

GENERAL CHARTER CONDITIONS

I. GENERAL PROVISIONS

Article 1

These general charter conditions (hereinafter: General Conditions) regulate the relations between the Company JPI BUSINESS d.o.o. /Llc/ Ičići, (hereinafter: Boat Lessor) on one side, and Lessee on the other side,

This General Conditions and Charter Agreement are equally legal binding for the both of the Contractual parties.

The Lesser and the Lessee agree to execute these General Conditions, as well as the Charter Agreement in good will and respect mutual rights and obligations and good business practice.

To all mutual relations between the Lessor and the Lessee, which are not regulated by this General Charter Relations, shall be applied all appropriate regulations of the Republic of Croatia. These General Conditions apply to the boat booking form as well.

II. DEFINITIONS OF BASIC PHRASES

Article 2

In these General Conditions, some phrases are used which have the following meaning:

- * The Lesser is the Company JPI BUSINESS d.o.o. for nautical activity, Ičići, Liburnijska 7a, PIN / OIB/: 57469348194, provider of the boat rental service;
- * The Lessee is a person which enters into an Charter Agreement with the Lessor, with or without the professional skipper;
- * The passenger is a person different from the Lessee, and who is a part of the passenger list.

III. ENTERING INTO THE CHARTER AGREEMENT

Article 3

The Charter Agreement is entered between the Lessor and Lessee, who is also a person authorized for the boat handling subject of this charter.

If the Charter Agreement is entered into with a person who is not authorized to handle the subject boat, but in the crew list the same is indicated as a person authorized to manage such boat, then the provisions which are referring to the Lessee, are applied at the same way to the passenger, who is authorized to handle the subject charte boat.

Such person shall co-sign on the side of the Lessee the Charter Agreement, and it is considered that the same person is aware of all provisions of such Agreement, as well as with the provisions of these General Charter Conditions.

Person not authorized to handle the boat, as well as the person listed in the crew list and authorized to handle the boat, are severally liable towards the Lessor, for all obligations arising from the Charter Agreement or in relation to this Agreement.

To the person listed in the crew list and authorized to manage the boat are applied all provisions which are referring to the Lessee.

Article 4

The Charter Agreement is entered between the Lessor and Lessee and/or person with the same status All rights and obligations arising from the execution of the contractual obligations, are obtained between the Lessee and the Lessor and/or the person with the same status.

Article 5

The Charter Agreement has been entered into the Lessee and Lessor in the moment when the guest has paid the advance payment for one or more boats. From that moment, the provisions of the Charter Agreement and those of the General Conditions are applied between the Lessor and Lessee.

By paying the advance payment, it is considered that the Lessee is aware of the Charter Agreement provisions, as well with the General Conditions of the boat rental.

IV. BOAT BOOKING

Article 6

Boat bookings are received by electronic post or personally in the Lessor's office, and by filling out the appropriate form on the official web site of the Lessor or filling out the appropriate form of the agencies, which are authorized to sell the Lessor's services.

When booking, guest should provide all the necessary data provided by the booking form, its personal data, as well as data of other passengers on boat, and especially:

- Full name and surname,
- PIN /OIB/ (only for the Croatian citizens)
- Address
- Date of birth

Apart from handing out the filled booking form, the Lessee is obligated to submit to the Lesser the copy of the valid identification document (passport or ID card).

When booking the boat without the usage of the professional skipper service, the Lessee is obligated to attach a copy of boat licence, from which it will be visible to see the licence holder, expiry date, and licence boat category.

The Lessor is authorized to terminate the Charter agreement, i.e. to cancel the booking in the case that the Lessee is not able to submit the data from paragraph 2, 3, 4 of this Article during the booking, and at the latest in two days from the booking date. .

V. CHARTER PRICE

Article 8

The Boat Charter prices are published on the official Lessor's website and at the Lessor's office and are established for each boat in the determinate time periods, for half-day, daily charter and weekly boat charter.

The Charter price includes the boat rental with full tanks of fuel and water, boat usage and all devices on board, compulsory and voluntary boat insurance, full boat *casco* insurance in the insurance amount with the franchise (damage participation), and insurance from the damage liability towards the third persons, as well as the insurance from accidents.

The boat charter price includes the usage of help at sea, pursuant to the conditions of the service provider.

