

#### **CLAUSE 1 AGREEMENT TO LET AND HIRE**

The OWNER agrees to let the Vessel to the CHARTERER and not to enter into any other Agreement for the Charter of the vessel for the same period. The CHARTERER agrees to hire the Vessel and shall pay the Charter Price and any other agreed charges, no later than the Charter Date and to the Account specified in this Agreement.

#### **CLAUSE 2 DELIVERY and REDELIVERY**

The OWNER shall deliver the Vessel on the Charter day to the Place of Delivery and the CHARTERER shall take delivery in full commission and working order. The Vessel shall be insured, seaworthy, clean, in good condition and ready for service, with full equipment, including up-to-date safety and lifesaving equipment, as required by the Vessel's registration authority and fitted out as appropriate for a Vessel of her size and type and enabling the CHARTERER to use the Vessel as set out in Clause 10. The OWNER does not warrant her use and comfort in bad weather conditions for all cruises or passages within the Cruising Area. The CHARTERER shall re-deliver the Vessel at the Place of Re-Delivery in as good a condition as when delivery was taken. In case of delay by the CHARTERER to redeliver the Vessel due to intentional delay or change of itinerary against the Captain's advice, the CHARTERER shall pay to the OWNER via the Broker/Stakeholder's Account demurrage at the daily rate plus 50% of the daily rate. The CHARTERER shall be liable for all operating costs and indemnify the OWNER for any loss or damage which the OWNER shall suffer by reason of deprivation of use or cancellation of, or delay in delivery under any subsequent charter of the Vessel.

#### **CLAUSE 3 MAX NBR OF PERSONS / CHILDREN / HEALTH OF THE CHARTERER'S PARTY**

a) The CHARTERER shall permit more than the Maximum Number of Guests on Board plus, at the sole discretion of the Captain, a reasonable number of visitors whilst the Vessel is securely moored in port or at anchor. b) If children are taken on board, the CHARTERER shall be fully responsible for their conduct and entertainment and no member of the Crew shall be held responsible. c) The nature of a Charter may render it uncomfortable or unsuitable for anybody with physical disability or undergoing medical treatment. By signature of this Agreement the CHARTERER warrants the medical fitness of all Guests and visitors for the voyage contemplated by this Agreement. The CHARTERER and his party undertake to have all necessary visas and vaccinations for the countries to be visited.

#### **CLAUSE 4 CREW**

The OWNER shall provide qualified and properly trained Crew and a Captain qualified in accordance with the Vessel's flag state requirements and acceptable to the insurers of the Vessel. No member of the Crew shall carry or use any illegal drugs on board or keep any firearms on board (other than those declared on the manifest). The Captain and Crew shall comply with laws and regulations of any country into whose waters the Vessel shall enter during the course of this Agreement.

#### **CLAUSE 5 CAPTAIN'S AUTHORITY AND RESPONSIBILITIES**

a) The Captain shall comply with all reasonable orders given by the CHARTERER regarding the management, operation and movement of the Vessel, wind, weather and other circumstances permitting. The Captain shall not, however, be bound to comply with any order which might, in the reasonable opinion of the Captain (a) result in the Vessel moving to any port or place that is not safe and proper; (b) result in the CHARTERER failing to re-deliver the Vessel upon the expiration of the Charter Period; or (c) cause a breach of this Agreement. Without prejudice to any other remedy of the OWNER, if in the reasonable opinion of the Captain, the CHARTERER or his Guests fail to observe any of the provisions in Clause 10 after the Captain has given due and specific warning to the CHARTERER the OWNER may instruct the Captain to return the Vessel to the Place of Re-Delivery and upon such return the Charter Period shall be terminated. The CHARTERER and his Guests shall disembark, the CHARTERER having settled all outstanding expenses with the Captain beforehand and the CHARTERER shall not be entitled to any refund of the Charter Fee. (c) With regard to the use of watersports equipment, the Captain shall have the authority to exclude the CHARTERER or any of his Guests from use of any watersports equipment if they are unsafe, behaving in an irresponsible manner, under the influence of alcohol, or are failing to show due concern for other persons or property when operating this equipment.

