



## **Bareboat and skippered yacht charter Croatia**

### **Involved parties and definition of terms**

**Charterer** is the Company Yacht & Fun Croatia d.o.o., Varaždinska ul., 1 odvojak 11, 42 000 Varaždin – Jalkovec, VAT number HR80926106143, which provides boat charter service.

**Charteree** is the person who rents the boat and is authorized to operate the yacht that is the subject of the Charter Agreement. Charteree is obligated towards the Charterer to comply with all obligations arising from the Charter Agreement or in connection with this Agreement.

**Skipper** is the person who is authorized to operate the yacht and can be hired either by the Charteree or the Charterer. Skipper's obligations towards the yacht are the same as Charteree's.

### **Charter fee and payment**

Charter fee includes dues for the usage of the yacht and its equipment as per YACHT & FUN price and inventory list at the period of time stated in the contract. Charter fee does not include additional outboard engine expenses, tourist taxes and a mooring berth expenses outside of domicile marina. The chartered yacht with complete equipment shall be used by the Charteree only after the payment to the Charterer has been done in full:

- 50% of the charter fee latest 7 (seven) days upon signing the contract
- 50% of the charter fee latest 30 (thirty) days before commencement of the charter

### **Deposit**

The security deposit (between 2000 EUR and 2500 EUR depending on the boat model and as per the current price list and Booking Confirmation) has to be deposited in the charter base by the Charteree when taking over the yacht in cash or by credit card. The security deposit shall be refunded in its full amount unless the existence of damage(s) or defect(s) on the yacht or its equipment is found during the returning of the yacht.

In case of loss of or damage to the equipment, individual parts of the yacht or theft of the Yacht itself; the Charterer shall keep a certain portion or the entire security deposit corresponding to the amount for the procurement of the lost or damaged equipment or for the repair of that individual part of the yacht.

### **Charterer's obligations**

The Charterer shall deliver to the Charteree a completely clean and dry yacht in a seaworthy condition with full fuel and water tanks in the agreed time and place. The yacht shall be furnished with up-to-date onboard documentation, inflatable life raft and emergency signals.

If there is any reason that Charterer did not fulfil above mentioned conditions, the Charteree has the right to ask for a money refund for the days he has not been able to use the yacht. Also if the Charterer cannot place the yacht at the Charteree's disposal at the appointed time and place 24 hours after the expiry of the time period for the takeover, or provide another yacht with at least similar or with better characteristics, the Charteree has the right to terminate the contract and demand the refund of total amount of the charter fee for as many days as he did not have the yacht at his disposal.

The Charteree can demand only the amount of the charter fee. Any further rights to indemnification are excluded.

In case of damage or defect on the yacht or its equipment caused by the normal yacht wear, the Charterer is obligated to inform the Charterer immediately. The Charterer is obligated to remove the damage upon notification.

If the Charterer removes the damage within 24 (twenty four) hours, the Charteree has no right to demand any reimbursement.

The Charterer shall be available during the charter period by telephone or radio at least during the usual office hours (8-17 hours on weekdays).

### **Yacht takeover and handover**

Check-in: Saturday from 17:00 CET, unless otherwise agreed in written

Check-out: Saturday until 9:00 CET, mandatory return to the domicile marina Friday until 18:00 CET, unless otherwise agreed in written

The Charteree will take over fully equipped, clean, seaworthy yacht at appointed time and place. The yacht must be in the same condition when handed back to the Charterer. When taking over the yacht, the Charteree is obliged to inspect the condition of the yacht and its equipment according to the inventory list provided by the Charterer, which both parties will sign following the inspection. The Charteree can refuse to take the possession of the yacht only in case of significantly reduced seaworthiness of the yacht.



Any possible objections have to be made until the start of navigation. The possible hidden defects on the yacht or its equipment, which couldn't be known to the Charteree at the moment of takeover, as well as defects which could arise after the takeover, do not give right to the Charteree to reduce the charter fee. The Charterer reserves the right not to hand over the yacht if the Charteree is for any reason not capable to operate the yacht or is entitled to allocate a skipper to the yacht and charge the Charteree for it. If the Charteree fails to take over the yacht within 48 hours after the expiry of the time period for the takeover, the Charterer is authorized to terminate the contract.