The usage of all devices and things indicated in the inventory list, which is located at the Lessor's office, i.e. on the subject charter boat.

The charter boat price does not include the following costs:

- * Marina costs
- * Mooring fees
- * Residence tax, as well as other taxes and fees paid to the state authority or units of the regional and local self-government, or persons authorized for acting in the behalf of the indicated authorities (concession companies)
- * Fuel and water tank costs
- * Health insurance of guests and passengers,
- * And all other not specifically established to be included in the charter boat price (par 2, par 3, and par 4 of this Article).

If after the payment of advance payment, there is a change in the boat charter price (higher or lower) for the Lessee, as well as for the Lessor, the valid price is the one for which were booking and down payment executed.

VI. BOAT BOOKING

Article 9

The booking is obligatory for the Lessor, if the Lessee during its booking pays the advance payment in the amount of 50% of the total boat rental price (boat rental increased for the agreed additional service).

The Lessee is obligated to pay the remaining amount of the boat charter price at the latest 14 (fourteen) days before the charter starting date.

If the Lessee does not settle the remaining amount within the indicated due date, as specified in the previous paragraph, the Charter Agreement is terminated with the day after the expiration date of the last payment day.

For bookings performed in the period shorter than 14 (fourteen) days, before the beginning of accommodation service on the boat, the service price must be paid in its full amount.

The payment is performed in the Croatian Kuna counterpart of the agreed charter price, in accordance with the middle exchange rate of the Croatian National Bank on the payment day. (www.hnb.hr).

VII. DEPOSIT

Article 10

Upon take-over of the boat of the category SESSA MARINE C42, the Lessee is obligated to leave the deposit in the Croatian Kuna counterpart of the amount of EUR 2,000.00 (two thousand Euros) in cash or payment slip of the Lessee's credit card.

Upon take-over of the boat of the category KEY LARGO 28, the Lessee is obligated to leave the deposit in the amount of EUR 1.000,00 (one thousand Euros) in cash or payment slip of the Lessee's credit card.

If the Lessee rents the boat without the professional skipper service, then is obligated to leave with the Lessor the compulsory deposit in the amount of EUR 200.00 (two hundred euros) cash or the payment slip of the Lessee's credit card.

If the Lessee rents the boat with the professional skipper, then is obligated to leave with the Lessor the compulsory deposit in the amount of EUR 100.00 (one hundred euros) cash or the payment slip of the Lessee's credit card.

The purpose of the compulsory deposit is to settle all the possible damages incurred during the charter, and which are not covered by the insurance.

In the moment of boat return, the Lessor shall inspect the returned boat in the presence of the Lessee.

If the boat is returned clean and undamaged, and under conditions there don't exist the third persons' requests, in reference to the Lessee, and with the rented boat usage, the Lessor shall return to the Lessee the full amount of the deposit, if the security was given in the cash, i.e., in the form of payment slip of the Lessee's credit card.

In the case that the boat or any part of it is damaged or its equipment, intentionally or due to recklessness of the Lessee, all costs incurred due to repair, replacement, or boat purchase, part of the boat or equipment, are borne by the Lessee, and are charged from the deposit up to the height of the incurred damage. If the incurred damage is higher than the deposit amount, the Lessee is obligated to settle the full damage amount.

If in the case specified in par 6 of this Article, it is not possible to further rent the boat, the Lessor shall, with the amount necessary to repair, replace, or purchase the boat, its parts or equipment, keep the amount of deposit, which corresponds to the lost profit, and shall claim the Lessor for the damage costs due to the lost profit, which exceeded the deposit.

VIII. TERMINATION OF THE CHARTER AGREEMENT

Article 11

The Lessee can terminate the Charter Agreement by e-mail or by registered post.

If the Lessee terminates the Charter Agreement by an e-mail, then the same is valid, if the Lessor has confirmed the receipt of the e-mail.

The Lessor is obligated to send the receipt of the Lessee's e-mail, immediately after its receipt, i.e. at the latest in the period of 24 hours from the moment the Lessee has sent the e-mail.

If the Lessee does not receive any e-mail confirmation of the Lessor, then the Agreement termination is not valid.

