

BLUE NAUTICA CHARTER CONDITIONS

1. Acceptance of rental conditions

These general conditions of boat rental regulate the rights and obligations of the lessee (referred to hereafter as the “Charterer”) and the lessor (referred to hereafter as the “charter company” or Blue Nautica). Blue Nautica is referred to hereafter as “BN” and reservation of a boat through the Blue Nautica web page is referred to hereafter as “web page”. The Charterer accepts all rental conditions in his/her name on behalf of his/her crew.

2. Rental price and payment

The rental price includes rent of the boat with standard equipment, together with boat and crew insurance for the rental period. The rental price excludes costs incurred relating to domicile marinas (parking, berth, etc.), fuel, skipper service and the costs of other optional services. Pets are not allowed aboard. The Charterer can take responsibility for the boat that was previously reserved after paying 50% of the rental price 7 days after booking confirmation and the remaining 50% of the rental price at minimum 4 weeks prior to the rental date. These payment regulations cannot be modified without BN’s consent.

3. Obligations of the Charter Company

The Charter Company agrees to provide the Boat to the Charterer in full commission and in proper working order, with a full complement of equipment, inclusive of that required by the Specification on BN web page. The boat must be in immaculate condition, with the water and fuel tanks fully filled. It should be delivered at the agreed time and with all necessary documentation.

If, for any reason, the Charter Company does not fulfil the above-mentioned conditions, the Charterer has a right to reimbursement for all days when he was unable to use the boat. Also, if it is impractical for the Charter Company to place the reserved boat at the Charterer’s disposal at the agreed time and in the agreed place, the Charter Company is obliged to ensure that a substitute boat is available with the same or better specification than the one reserved. If the Charter company is unable to provide a substitute boat, the Charterer has right to cancel the contract and request reimbursement of the whole rental amount or part of the amount for those days when he/she was unable to use the boat.

The Charterer has a right to reimbursement only of the paid rental amount. All other rights are excluded. If the boat or its equipment is damaged due to unforeseen, natural causes, the Charterer is obliged to contact the Charter Company immediately. The Charter Company is

obliged to rectify any damage to the boat within 24 hours. In this instance, the Charterer has no right to any reimbursement.

4. Deposit

Prior to taking responsibility for the boat from the marina where it is moored (ACI Marina Trogir), the Charterer is obliged to pay a deposit to the Charter Company. The deposit may be paid in cash or by credit card and will be reimbursed to the Charterer once the boat has been returned and satisfactorily inspected. The deposit will be reimbursed to the Charterer in full only where no damage has been caused to the boat or its equipment nor reports of potential damage made by third parties during usage of the boat.

If the Charterer reports damage or the Charter company discovers during inspection that the boat or equipment is damaged or a piece of equipment is missing, the Charter Company will retain part or all of the deposit, equal to the cost of repairs or replacement of missing equipment.

Should the boat not be returned in a clean and tidy condition, cleaning fees will be deducted from the deposit. Should the fuel tanks not be full, the amount required to fill the fuel tanks will be deducted from the deposit.

5. Navigation/skipper licence and VHF licence

The Charterer undertakes to possess a valid navigation licence and VHF licence, or that a crew member with valid permits or licences will navigate the vessel.

6. Sailing/driving test

BN/Charter company representative may require of the person who will navigate the vessel to demonstrate his/her competence in handling and navigating the vessel safely by actually operating the vessel at sea with BN/Charter company representative aboard. Should the person fail to satisfy the BN/Charter company representative in this respect, the BN/Charter company representative may terminate this Agreement as stated above, or place a seaman acceptable to both BN/Charter company and the Charterer at the expense of the Charterer for as many days as BN/Charter company considers to be necessary for safety of the vessel and passengers. Any time required for this test of the Charterer's competence seamanship will be part of the agreed charter period.

7. Obligations of the Charterer

After having taken responsibility for the boat, the Charterer is obliged to sail solely in Croatian territorial waters. In order to leave Croatian territorial waters, he/she must obtain special written approval. The Charterer is required to observe all rules and regulations

relating to keeping a boat log, treating the boat and its equipment with utmost care and sailing in accordance with good navigational practice, i.e. only when the weather conditions are favourable and there is good visibility.

