

## **CONDITIONS OF THE AGREEMENT ON ACCOMMODATION ON THE VESSELS** as part of the Agreement

**1. EFFECTIVENESS:** This Agreement is effective from the moment of payment of the whole amount for the accommodation aboard the vessel. If the whole amount is not paid within the agreed deadline, this Agreement is void and null and the owner keeps the previously paid amount.

**2. DOWN PAYMENT** of EURO 1000, 1500, 2000 (cash, credit cards: Visa, Eurocard / Mastercard, American Express, Diners) has to be deposited at the moment of taking over the vessel by the customer - guest. This down payment will be entirely given back if the vessel is brought back undamaged at the agreed time and place. In case of loss or damage to the equipment, certain parts of the vessel or the vessel itself, the owner will keep the amount (part of the down payment) corresponding to the procurement/purchase price of the equipment part or equal to the price of repair of the same part of the vessel. The customer – guest has to check the oil in the engine on daily bases. The damage incurred because of lack of oil in the engine is not covered by insurance. The customer – guest is responsible for restitution of the vessel at the time and place set by this Agreement as well. For every hour of belated restitution of the vessel, the customer – guest agrees to compensate the loss incurred to the owner of the vessel at the cost of EURO 300 because of not having the vessel at his disposal. The delay may be caused only by Force Majeure, whereof the owner must be notified at due time.

**3. PRICE OF THE SERVICE** includes the use of the vessel. The owner of the vessel covers the costs of berthing only within the home marina at Kaštela. Costs of berthing in other marinas are born by the customer – guest. The customer – guest will bring the vessel back with the full fuel and water tank, clean and dry, and with properly operating engine.

**4. COSTS DURING ACCOMMODATION:** After having taken over the vessel, all additional costs of daily berthing at the port or marina, the costs of fuel, oil, water and other necessities, as well as the costs of repairing any kind of damage or defect incurred during the period of this Agreement, not resulting from natural wear and tear of the vessel, are to be borne by the customer - guest, under the condition that the customer – guest previously concluded an understanding with the owner on technical justifiability of the repairs which have to be done.

**5. LIABILITIES OF THE CUSTOMER – GUEST:** For all actions and oversights of the customer – guest for which the owner is liable against the third party, the customer has to fully compensate to the owner, whether the question concerns material and/or legal costs resulting from specified actions or oversights. The customer – guest is liable for the vessel in case of attachment of the same by any authority due to inadequate or illegal actions taken during the use of the vessel during the period of this Agreement.

**6. CANCELLATION OF ACCOMMODATION ABOARD THE VESSEL:** Should the customer- guest be prevented, for any kind of reason, from taking over the vessel, the customer may find another person who will take over all his rights and obligations resulting from this Agreement, in his place. If the replacement is not found, the owner of the vessel will keep:

- 40% of the total amount in case of cancellation from the customer up to 1 month before boarding the vessel;
- 100% of the total amount in case of cancellation from the customer less than 1 month before boarding the vessel

**7. DELIVERY:** Delivery of the vessel is done at 17:00 hours, and the vessel is to be brought back at 9:00 hours. The owner of the vessel obliges to deliver the vessel in technically correct condition. If the owner, for any reason, should not deliver the vessel to the customer at the agreed place and time, the customer may require a refund in the amount corresponding to the number of days he was prevented from having the vessel at his disposal. The agreed period of accommodation on the vessel may be prolonged by the customer for the amount of time corresponding to the time of delayed delivery of the vessel from the owner, with previous agreement with the owner. If the owner is prevented from delivering the vessel to the customer at the agreed place 24 hours upon the lapse of the delivery deadline, or deliver the customer another vessel of similar or better characteristics, the customer may cancel the Agreement and request a refund of the total previously paid amount.

In case of a major malfunction on the vessel, the owner is obliged to repair the same malfunction in the period of 24 hours from the moment the same malfunction is reported; in case the malfunction may not be repaired, the owner has to give the customer another vessel of similar or better characteristics.

During the period of time needed by the owner of the vessel for the purpose of repairing the malfunction on the vessel, the owner is to bare all the costs of the vessel – berthing, except in case that the customer uses the same vessel for his accommodation even during the period of repairing the same. In such case, the owner is not obliged to refund the amount paid by the customer because of his inability to navigate. Any other damages are hereby excluded.