The date when the Lessor has received the Agreement termination (the date indicated on the return receipt or date of the e-mail receipt (if there exists the receipt confirmation) is a base for calculation of the termination fees and costs, as follows:

- For termination of 30 days up to 21st day before the beginning of the charter, the Lessor charges 35% of the total price of the boat charter, while the remaining charter price is returned to the Lessee, at its own cost.;
- For termination within 14 days before the beginning of the charter, the Lessor charges 50% of the total price of the boat charter, while the remaining charter price is returned to the Lessee, at its own cost;
- For termination within 7 days before the beginning of the charter; the Lessor charges 75% of the total price of the boat charter, while the remaining charter price is returned to the Lessee, at its own cost

For termination within 2 days before the beginning of the charter; the Lessor charges 100 % of the total price of the boat charter, while the remaining charter price is returned to the Lessee, at its own cost

The Lessor must return the charter amount immediately after he calculates, pursuant to the provisions of the previous par (par 5), the exact amount to return to the Lessee, and in a way to execute the payment at the Lessee's amount (if the same is the citizen of the Republic of the Croatia) or to the transaction account (if the Lessee is the citizen of other state) or to the account of the mediator agency of the chartered boat.

The payment is made in the Croatian kuna, i.e. in the counterpart in Euros, in accordance to the middle exchange rate of the Croatian National Bank at the payment day, and the Lessor does not borne the cost of the paid amount.

Article 12

If the Lessee cancels the rented boat immediately after booking cancellation, and finds a new Lessee, who is ready to assume its rights and obligations from the Charter Agreement, the Lessor shall charge to the Lessee only costs caused by the replacement, while he shall return the rest of the amount by payment to his account. To the relationship from the previous paragraph are applied the provisions of debt assumption.

Article 13

If the Lessee cancels the booking due to force majeure, i.e. due to objective reasons on his side (death in family, health reasons, serious incident) the provisions of Art 10 and 11 of these General Conditions are applied to the cancellation of the Agreement.

However, pursuant to good business practice, if the Lessee cancels the Charter Agreement due to the reason specified in Art 1 of this Article, and the Lessor finds another Lessee on the day that the boat charter should have begun for the same duration of charter, the Lessee specified in par 1 of this Article shall be reimbursed the difference of the total paid amount and the amount for which the Lessor entered into the new Charter Agreement.

The existence of circumstances from par 1 of this Article must be proved by the Lessee by submitting the authentic documentation to the Lessor in its original form and certified translation in the Croatian language.

IX. TAKE-OVER OF THE BOAT

Article 14

The Lessee can take over the boat every day per week, up to 11 pm in Marina ACI Ičići, i.e. the boat can be taken over depending on the beginning of the charter date.

The Lessor shall enable the Lessee to take over the boat in other Marina, if that is useful for obtaining the purpose of this Charter Agreement.

If the Lessee, without any prior notice, or any other reason, doesn't take over the boat, even after the expiration of 10 hours from the agreed time, the Lessor is authorized to terminate unilaterally the Charter Agreement and the Lessee loses the right of reimbursement of paid amount, as well as any other fee.

If the Lessor is not able to hand over the booked boat at the agreed time, due to any reason, the same is obligated to offer to the Lessee other boat of the same or better characteristics in 24 hours (calculating from the day of agreed hand-over). In the contrary, the Lessee has right to unilaterally terminate the Agreement and retains right to reimbursement of all payments in favour of the Lessor.

If the Lessee decides to wait the replacement boat and after the expiration of 24 h of the agreed take-over time of the boat, he can claim the amount equivalent to the charter price for the number of days the boat wasn't at his disposition.

The responsibility of the Lessor for the payment of higher or other amount prescribed in par 3, 4, 5 of this Article is excluded.

Article 15

At the moment of taking over the boat, the Lessee is obligated to hand over to the Lessor the invoice or any other proof, from which it will be evident that the full charter amount was settled.

Article 16

The Lessor is obligated to hand over to the Lessee the boat ready for navigation, which means clean, technically functional, fully equipped boat in accordance with the inventory list, and full tanks of fuel and water.

Article 17

When taking over the boat, the Lessee is obligated to check the general boat and equipment conditions, and check if the boat equipment on the boat corresponds to the inventory list, which is confirmed by the inventory list signature.

The Lessee has 1 (one) hour for the hand-over and equipment check-up, calculating from the beginning of the charter period.

Complaints to general boat conditions and equipment and to the discrepancy of equipment with the inventory list, the Lessee can submit only before the beginning of the journey.