The Charterer or his/her skipper should have navigational skills and hold all licences necessary for navigation in the open sea and usage of a VHF radio station.

If the boat is involved in an accident on the sea and the boat or any of its equipment is damaged during sailing, the Charterer is required to inform the Charter Company immediately. The relevant telephone numbers of the Charter Company can be found in boat documentation.

8. Responsibilities of the Charterer

If any misdeeds and/or negligence in boat manoeuvring have resulted in damage to a third party which is not covered by insurance, the Charterer is personally obliged to cover all material and legal costs that may result from such misdeeds/negligence. The Charterer is responsible in particular where the boat is confiscated due to unlawful boat activity. In the case of damage and/or accident, the Charterer is obliged to make a note of events and to ask for written certification from the nearest Port Authority, doctor, or other authorized persons. The Charterer is also obliged to inform the Charter Company of any such event.

If the boat is lost, confiscated or an authorised party has forbidden its sailing, the Charterer is obliged to inform the Charter company and any other relevant authorised persons.

The Charterer is required to check the oil level in the motor on a daily basis. The Charterer is obliged to cover all costs relating to damages and losses resulting from a lack of oil in the engine. All damages to the underwater section caused by the Charterer's negligence will be repaired at the Charterer's expense.

9. Boat Inspection

The Charterer is required to return the boat to the Charter Company at the agreed time and in the agreed location. The boat must be clean, undamaged and the fuel tanks must be full. If the Charterer does not return the boat to the Charter Company at the agreed time and in the agreed location, the Charterer agrees to pay 300% of the daily rate of the full base boat price for each hour overdue. Late return may be justified in the case of force majeure provided that the Charterer informs the Charter Company immediately.

10. Insurance

Boat insurance is subject to the conditions set out by the relevant insurance company.

The boat, its equipment and crew are insured for all types of damage and loss, the value of which surpasses the franchise/deposit amount for the aforementioned boat. The boat's

guide holds liability insurance for third party damages. In the case of more serious accidents and where other boats are involved, the Charterer is obliged to report such cases to authorized persons at the nearest Port Authority Office and obtain all documentation that the insurance company deems necessary. The documentation shall contain all relevant information regarding the causes of the accident and conditions prevailing at the time of the accident. The Charterer is obliged to inform the Charter Company immediately of any such events. If the Charterer fails to take the aforementioned steps, he/she will be held liable for all damage arising from the non-reporting or late reporting of the incident.

The insurance policy covers all damage arising from inclement weather and other natural disasters but does not cover damage arising from intentional or negligent boat manoeuvring. The Charterer is not permitted to use his/her deposit to pay for this type of damage. The Charterer should cover all costs caused by misdeed or negligence. The insurance policy does not cover damage to the motor that are caused by lack of motor oil.

11. Rental cancellation

Should the Charterer and his/her crew cancel the rental for any reason after entering into an agreement with the Charter Company, BN will retain the whole amount paid for rental. Should the Charterer cancel the rental 4 weeks or more prior to the charter period, BN will retain 50% of the rental price. Should the Charterer cancel the rental less than 4 weeks prior to the charter period, BN will retain the whole amount. Where a Charterer has insured him/herself for the hiring of a charter boat but has subsequently cancelled the boat hire for justified reasons the insurance company may offer the Charterer compensation.

BN reserves the right to substitute a boat when the reserved boat is damaged due to unforeseen circumstances, e.g. natural disasters causing water damage, etc. In this instance, BN will provide a boat with an equal or better specification than the boat reserved.

This clause ceases to apply in the case of war, terrorist activities, natural and nuclear disasters or other unforeseen circumstances that could be defined as an Act of God. In this instance, BN is not obliged to pay compensation to the Charterer.

12. Complaints

If the Charterer and her/his crew have any complaint during the boat chartering period, they should inform the Charter Company/BN about it who will endeavour to resolve any problems. Only objections and complaints presented in written form during the boat inspection will be taken into consideration.