#### **CLAUSE 6 OPERATING COSTS**

The Charter Fee includes the charter of the Vessel with all its equipment in working order; tools; cleaning materials and basic consumable; the crew's wages, uniforms and food; the insurance of the Vessel and crew as per Clause 11. The CHARTERER will pay, at cost, for all other expenses, including but not limited to, fuel; food and all beverages; berthing dues and other harbour charges including pilots' fees, local taxes, customs formalities and any charges for waste disposal, charges for water and electricity taken from shore; communications and internet use; and hire or purchase costs of any special equipment placed on board at the CHARTERER's request. The OWNER shall ensure the Captain will exercise due diligence in the expenditure of the APA. Any charges or fees related to the transfer of the APA to the Vessel are for the CHARTERER's account. Exchange rates, if applicable, cannot be guaranteed. The Broker and the Stakeholder shall not be responsible in case of any issues related to the payment of the APA. Prior to disembarkation at the end of the Charter Period, the Captain shall present to the CHARTERER a detailed account of expenditure, with as many supporting receipts as possible, and the CHARTERER shall pay to the Captain the balance of the expenses or the Captain shall repay to the CHARTERER any balance overpaid, as the case may be. Payment by cheque, credit card or other negotiable instrument is not normally acceptable due to the itinerant nature of the Vessel's seasonal schedule and the CHARTERER should therefore ensure that he has sufficient funds available to cover all foreseeable expenses or arrange to deposit additional funds with the Broker.

#### **CLAUSE 7 FAILURE TO DELIVER OR CANCELLATION BY OWNER**

a) If prior to the commencement of the Charter Period, the OWNER tenders notice of cancellation via the Broker by reason of force majeure, the CHARTERER's exclusive remedy will be to receive immediate repayment without interest of the full amount of all payments made by him under this Agreement. b) If the cancellation is for any other reason, including for sale of the Vessel, the CHARTERER shall be entitled to immediate repayment without interest of the full amount of all payments made by him under this Agreement and shall be entitled to the following liquidated damages from the OWNER: i) 30 days or more before starting of the Charter Period, 25% of the Charter Fee. ii) between 14 and 30 days before starting of the Charter Period, 35% of the Charter Fee. iii) 14 days or less before commencement of the Charter Period (including in case of non-delivery of the Vessel the day of the charter), 50% of the Charter Fee. In this Agreement 'force majeure' means any cause directly attributable to acts, events, non-happenings, omissions, accidents or Acts of God beyond the reasonable control of the OWNER, the Crew, or the CHARTERER (including, but not limited to, strikes, lock-outs, civil commotion, acts of terrorism, blockade, war, fire, explosion, sabotage, storm, collision, grounding, fog, governmental act or regulation, contaminated fuel, major mechanical or electrical breakdown beyond the Crew's control and not caused by lack of maintenance and/or OWNER's or Crew's negligence). Crew changes and shipyard delays not attributable to the aforementioned causes, do not constitute force majeure. When force majeure is invoked in relation to breakdown or disablement, the Owner will instruct the Captain or Owner's representative to submit a detailed technical report, a copy of the vessel's maintenance log, if applicable, and all relevant supporting documentation to the Charterer or Charterer's representative.