Hidden defects and imperfections to the boat and/or equipment, which the Lessor wasn't aware of in the moment of the hand-over of the boat by the Lessee, as well as any other defects or malfunctions occurred after the boat hand-over, which weren't predictable by the Lessor, don't give the right to the Lessee to request the decrease in the charter price.

If the part of the boat, equipment or inventory was lost or damaged during the previous accommodation, and it can't be repaired or supplied with the new one before the departure, the Lessee hasn't the right to cancel the Charter Agreement or to request the decrease in price of accommodation, if any defect on the boat, equipment of inventory does not influence the navigation security.

Article 18

The Boat is handed over to the Lessee with all the documents necessary for the boat chartering (navigation licence, concession approval, registration of passengers, registration of the sojourn fee, obligational insurance fee).

The Lessee is handed over the boat file with the list of Port Authorities, fuel pumps, marinas and anchorages, and a list of important telephone numbers.

The Lessee is obligated to preserve the documents from par 1 and par 2 of this Article with due diligence, and must return it upon the hand-over of the boat.

Article 19

The integral part of the boat documentation is navigation log book, which the Lessee is obligated to fill in and enter all the directions with the destinations, especially the one where the abovementioned spent a night, and all other important facts noted during the navigation.

For security of the Lessee and all other passengers on board, including the professional skipper, as well as the boat, each boat is equipped with the device for boat supervision, with the aid of which the Lessor can, if there is a reason for it, locate the boat in real time.

The purpose of boat supervision is the possibility of the Lessor to locate the boat in case of accident, danger or damage, and shall not be used otherwise.

X. BOAT RETURN

Article 20

The Lessee is obligated to return the boat in port in which he took over the boat, at the latest until 9 pm of the last charter day, in conditions in which he received it, clean and tidy, and he shall not be charged for the cleaning.

If the Lessee returns the boat in dirty and untidy conditions, he shall be charged the expense of cleaning from the deposit in the amount of EUR 100.00 (one hundred euros) in the Croatian Kuna counterpart, on the payment day in accordance with the middle exchange rate of the Croatian National Bank.

Weather conditions are not a justified reason of not respecting agreed time of boat return, therefore, the Lessee should plan the journey taking care of weather circumstances.

The Lessee is obligated to fill the full tank before the official boat hand-over.

Upon the boat return, the Lessor shall add the fuel to the fuel tank at Lessee's cost, at a price at which the Lessee has previously filled up the fuel tank.

The Lessee is obligated to fill up the full tank of water before the boat return at one of the gas stations from the previous paragraph.

Article 21

In the case of exceeded agreed return date, the Lessee is obligated to pay the late return within 24h in the amount of EUR 200.00 EUR (two hundred Euros).

In the case of late return, which refers to the each following calendar day, the Lessee is obligated to pay the half of daily charter, increased for all additional costs incurred to the Lessor, due to late return of the boat, as well as all other costs, in direct connection to the Lessee's late return.

Article 22

In the case that the Lessee returns the boat to the port which was not established as the destination port, the same is obligated to pay to the Lessor all transfer costs up to the destination port, all incurred costs for the Lessor

if this caused the late hand-over to the other Lessee, as well as the damage fees, which are not insured by the insurance coverage, and which happened during the transfer, including the skipper transfer, i.e. boat crew.

Article 23

Upon the hand-over of the boat, the Lessor in the presence of the Lessee checks the general boat conditions, and inspects the found inventory with the inventory list, which was signed by the Lessee upon the take-over.

Article 24

The Lessee is obligated to notify the Lessor of all boat damages, part of the boat, equipment or inventory, as well as loss of some boat parts, equipment or inventory.

The Lessee is liable for the damage incurred due to the boat damage, part of the boat, equipment or inventory, as well as the loss of the boat parts, equipment or inventory, and which damages were caused by intentional, careless or incorrect handling of a guest or some other passenger on board. Such damage shall be covered by the deposit, and if the amount of damage is higher than the purchasing security, and it is not covered by the insurance, the Lessor shall claim the Lessee for the damage payment up to the full amount.

Article 25

In the case that the Lessee, due to any reason, does not want to prolong the charter period, he is obligated to notify the Lessor, which shall then approve the charter prolongation, depending on the boat's availability.

The communication between the Lessee and the Lessor shall be transmitted by e-mail. If the Lessor demands it, the Lessee must, due to the prolonged charter period, return to the departure port, i.e. to the place of the boat return.