On hand-over, the inventory quoted on the inventory list should be checked again to see if the yacht and the equipment are in working order. If the return of the yacht is delayed, the Charteree shall bear the following fees:

- For the delay of up to three hours one day charter fee.
- For the delay of more than three hours triple daily charter fee plus all other expenses.
- Delay cannot be justified by inclement weather conditions
- Delay can only be justified in a case of force majeure and the Charterer must notify the Charterer thereof without delay.

### **Charteree's obligation**

After taking the possession of the yacht, the Charteree shall bear on his own account all costs of the daily berth in the port or in the marina outside of domicile marina, costs of fuel, oil, water, cleaning and all other necessities, as well as repairing all damages and defects, which can appear while the yacht is under Charteree's responsibility and which are not a result of normal natural yacht wear.

The Charteree is obliged to sail within the Croatian territorial waters unless agreed otherwise in written prior the commencement of the charter. The Charteree undertakes to respect customs and other regulations and rules, to take care of the yacht and its equipment and navigate it carefully and according to the rules of a good navigator and sail only during safe weather conditions and good visibility.

The Charteree declares undoubtedly that he disposes of all necessary navigational skills and that he possesses a valid license necessary for the navigation at the open sea and the radiophone certificate, which have to be presented to the Charterer before the commencement of the charter and show in original form on the handover day. The Charteree shall not let unauthorised persons to manage and/or operate the yacht and shall be liable for all consequences arising out of with letting the yacht be managed by unauthorised persons. All guarantees above also relate to the skipper that the Charteree or his agency have appointed to steer the yacht. Charterer reserves the right to ask the Charteree or the appointed skipper of the vessel to demonstrate his/her competence and skills at sea in the presence of Charterer's representative. The time required for the demonstration is part of the agreed charter period. If the Charterer determines during the demonstration that Charteree/Skipper do not have sufficient competence, experience and/or a valid licence for navigation as per Croatian maritime law, Charterer will provide the crew with a professional skipper at extra charge. The Charteree shall bear at his account all costs. If the Client refuses to accept the appointed skipper, the Charterer reserves the right to prohibit departure of the vessel, terminate the contract and to retain the full paid amount.

The Charteree undertakes and states that he shall not sub-charter the yacht or rent it to the third parties, that he shall not participate in regattas nor yacht races, that he shall not use the yacht in commercial purposes, professional or night fishing, and he shall not sail at night and by unsafe weather.

Number of persons onboard needs to correspond to the crew list at all times. The Charteree assumes the responsibility for the consequences of non-observance to his obligations. The Charteree shall notify the Charterer of all travelling persons (crew) no later than 4 weeks prior to the commencement of the charter.

In case of accident or damage the yacht or its equipment during the trip, the Charteree is obliged to inform the Charterer without delay. The Charteree is obliged to notify the Charterer and the authorities in case the yacht or equipment is missing, if the further navigation is not possible or in case yacht was dispossessed of, or if further navigation was prohibited by state authorities or third parties.

Pets may not be kept on the yacht unless agreed otherwise in written prior the commencement of the charter. The Charteree will be held responsible for all the damages of the yacht and its interior which may arise as result of keeping a pet onboard and shall bear at his account all costs to remove the damage.

The Charteree shall remove all waste from the yacht before handover of the yacht. The charterer is obliged to return the vessel with emptied human waste tank, which he will make at least 2NM from the coast; otherwise he will bear the costs of emptying the same.

The Charteree is obliged to keep a log book and take care of the sails. The Charteree shall check the oil level in the engine daily. Any damage caused by inadequate oil level in the engine shall not be covered by the insurance.



The Charteree shall also:

- keep the yacht in sufficient proximity to the return port in the last 24 hours prior to conclusion of the charter in order to ensure timely arrival in the event of adverse conditions (poor weather, strong winds etc.) Storms shall not affect the duty to return the boat punctually, except in the case of force majeure. The Charterer must be informed without undue delay in the event of foreseeable late return.
- notify the Charterer without undue delay if the turn must be ended at a location other than the return port. In this event, the Charteree shall be responsible for caring for the boat or having it cared for by sufficiently qualified persons until the Charterer is able to take possession of the boat. The charter shall end only upon taking of possession, and the Charteree shall bear any resultant costs.
- treat the chartered yacht and equipment treated with care and in accordance with the rules of due and proper seamanship.
- familiarise himself prior to commencement of the turn with the technical and all other systems of the yacht, comply with the instructions located on board and inform himself on the particularities of the shipping route (currents, changed water levels in the event of strong winds, down winds, wind tunnel effects etc.)
- perform rotational control and maintenance measures, particularly verifying the oil level and coolant level of the motor on a daily basis check bilge on a daily basis and, where applicable, perform maintenance. If and to the extent present, conscientiously keep a radio book and, where applicable, a customs and an inventory, departure and arrivals log.
- report any grounding immediately and, in the event of suspected damage to the chartered yacht, immediately head towards the next port and arrange for an examination by a diver and, following consultation with the Charterer and at its instruction, arrange for craning or dry-dock.
- pay attention to special wind and weather conditions, and to take particular care during night travel.
- only enter and leave port under motor, but to travel under motor only if and as long as necessary (and in no event under sail commencing with 10 degrees heeling!).
- come aboard the yacht only with appropriate, clean boating shoes whose colour does not rub off.
- give towing assistance only in an emergency, to have the chartered yacht towed only in an emergency and to use own ropes/lines, to attach lines (belegen) only to clamps, winches or the foot of the mast, and not to make any agreements concerning towing and recovery costs, unless the assisting party otherwise refuses its aid.
- always to duly and properly pass the boat through port and customs authorities and duly pay any port charges incurred.

#### **Charteree's liability**

The Charteree agrees and declares to navigate in a safe, responsible manner and never under influence of alcohol and/or narcotics and psychoactive substances.

For the damage caused by actions and failure of the Charteree for which Charterer is liable to the third party the Charteree is obligated to settle the damages to Charterer in their entirety, whether it is the case of material and/or legal expenses that resulted from such actions and failures.

The Charteree is explicitly liable for the yacht in case any official body confiscates it, due to inappropriate and illegal actions undertaken during the usage of the yacht.

Charteree is obliged to pay all charges for failures made by himself, for which the Charterer might have criminal or financial responsibility. In case of damage or accident Charteree is obliged to write down a suitable report and to inform authorised bodies (harbour headquarters, police, doctors) and the Charterer in case of disappearance of the yacht, impossibility of operating the yacht, as well in case of state organs or third persons seizing or confiscating the yacht or imposing measures of sailing prohibition.

#### **Insurance**

Each yacht has both Casco and compulsory insurance for passengers. The insurance is determined by the conditions stipulated by the insurance company that insures the vessel. The yacht is insured against damages from third parties. Damages normally covered by the insurance policy which are not immediately reported to either Charterer or Insurance company, shall not be recognised as per insurance policy. In that case the Charteree shall be personally responsible for total damages due to not reporting the damages to the Charterer or Insurance company and shall bear all costs that may arise. Insurance covers all the damages by franchise caused by weather or from the other natural disasters. The Charteree shall bear all costs and damages that may occur in case of intentional damages or gross negligence and the costs are not limited by deposit, nor by the insurance policy.

The damages on the sails and on the engine caused by the oil deficiency in the motor are not covered by insurance. Charteree bears the charges for these damages.

#### **Charter termination**

If the Charteree for any reason cannot use the chartered yacht, the Charteree can find other Charteree by himself with previous acceptance of Charterer in written. If the Charteree is not able to find another Charteree, Charterer shall retain:

- 30% of charter fee for termination up to 2 (two) months before the charter starting date



- 50% of charter fee for termination up to 1 (one) month before the charter starting date
- 100% of charter fee for termination less than one month

If the termination is due to objective reasons (death of a family member, heavy injury, serious illness, war or other) the accepted deposit shall not be paid back, but the Charterer shall give the yacht to the Charteree at his disposal for another free period of time or within another season. Taking out of a travel/charter cancellation cost insurance policy is expressly recommended!

The Charterer reserves the right to prohibit the embarkation onto the yacht, prohibit the departure of the yacht or completely terminate the ongoing charter if the Charteree/Skipper is not navigating in a safe, responsible manner, if the Charteree/Skipper is disturbing public order and peace as per the laws of Republic of Croatia and is held responsible for any damages that may occur in case of gross negligence.

#### **Complaints**

The Charterer shall recognise only those complaints which are submitted in writing during the handover of the yacht and signed by the Charteree and Charterer. Compensation claims are limited to the maximum amount of the contracted charter price. All other claims are excluded.

#### **Agents**

If the contract between the parties is concluded through their agents, it will always be assumed that the Charterer and the Charteree are the exclusive parties of the Charter agreement.

#### **Dispute resolution**

If the dispute between the parties cannot be resolved in friendly manner, the court with territorial jurisdiction where the Charterer has its registered office shall have the jurisdiction. The Croatian law shall apply to all relations between the Charteree and the Charterer.