#### **CLAUSE 8 CANCELLATION BY CHARTERER, DEFAULT OF PAYMENT OR FAILURE TO PAY**

a) Should the CHARTERER give notice of cancellation of this Agreement after its signature and after any payment become due or has been made, the OWNER shall be entitled to retain such payment already made or to claim the payment due. In case of failure to pay any amount due under this Agreement, the OWNER shall be entitled to terminate the Agreement. b) i) Notwithstanding the OWNER's right to receive or retain all payments referred to above, the OWNER shall be under a duty to mitigate the CHARTERER's loss. In the event the OWNER is able to re-let the Vessel for all or part of the Charter Period under this Agreement, the OWNER will give credit for the net amount of charter hire arising from such re-letting after deduction of all commissions and other consequential expenses arising from such re-letting. The intention is that the OWNER shall receive the same in net proceeds from any re-letting as would have been received under this Agreement had it not been cancelled or repudiated, so that the OWNER shall reimburse or forgive payments received or due from the CHARTERER only to the extent that the net proceeds from any re-letting which correspond to part or all of the Charter Period exceed the amounts which would have been received under this Agreement. The OWNER shall use his best endeavours to re-let the Vessel and not unreasonably withhold his agreement to re-let, although charters which may reasonably be considered detrimental to the Vessel, its reputation, its Crew or its schedule may be refused. ii) If prior to the cancellation, the Vessel has taken on provisions for the Charter, or has utilised the Delivery/Re-delivery Fee, then the CHARTERER shall pay for these expenses unless all or part can be either refunded by the supplier or transferred to the next Charter, in which case they shall be adjusted accordingly. The Captain and OWNER shall be under a duty to mitigate these expenses where possible. c) If, after signature of this Agreement, the OWNER is adjudged bankrupt or, in the case of a liquidator, receiver or administrator is appointed over all or part of the OWNER's assets, the CHARTERER shall be entitled to cancel the Charter and all monies paid to the OWNER, his agent or the Stakeholder pursuant to this Agreement shall be refunded without deduction.

#### **CLAUSE 9 BREAKDOWN OR DISABLEMENT**

The Captain shall immediately notify the Broker and Stakeholder of any breakdowns, disablements, crew changes, accidents, or other significant incidents that occur during the Charter Period. If after delivery the Vessel shall at any time be disabled by breakdown of all or part of the Vessel so as to prevent its reasonable use of by the CHARTERER for a period of more than 1/10th of the Charter Period, (and it has not been brought about by any CHARTERER's act or default) the OWNER shall make a pro rata refund of the Charter Fee for the period of the disablement and the Charter shall terminate, except if otherwise agreed. In the event of such termination, the CHARTERER may effect redelivery by giving up possession of the Vessel where she lies. The CHARTERER shall be entitled to recover from the OWNER the reasonable cost of returning the CHARTERER and his Guests to the Place of Re-Delivery.

#### **CLAUSE 10 USE OF THE VESSEL**

The CHARTERER and Guests shall comply with laws and regulations of any country into whose waters the Vessel enters during this Agreement and shall not cause a nuisance to any person or bring the Vessel into disrepute. The CHARTERER shall ensure that no pets embark without the OWNER's consent. The Vessel is not to be used for commercial photo/film shoots, unless agreed by the OWNER. The CHARTERER and Guests shall afford the Crew due respect at all times. No Crew member shall be harassed (sexually or otherwise) by the CHARTERER or Guests. Unless otherwise agreed, smoking shall be restricted to the areas designated by the Captain. Rendezvous diving are only under special conditions. The Captain shall promptly notify the CHARTERER of any infringement of these terms; if such behaviour continues after this warning, the Captain shall inform the OWNER or Stakeholder, and the OWNER may terminate this Agreement. If the CHARTERER or the Guests commit any offence contrary to the laws and regulations of any country which results in any Crew being detained, fined or imprisoned, or the Vessel being detained, arrested, seized or fined, the CHARTERER shall indemnify the OWNER against all loss incurred by the OWNER as a result, and the OWNER may terminate this Agreement. The Vessel operates a zero tolerance policy and the possession or use of any illegal drugs or any weapons (including firearms) is strictly prohibited on board the Vessel. Failure to comply shall be sufficient reason for the OWNER to terminate the Charter. Any termination by the OWNER as the result of CHARTERER's breach of this clause shall be without refund or recourse against the OWNER, Stakeholder or Broker.