If the boat has been returned after the charter due date, the Lessee is liable for the damage cause to the Lessee, and in a way to be liable for the damage or costs which were caused to the Lessor or third persons.

XI. OBLIGATIONS TO THE LESSOR AND LESSEE

Article 26

The Lessor is obligated to take care of implementation of all services in favour of the Lessee by duty of care, and is obligated to take care of rights and interests of the same, in accordance with the good business practice.

If all agreed service haven't been met as agreed to the Lessee, the Lessor assumes the responsibility in the Lessee, as described in these General Conditions.

The Lessor excludes its liability, if he will not be able to provide all agreed services, as agreed, due to the reasons of force majeure (war, public riot, strike, terrorism, ecological catastrophe and similar).

Article 27

In the case of boat malfunction or boat equipment, which is a consequence of natural equipment tear and wear of boat and equipment, the Lessor is obligated to remove the malfunction within 24h from the receipt of the Lessee's notice. In that case, the Lessee has no right to any fee.

If the Lessor is not able to remove the malfunction within 24 hours, the Lessee has the right to terminate the Charter Agreement and the reimbursement of the charter price for the number of days for which he didn't have any use of the boat. In that case, the Lessor shall insure to the Lessee the transport up to the departure port.

For cases in par 1 of this Article any other Lessor's liability has been excluded.

Article 28

The Lessee commits:

- * That he shall, as well as all other passengers on board, hold valid travel documents. Costs incurred due to loss, damage or theft during the journey shall be borne by the Lessee, i.e. passengers.
- * That he shall handle the boat, inventory and equipment cautiously and consciously, in the same way he would handle his own property, and that he shall comport responsibly.
- * That he shall not handle the boat under influence of alcohol or drugs

- * That he shall navigate within the limits of the territorial waters of the Republic of Croatia.
- * That he shall not navigate in the navigation restricted zone (military zones, etc.)
- * That he shall not navigate and plan the routes without carefully studying the navigation maps and nautical guides, and especially, that shall not navigate the areas, which have been insufficiently researched and insufficiently covered by the nautical charts
- * That he shall carefully plan the route and follow it.
- * That he shall not navigate by night
- * That he shall navigate exclusively under safe weather conditions and in good visibility, and that shall avoid dangerous navigation areas.
- * That he shall not leave the port or anchorage, if the wind velocity is higher than 35 knots, or of this velocity or higher, as well not to leave the port or anchorage due to unstable weather or unstable weather conditions are expected.
- * That he shall not leave the port or anchorage if the boat or any other part of the equipment, as engine, ropes, bilge pump, anchor equipment, navigation lights, safety equipment are not functional
- * That he shall not leave the port if the port authorities have prohibited the navigation, i.e. have issued a ban of navigation, if there is not enough fuel and water reserves, and if the health conditions of one passenger is such that his life would be endangered during the navigation.
- * That he shall not use the boat in commercial purposes (transport of person or things with a fee), for the professional fishing, sailing school and all other identical to commercial purpose
- * Not to give the boat in sublease or cede to a third person.
- * That only passengers indicated on the crew list shall be present on board
- * That there shall not be present more persons than estimated for that boat.
- * That he shall not participate in any regatta or races, in any capacity, without the Lessor's consent.
- * That he shall not tow other boat, except in the case of emergency and urgency.
- * That he shall undertake all preventive measures to avoid the situation that the subject charter boat needs to be towed. If this situation arises, the Lessee is obligated to undertake all security measures while waiting for towing, as well as other necessary actions, and shall immediately contact the Lessor. The towing price can't be arranged without the consent of the lessor, because, in contrary, he shall borne the cost of that tow.
- * That he shall respect customs, and other laws and regulations of the Republic of Croatia, as well not to enter the undeclared subjects on board, as well as subjects prohibited to enter the territory of the Republic of Croatia.
- * That the Lessee, as well as other passengers of board, comport pursuant to the existing laws and regulations of the Republic of Croatia, and especially to respect fish hunting regulations, as well of archaeological protected areas, considering that none of the indicated activities is not allowed without the special approval of the competent authorities.
- * That he consents that the Lesser can terminated the Charter Agreement immediately, if the Lessee or any of the passengers, has violated the provision of some law or other regulation of the Republic of Croatia. In that case, the Lessor is authorized to take-over the boat immediately, and the Lessee has no right to any fee.
- * That he shall be or any passenger on board shall be deemed liable for each committed violation or criminal act in relation to the subject boat, and which is committed during the charter duration and consequence of that act or passing through of guests or passengers.
- * That the Lessee shall assume all responsibility or settle all the costs and damage, which are consequence of the act or omission of the Lessee or the passenger, and for which the Lessee is responsible to the third persons under any basis.