The customer is obliged to check the condition of the vessel and of the equipment according to the inventory list, which he has to sign along with the condition of the vessel at the moment of delivery of the same. All complaints must be filed before the beginning of the trip. All shortcomings and malfunctions on the vessel and/or equipment, which are not noticed during the delivery of the vessel by the owner to the customer, do not entitle the customer to obtain a discount to the price of accommodation aboard the vessel. Keeping pets (dogs, cats, birds etc.) aboard the vessel is not allowed except with previous agreement. The customer is obliged to remove all the rubbish and dirt from all the surfaces of the vessel, especially from the cockpit of the vessel, before giving the vessel back to the owner. The footbridge of the vessel has to be removed / put away in order to prevent infestation of the vessel by vermin (mice).

**8. INSURANCE:** Insurance is determined by the conditions set by the company insuring the vessel. The damages covered by insurance, which have not been immediately reported to the insurance company, which are in line with the insurance policy shall not be recognized. In such case, the customer is personally liable for all the damages as a result of not reported or belated report of damages. Furthermore, the personal belongings are not insured. The vessel's crew is insured.

**9. GENERAL TERMS AND CONDITIONS:** The customer – guest hereby agrees that he is to sail within the territorial borders of the Republic of Croatia (each and every exception requires a written approval), that he shall not give or lend the vessel to third parties, that he shall not participate in regattas or vessel races, that he will not use the vessel for commercial purposes, for professional fishing, sailing school etc., and that he will sail only in safe weather conditions and at good visibility. Furthermore, the customer obliges to respect the customs' and other rules and regulations, and he agrees that he shall not transport goods or persons for a financial compensation, that he shall not sail in the zones closed for sailing, that he shall handle the vessel, its inventory and equipment with care, and that he shall not participate in towing another vessel of any kind. In case of a shipwreck and/or accident the customer – guest

shall record the course of events, and shall ask the Port Authority, physician or other authority to certify the same. He shall immediately notify the owner of the same event. Furthermore, the customer agrees to notify the authorities and the owner in case of disappearance of the vessel, in case of inability to drive the vessel, and in case of prohibition of sailing by state authorities or third parties. In case the customer should fail to comply with the above defined obligations, the customer is personally liable to the owner and takes full responsibility for all consequences. The damage to the lower / underwater part of the vessel as consequence initiate the full examination of the vessel at the expense of the customer.

**10. REGULATIONS FOR USAGE OF THE SAILS:** Due to the weather conditions above 30 knots, the customer is obliged to lower the sails and not allow the vessel to sail under the tension of the sails above the point of comfortable sailing. The customer obliges not to sail in the area which is obscure to the navigation charts at his disposal, or without having thoroughly examined the navigation charts of the certain area or any other relevant materials at his disposal; the customer obliges not to sail during the night without the usage of all navigation lights and adequate watch from the deck.

**11. PORT LEAVING REGULATIONS:** The customer shall not leave the port or berthing point if the strength of the wind exceeds or is expected to exceed 30 knots, or if the port authority issued a navigation ban, or until the damage of any vital part of the vessel such as engine, sails, ropes, bilge pump, capstan, navigation lights, compass, safety equipment etc. is removed or repaired, or if any of the specified devices is not functioning correctly; the customer shall not leave the port or berthing point without enough fuel in the reservoir, or generally speaking, when the weather conditions or vessel's conditions or the vessel's crew are not safe or are in doubt.

**12. NAVIGATION LICENCE:** The customer hereby declares that he is possession of a valid navigation licence and a VHF licence or that the vessel shall be navigated by a member of the crew in possession of an adequate navigation or VHF licence.

**13. SAILING TEST:** The owner (or his representative) may ask the customer and his crew to prove their navigation abilities at sea with the owner (or his representative) present aboard the vessel during the test. If, according to the opinion of the owner, the customer does not satisfy with his knowledge, the owner may cancel the Agreement as specified above, or name the captain of the vessel to navigate the same, who will be acceptable both for the owner and for the customer. The cost is to be borne by the customer in duration necessary for the safety of the vessel or of its passengers, and the number of days is to be determined by the owner. The navigation ability test is an integral part of the time period of accommodation as set in the Agreement.

**14. COMPLAINTS:** Only those complaints which are submitted in writing by the time of the return of the vessel and signed by the owner and customer shall be taken into consideration.

**15. ADDITIONAL AGREEMENTS:** These have to be made in writing. The parties hereto agree to try to settle all possible misunderstandings or disputes by means of agreement. If the dispute is not settled in such a way, the competent court shall be the municipal court at Kaštela, and the applicable regulations shall be those of the Republic of Croatia. If any of the provision of the Agreement on accommodation aboard a vessel should be null or void, this shall not affect the validity of other provisions of the Agreement. In such case, the null or void

provision shall be replaced by an agreement between the parties, such as it would have been in case the parties had known that the provision will be inapplicable or void during the stipulation of the Agreement.