#### **CLAUSE 11 INSURANCE**

a) Throughout the period of this Agreement the OWNER shall insure the Vessel with first-class insurers against all customary risks for a Vessel of her size, value, and type on cover no less than is provided under Institute Yacht Clauses 1.11.85 or other recognised terms extended to provide Permission to Charter and to cover Third Party liability, Water Skiers liabilities together with liabilities arising from the use by the CHARTERER and other competent person(s) authorised by him of personal water craft, including jet skis, wave runners and other similar powered craft as well as windsurfers, dinghies, catamarans or other water-sports equipment carried by the Vessel. The insurance shall also cover War, Strikes, Pollution and include insurance of Crew against injuries and/or Third Party liabilities incurred during the course of their employment. The CHARTERER shall remain liable for any loss, damage or liabilities arising from any act of negligence of the CHARTERER or his Guests and not recoverable by the OWNER under his insurance. b) All such insurances shall be on such terms and subject to such excess (deductible) as are customary for a vessel of this size, value, and type. Copies of all relevant insurance documentation shall be available on request for inspection by the CHARTERER prior to the Charter on reasonable notice to the OWNER, and shall be carried on board the Vessel. c) The CHARTERER should carry independent insurance for Personal Effects whilst on board or ashore and for any Medical or Accident expenses (including emergency transport evacuation) incurred. d) The CHARTERER should be aware that neither Charterer's Liability Insurance nor Cancellation and Curtailment Insurance are included in this Agreement.

#### **CLAUSE 12 SECURITY DEPOSIT**

Unless otherwise provided, the Security Deposit shall be held by the Stakeholder on the OWNER's behalf and may be used in or towards discharging any damage or liability that the CHARTERER may incur under this Agreement. If not required, the Security Deposit shall be refunded without interest to the CHARTERER no later than 10 days after the end of the Charter Period, or after settlement of all outstanding questions, whichever is the later.

#### **CLAUSE 13 PAYMENT OF CHARTER FEES AND OTHER MONIES TO THE OWNERS**

All funds received by the Broker against this Agreement shall be transferred immediately upon receipt to the Stakeholder (if the Broker is not the Stakeholder) and then held by the Stakeholder. 50% of the Charter Fee shall be paid to the OWNER by the Stakeholder after deduction of the full commission by Bank Transfer on or on the first working day after the date of the Charter Period. Any APA amounts due under the Charter Agreement shall be paid by Bank Transfer by the Stakeholder, to the Captain, or to the OWNER for onward transmission to the Captain prior to embarkation. The Delivery and/or Re-delivery fees (if applicable) and any extraordinary expenses shall either be paid with the first payment to the OWNER or directly to the Captain. The balance of the Charter Fee shall be paid to the OWNER on the first working day following completion of the Charter Period unless the Stakeholder has received notice of a complaint by or on behalf of the Charterer. In that case, the Stakeholder shall be obliged to retain the balance of the Charter Fee for a period of 14 days. If during such 14 day period the Charterer's complaint is resolved by agreement with the Owner then the Stakeholder shall pay the balance of the Charter Fee to the Owner. If after 14 days neither party shall have appointed an arbitrator then the balance of the Charter Fee shall be paid by the Stakeholder to the Owner on the first working day thereafter. Otherwise, the Stakeholder shall retain the balance of the Charter Fee in a designated account until Arbitration Award or the matter settled by mutual agreement. Notwithstanding anything to the contrary in this Agreement, if the payment selected on the first page of this Agreement indicates "Credit Card", the parties acknowledge that the payments shall be directly processed using the Stakeholder's credit card payment facility. All payment delays indicated within the Agreement may be extended by up to ten (10) banking days in order to allow the bank to process the payments and the Stakeholder to receive cleared funds. The Broker and the Stakeholder shall not be responsible for any delay or issues arising out of Credit Card payments.