- * That the Lessee's liability for the incurred damage, violation or criminal act during the duration of charter and in relation to boat charter, and which occurrence was confirmed after the charter's termination, is not completed after the charter's termination (liability of the Lessee lasts up to the final or final termination of the procedure).
- * That he shall record the course of events in the case of boat's average, accident or any other extraordinary event, and immediately contact and notify the Lessor, as well as to report it to the nearest Port Authority, and undertake all other necessary and prescribed acts, in accordance with the instructions of the competent authority or the Lessor.
- * That in the case of disappearance of boat or equipment, impossibility of boat handling, and in the case of boat confiscation, its forfeiture or in the case that the bans were rendered in relation to the boat or guests, the Lessee shall notify of that immediately the Lessor, as well as the competent bodies, and undertake all necessary measures as instructed by the competent authorities and/or the Lessor.
- * That in the case of boat malfunction or boat equipment, which is a direct consequence of natural tear and wear of boat or equipment, shall immediately inform the Lessor and shall follow its instructions.
- * That he shall in the case of engine defect, being cautious and using the knowledge, anchor the boat in the nearest port, and shall notify promptly the Lessor and other competent bodies, and shall undertake all necessary measures, as instructed by the competent authorities and/or the Lessor.
- * That he shall settle any damage which is a consequence of the carelessness or fault by the guest not covered by the insurance, and for which the Lessor is liable to the third person, the Lessee shall settle in full to the Lessor.
- * That he shall assume exclusive and full responsibility, in the case the state authority forfeits the boat for the illegal acts undertaken while using the boat during the charter period (commercial fishing, antiquity gathering). The Lessee is completely and fully liable in front of the state authority, as well in front of the Lessor for the damage, which would be a direct consequence of the described illegal acts.
- * That he shall refill the fuel in prescribed way in places designed for that, as well to dispose the waste in place designed for that purpose. The Lessee is liable for sea pollution, which incurred during the refill of the fuel, as well as due to the disposal of waste outside of the prescribed places.
- * That he shall daily check the oil quantity in the engine. The Lessee is exclusively liable for all damage, which would be consequence of oil shortage in the engine.
- * That he shall correctly keep the navigation log and leave it on board after the boat return.
- * That he shall not embark a pet on board, without the previous consent of the Lessor.
- * That he shall anchor and stop only in ports and small ports which are safe, taking in consideration current or future weather conditions.
- * That he shall be fully liable for damage which would be direct consequence of anchoring and stopping in the unsafe ports and harbours.

The Lessee is obligated to inform all passengers of these General Conditions' Provisions.

Article 29

The Lessor must have the valid licence for handling of the subject boat, as well as the Certificate of passed examination on handling of radio station, and should have all maritime knowledge and skills for handling the subject boat.

The Lessor can request from the Lessee to demonstrate in the presence of the authorized persons of the Lessor his maritime knowledge and skills. The cost of the testing is borne by the Lessee. The time spent on testing is included in the period for which the boat was rented.

If during the testing the Lessor establishes that the Lessee hasn't got enough maritime knowledge or experience to handle the boat, or it does not have the valid licence for navigation or Certificate of passed exams on handling the radio station, the Lessor has the right to forbid the beginning of the journey, i.e. offer to the Lessee the services of the professional skipper with the additional payment under the valid price list.

If the Lessee refuses to rent the boat with the skipper, then the Lessor is authorized to terminate the Charter Agreement, and in that case, the Lessor retains the fully paid charter price.

The Lessee is liable for all consequences in relation to approve the handling of the boat to the unauthorized persons.

XII. INSURANCE

Article 30

Each boat is insured by the obligational and voluntary boat insurance, boat casco insurance in the amount of the insurance with franchise (participation in damage), and the insurance in the case of accidents. Casco insurance covers the damage that exceeds the purchasing security amount, except for the damages incurred intentionally or by serious recklessness.

