

CHARTER TERMS AND CONDITIONS

1. Charter and Payment

1.1 The Owner shall let on bareboat or skippered charter, and the Charterer shall hire the Yacht for the charter period for the charter fee. The advance payment (Booking Deposit) shall be paid to the Managing Agent upon the signing of the BOOKING FORM. Upon signing this Agreement to put into effect the contract, all moneys payable hereunder are deemed due.

The balance of payment shall be paid to the Managing Agent not less than 28 days prior to the commencement of the charter period.

If a credit card is used, a processing fee of 4% of the amount due will be applied. A 1.5% late fee will be applied to all balances not paid by due date

2. Security Deposit

2.1 The Security Deposit shall be paid to the Owner/Managing Agent prior to the Charter, such that it is cleared into Barclays bank account prior to the commencement of the Charter.

2.2 The Managing Agent may retain and apply the Security Deposit in reduction or extinction of the following:

- Any liability of the Charterer to the Owner, howsoever the same may arise.
- The cost of repairing any loss or damage to the Yacht, her equipment, or furnishings which occurs during the Charter, (which ends for this purpose upon the return of the yacht to the Port of Redelivery) and which is for any reason not recoverable under the Owner's insurance, howsoever the same shall occur.
- The cost of repairing is to cover both loss and damage notified to the Owner / Managing Agent, or that which becomes apparent after the charter but is attributable to this Charter.
- Any liability arising from damage caused to third party property.
- Provided always that such retention shall be without prejudice to the right of the Owner to recover any unsatisfied balance of such liability of cost from the Charterer.

2.3 Subject, as aforesaid, the Security Deposit or any balance remaining shall be returned to the Charterer within 14 days after the re-delivery of the Yacht to the Owner or, in the event of dispute, upon the determination of such dispute.

3. Cancellation

If a cancellation occurs more than 90 days before departure the deposit payment is returned to the Charterer, less £350 (plus applicable taxes) administration fee. 89-60 days before departure: a charge of 25% of the total charter fee will apply (plus applicable taxes) and if cancellation occurs less than 60 days before departure, if we are unable to resell the same boat for the same period, the rain check policy comes into effect whereby the Charterer has the opportunity to rebook the charter at a later date. The Owner shall have the right to cancel the charter should all or any portion/balance not be paid on the dates due. Any monies paid by the Charterer shall be surrendered to the Owner not as a penalty but as liquidated damages. All notice of cancellation must be given in writing. A re-booking fee of £250 for a change of booking may apply.

4. Owner's Obligations

4.1 The Owner or his Managing Agent will deliver the Yacht to the Charterer or his appointed representative in good and seaworthy condition complying with:

- The provisions made by the Department of Transport of Malta, to the extent that the said Code is applicable to the Yacht.
- Standards and Equipment, meeting at least the minimum requirements of the Yacht Charter Association.

For the avoidance of any doubt, the Owner / Managing Agent do not warrant the fitness of the Yacht to undertake safely, cruises within the Cruising Limits, in ALL weather conditions. The safety of the Yacht remains the responsibility of the Charterer, through his nominated Skipper.

In the event of any loss of time occasioned as a result of the Owner's failure to comply with the provisions of this Clause, the Charterer's damages shall be limited to the charter fee and neither the Owner nor his Managing Agent shall have any liability for consequential losses of whatsoever nature.

4.2 The Owner or his Managing Agent will use his best endeavours to deliver the Yacht to the Charterer at the agreed time and place. If for any reason the Yacht, or equivalent alternative yacht, shall not be so delivered, a pro-rata refund will be made to the Charterer for each complete 12 hours delay. If such delay exceeds 25% of the total charter period, the Charterer shall be at liberty to treat the Charter as determined and the Managing Agent on behalf of the Owner shall thereupon return all sums paid.

In this event neither the Owner nor his Managing Agent, shall be liable to pay to the Charterer any other compensation for any loss or damage of whatsoever nature resulting from the delay, curtailment or cancellation of this Charter.

5. Insurance and Liabilities:

5.1 The Owner shall insure the Yacht and her equipment against fire, marine and collision risks with third party damage cover of not less than Euro 5,000,000 subject to a policy deductible of no greater sum than the security deposit and excluding any damage to sails unless caused by the above risks.

A copy of the Policy is available from the Owner upon request.

5.2 Notwithstanding the provisions of Clause 5.1, the Charterer shall indemnify the Owner in respect of any loss of or damage to the Yacht or her equipment or any other equipment or liability arising out of any act or omission of the Charterer, his servants or agents or any member of his party or any other person invited onto the Yacht, which is not for any reason covered by the Owner's Insurance.

5.3 The Owner/Managing Agent shall have no liability for death or personal injury, loss or damage to personal property, suffered by the Charterer, his servants, agents any member of his party or any other person invited onto the Yacht, nor for any consequential losses resulting from such incidents, save in the event that same is caused by wilful default.