#### **CLAUSE 14 ARBITRATION & LAW**

This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the arbitration Act 1996 or any statutory modification or re-enactment thereof. The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association Terms current at the time when the arbitration proceedings are commenced. Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of three or a sole Arbitrator. In cases where neither the claim nor any counterclaim exceeds the sum of €50 000 or currency equivalent (or such other sum as the parties may agree). The award rendered by the arbitration shall be final and binding upon both parties. Notwithstanding the above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Agreement.

#### **CLAUSE 15 BROKERS**

a) The commission shall be deemed to be earned by the Broker and the Stakeholder upon the signature of this Agreement and payment of deposit funds by CHARTERER and be payable by the OWNER on the full Charter Fee plus the Delivery/ Re-delivery Fee and on any Charter Fee on charter extension, if applicable, but excluding running expenses, according to Clause 13, whether or not he defaults for any reason including force majeure. In the event of cancellation by the CHARTERER, the commission shall be deducted as an expense from the deposit. b) If the CHARTERER should sign an agreement for the Re-Charter of the Vessel from the OWNER, his Agent or the Stakeholder, within 2 years from the date of completion of the Charter period, whether or not on the same terms, then the Broker shall be entitled to, and shall be paid by the OWNER, commission on the gross Charter Fee paid for that further Charter as provided herein. However, if the CHARTERER should choose to sign an agreement for the re-charter of the Vessel within this two-year period via another Broker to whom the commission is being paid, the OWNER shall pay a commission once only on the first Charter within that period of 1/3rd of the full rate to the original Broker and 2/3rds to the new Broker. c) i) If any agreement should be reached directly between the CHARTERER and the OWNER for the purchase of the Vessel within 2 years from the date of completion of the Charter period, then the Broker shall be entitled to and be paid by the OWNER an industry acceptable sales commission. ii) However, should the CHARTERER purchase the Vessel from the OWNER via a Sales Broker to whom the commission is being paid, then the OWNER shall pay, or shall ensure that the Sales Broker shall pay, to the Broker a sum equivalent to not less than 15% percent of the gross sales commission. It is the responsibility of the OWNER to advise any future Sales Broker of this liability. iii) Subclause 17 c) ii) above only applies following the free choice of the CHARTERER and is not relevant if the appointment of a Sales Broker different from the Broker is suggested or solicited by the OWNER, his Agent, Captain or Representative. If the appointment of a different Sales Broker is suggested or solicited by the OWNER, his Agent, Captain or Representative, then Clause 17 c) i) above shall apply, as if the CHARTERER had reached the agreement to purchase the Vessel from the OWNER directly. d) The Broker and Stakeholder in this Agreement shall have no responsibility for any loss, damage or injury to the person or property of the OWNER or CHARTERER or any of their Guests, servants or agents, and further, the Broker and Stakeholder shall be under no liability for any errors of judgement or description or otherwise, of whatsoever nature and howsoever arising, and shall be under no further obligation, duty or responsibility to the OWNER or the CHARTERER save as set out herein. The OWNER and the CHARTERER shall jointly and severally indemnify and hold harmless the Broker and Stakeholder for any loss or damage sustained by them as a result of any liability by the Broker and Stakeholder to any Third Party (person, firm, company or authority) arising from promoting or introducing this Charter, assisting in the performance of this Agreement or performing the duty of Stakeholder. e) For the purposes of this Clause, the terms OWNER and CHARTERER shall be understood to mean the named company or individual, or any company owned or controlled by them including companies owned indirectly or via Trustees, any Director of such a company, Beneficial Owner, Nominee, Agent or Charterer's Guest.

#### **CLAUSE 16 SALVAGE, NON-ASSIGNMENT & NOTICES**

During the Charter, the benefits, if any, from any derelicts, salvages and towages, after paying the Crew's proportion, and a proportion of the Charter Fee during the time when the Vessel is engaged in providing salvage assistance, and expenses during this time directly related to the salvage, shall be shared equally between the OWNER and the CHARTERER. The CHARTERER shall not assign this Agreement, sub-let the Vessel or part without the OWNER's consent. Any notice given or required to be given by either Party to this Agreement shall be communicated in any form of writing including by email.