The insurance is determined pursuant to the conditions, which were established by the insurer at which the Lessor has insured the boat.

Article 31

The property of the Lessee and passengers on board is not insured.
The Lessor does not cover the healthcare insurance to the Lessee and passengers.

Article 32

In the case of boat damage, part of boat or equipment, as well as loss of parts of boat or equipment, the Lessee must notify it to the Lessor.

In case of average and maritime incidents, when in the damaging incident have participated more boats or persons, the Lessee should notify the event to the competent port authority and conduct the whole procedure pursuant to the instructions of the competent authority and the Lessee, and collect all the necessary documentation for obtaining the rights from the insurers.

The Lessee is fully liable for damages covered by the insurance policy, and which were not immediately notified to the Lessor, competent authority, and to the insurer, as well as damages for which all necessary documentation wasn't collected, due to what they weren't approved by the insurer.

Article 33

If the boat, part of the boat or equipment is damaged, i.e. lost, due to intentional guest or passenger act, i.e. their recklessness, then the full amount of the damage is borne by the Lessee.

Article 34

The engine damages caused by the oil shortage in the engine are not covered by insurance and for all cost and damage, which is a direct consequence of the oil shortage is borne by the Lessee.

Article 35

All damage or shortcomings incurred or appeared while the boat was the Lessee's responsibility, and which are connected with the natural tear and wear of the boat, is borne by the Lessor.

If is necessary that the repair is performed by the Lessee, the same needs to come to an agreement with the Lessor on technical and financial justifiability of the necessary cost, as well as of the person that shall perform the reparation. If it is not possible that the repair is paid by the Lessor, than such repair shall be settled by the Lessee, which then shall be reimbursed in the full amount upon the submitted invoice.

All costs that are incurable due to unauthorized repair shall be borne by the Lessee.

Article 36

The Lessee is obligated to inform the Lessor of all breaks and damages upon their occurrence, regardless the cause. If it is immediately necessary to perform certain works, the Lessee will not be able to do the same without the consent and instructions of the Lessor. In the contrary, all costs which would be incurred, due to the unauthorized repair or replacement, shall be borne by the Lessee.

Article 37

The Lessor is not responsible for the loss and/or damage of the Lessee's property and other passengers on board, as well as other property left or preserved on the boat or on the premises of the Lessor.

By entering into the Charter Agreement, the Lessee shall renounce the claim request, as specified in Art 1 of this Article towards the Lessor.

XIII. USING THE PROFESSIONAL SKIPPER

Article 38

If the person renting the boat, expresses the wish to use the professional skipper, the same is obligated to request it during the booking of the boat.

Article 39

The provisions of all these general conditions are applied to the Lessee, and in the case the boat is handled by the professional skipper, with the following exceptions:

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- * Deposit can't be used for covering costs occurred by the skipper's careless actions or bad handling of the equipment or boat.
- * Skipper is obligated to check each day the amount of oil in the engine and the skipper is liable for all damages and losses caused due to the oil shortage in the engine
- * Skipper is liable for all damage and losses incurred due to the underwater damage of the boat, caused by the careless actions or bad handling of the boat.
- * All damage occurred as consequence of intention, serious recklessness, poor boat inspection and non-conformity to all written and unwritten maritime laws and traditions, is at the cost of the skipper or its professional insurance policy
- * All costs incurred due to the unauthorized repairs and part restitution (Art 32, 33, 34, 35, 36 of General Conditions) shall be borne by the skipper.

The provisions of these General Conditions are applied to the skipper which is handling the boat.

XIV. RIGHT TO COMPLAINT

Article 40

Each Lessee retains the right to complain, if he thinks that all chartered services are not fully or satisfyingly performed.

The Lessee can request a fee only if he submits written complaint upon the boat return, and attaches all appertaining documentation and photos, and needs to be signed by the Lessee and the Lessor.

The complaints which were additionally received, as well as the ones submitted without the attached documentation, shall not be taken into consideration by the Lessor.

The Lessor is obligated to render the written decision of the received complaint within 15 of receipt.

XV. COURT COMPETENCY AND GOVERNING LAW

Article 41

The parties hereof shall try to solve their contractual relations amicably.

In the case of a dispute, the competent court is the one of the Lessee's seat/residence.

The Croatian law is applied to the relations between the Lessor and the Lessee.