident report« and verify it by the harbor master, police, by the doctor or at least by two legal persons.
- b. For all damage done, regardless of the cause, the charterer is required to immediately inform the lessor who will notify the charterer on how to rectify the problem. The damage must be repaired carefully. The charterer will be charged for all unauthorized repairs and replacements. The charterer can order a repair only in agreement with the lessor. The agreement must be in written form (fax provided with a signature of the lessor or authorised personnel). The same procedure is in use in case of a theft, inefficiency for manoeuvre, confiscation or at any other obstacle for navigation, caused by either official or third parties.
- c. If there are some minor damages and losses during the rental period, the charterer covers all expenses of repair and substitute of equipment or inventory. The same goes for the damage on the boat and equipment caused by careless usage. The damage must be reported to the lessor and repaired with care if necessary. If the bill for repair is presented the charterer gets his expenses refunded at the end of the rent. For the repair the charterer must get the lessor's agreement in written form or the lessor is not obliged to refund the expenses. Charterer is obliged to note the damage and the course of repair in ship's log.
- d. In case of greater damages and accidents (for instance: if the boat cannot be operated or if the boat is confiscated and must not be moved by the decree of competent agency) the charterer must firstly inform the lessor and follow his instructions.
- e. If the damage of the boat, caused by higher forces, makes it partially or entirely impossible for further rental, or if there is a guilt of a third party the charterer is not entitled to any compensation.
- f. If at the time of the damage or in the time of the rent the cause for the damage can not be determined the lessor holds back the rent and deposit till the cause of the damage is determined. In such case the damage is inspected by a sworn valuator (valuator must be recognised by the insurance company which insured the boat) and the written report is presented to the charterer. If it is obvious from the report that the cause for the damage is in irregular and careless use of a boat during the time of the rent the charterer is responsible for all expenses and must also pay the amount of 1.500 EUR .
If it is obvious from the report that the cause for the damage is not the charterer's fault the charterer has the right to the partial refund for the days when he could not use the boat. All other expense claims (travelling expenses, overnight stays, refund for lost days and ruined vacation...) are excluded.
- g. The charterer must always do his best to prevent any greater damage. He/she is also responsible for all the damages, accidents or losses caused by his/her crew.

9. RETURNING THE BOAT (CHECK-OUT)

- a. The charterer is required to return the boat to the lessor on time at the agreed upon destination. The boat must be clean and tidy, not damaged, and the gas tank(s) must be full. If the boat is not returned on time to the agreed upon destination, the charterer is required to pay three times the regular daily price for each day overdue (each day begun is considered a full day) and to pay for costs related to the late return. The late return can be justified in the case of Force Majeure (including, but not limited to, strikes, lock-outs or other labour disputes, civil commotion, riots, blockade, invasion, war, fire, explosion, sabotage, storm, collision, grounding, fog, governmental act or regulation, major mechanical or electrical breakdown beyond the crew`s control and not caused by the lessor`s negligence) provided that the charterer immediately informs the lessor. Costs for lost or damaged boat parts and/or equipment caused by the charterer and his/her crew due to negligence and careless operation of the boat will be deducted from the deposit.
- b. Should the gas tank(s) not be full, the lessor will deduct the required amount to fill the gas tank(s) from the deposit. In case of damage or loss of equipment the lessor keeps (according to the extent of the damage) a part of whole deposit till the final settlement of expenses.

10. INSURANCE

The boat, equipment and crew are insured for all damages and losses exceeding the deductible, depending on the type of the rented boat. The boat and the boat leader are insured for damages done to a third party. All damages and/or losses covered by the insurance must be immediately reported to the lessor in written form.

11. RESPONSIBILITY OF THE CHARTERER

- a. The charterer is required to pay the lessor for all material and legal costs not covered by the insurance that are the result of the charterer`s deeds and negligence for which the lessor is responsible to a third party. The charterer is particularly responsible in the case of boat confiscation due to unlawful activity. In the case of accident and/or shipwreck, the charterer is required to record the course of events or obtain a written note from the Harbor Master`s Office, from a doctor or from other authorized parties, as well as to immediately inform the lessor. In the case that the boat is missing, confiscated, or sailing is not possible or is forbidden by an authorized party or other, the charterer is required to inform the lessor and the authorized parties.
- b. The charterer is required to check the oil level daily. The charterer is responsible for damages and losses due to the lack of oil in the engine. Damages caused to parts of the boat under the water level caused by the charterer`s negligence and careless operation will be charged to the charterer.

12. LOSS OF PROPERTY

BETA CHARTER d.o.o. is not responsible for the loss and/or damage to the charterer`s or a third party`s property placed on the boat, in BETA CHARTER d.o.o office, vehicle, on the peer, or anywhere in Marina Dalmacija.

13. COMPLAINTS

Only written complaints made when returning the boat (check-out) and signed by both lessor`s representative and the charterer personally, will be taken into consideration. If the charterer does not follow these conditions he takes over the responsibility for all compensation claims from the lessor or from third parties.

14. ARBITRATION CLAUSE

Any misunderstanding or dispute should be solved in a friendly manner. Failing this, the Court in Zadar will be competent.

Any controversy, dispute, or claim arising out of or relating to this contract, including such relating to its breach, termination or invalidity thereof, shall be finally settled by a panel of three arbitrators or a sole arbitrator appointed in accordance with the Rules of Arbitration of the Permanent Arbitration Court at the Croatian Chamber of Commerce as in force. The substantive law of Croatia shall be applicable to the substance of the dispute. The language to be used in the arbitral proceedings shall be Croatian. The appointing authority shall be the President of the Court in Zadar.

Compensation claims are limited to the height of rent. All other expense claims (travelling expenses, overnight stays, refund for pain and fears, refund for lost days and ruined vacation...) are excluded.

Signature

Signature

BETA CHARTER d.o.o.