5.4 The Charterer will not take the Yacht outside the cruising limits nor do any other act which may vitiate the Owner's Insurance or prejudice his right to claim there under.

5.5 The Charterer will not admit liability to any person for damage caused to the Yacht or third party property. He should give the Owner's name, address and telephone number, and provide an immediate verbal report, followed as soon as possible thereafter by a written report on the incident, directly to the Owner or his Managing Agent. The Owner shall not be responsible to the Charterer for any consequential losses or damages resulting from such incidents, however caused.

6. Charterer's Obligations

6.1 The Charterer warrants that he/she and his/her crew have the experience and competence as formally stated in the Booking Form and that they are capable of the safe handling of the Yacht. He shall appoint himself or a suitably experienced person to be skipper of the Yacht, prior to signature of this Agreement.

6.2 The Charterer shall pay for all running expenses during the Charter period and to the extent that upon return any consumables have not been restored to their level upon handover, the Charterer shall be liable to the Owner for the cost thereof.

6.3 In the event of any damage to or failure of the Yacht or any incident involving a third party, the Charterer shall at the earliest opportunity report such occurrence to the Owner or his Managing Agent and shall comply with any instructions given by him. A list of damage and defects, rectified or not, to be provided to the Owner or his Managing Agents, upon the return of the Yacht.

6.4 The Charterer will not lend, sub-charter, nor operate the Yacht in a manner contrary to National and International rules applicable to the waters in which the Yacht is being navigated. Nor shall the nominated Skipper part with the control of the Yacht, without the written consent of the Owner or his appointed representative.

6.5 The Charterer will not use the Yacht for any purpose other than private pleasure cruising for himself, his crew and guests unless otherwise agreed and recorded in this agreement. He will not race the Yacht without prior written consent of the Owner or his Managing Agent.

6.6 The Charterer, whilst cruising more than 3 miles offshore, will limit the number of persons in his party to not more than the number of berths stated in this agreement. The names and addresses together with Passport numbers of all persons on board, must be stated on the Booking Form, or otherwise notified to the Owner, prior to the commencement of the Charter.

6.7 The Skipper shall take care of and assume full responsibility for the safety and maintenance of the Yacht and its equipment at all times, including periods when the Yacht is left unattended.

6.8 The Charterer shall observe all regulations of Customs, Harbour or other Authorities and will not allow the Yacht to be used for unlawful purposes.

6.9 The Charterer shall not allow any animals on board the Yacht without the written consent of the Owner.

6.10 The Skipper shall ensure that the Yacht remains afloat at all times, including periods when berthed.

6.11 At the end of the charter period the Charterer shall ensure the re-delivery of the Yacht to the Owner or his Managing Agent at her port of re-delivery, free of any indebtedness, cleaned, in the condition as upon delivery (reasonable wear and tear excepted) and with her inventory complete. If the Charterer shall fail to re-deliver the Yacht at the time and place agreed, he shall be liable for an additional charge equal to twice the pro-rata daily charter fee for every day or part thereof by which redelivery is delayed, plus any costs incurred by the Owner or his Managing Agent in returning the Yacht to the agreed port of re-delivery. The Charterer's obligation under this Agreement shall continue until eventual re-delivery of the Yacht.

If by prior agreement, or the delay being caused by the operation of a peril covered by the Terms hereof or by such damage to, or failure of, the Yacht as reported to the Owner under clause 6.3 hereof, these additional charges shall be waived at the Owners/Managing Agents discretion.

7. Competency

The Charterer certifies that he/she is experienced and competent in the handling and operation of inboard auxiliary powered sailing craft of the general type and size as the Yacht herein chartered and that the Charterer has also had a sufficient practical knowledge of seamanship, piloting and Rules of the Road. The Charterer shall not delegate any of these duties to any person not equally qualified. The Charterer agrees not to sail the Yacht single-handed and to ensure at all times a competent skipper and leading crew member are aboard except while safely moored. The Owner may in its sole discretion verify the Charterer or leading crew's competency at the time of the charter. Should the Charterer or leading crew be deemed less than fully competent by the Owner, in its sole discretion, may insist on the Charterer at the Charterer's expense, employ a sailing/cruising instructor to assist the Charterer in achieving competency. Should an instructor be unavailable the Owner may restrict the Charterer's use of the Yacht to the charter party's occupancy of the Yacht at the dock until an instructor has become available. The Charterer acknowledges that the Owner does not independently investigate the competency of any Charterer to sail/cruise, but relies solely and exclusively on the resumes provided. The Charterer further acknowledges that the Owner in its sole discretion may refuse to release a Yacht for sailing but this exercise of discretion shall in no way be construed as an acknowledgment or determination of the competency for sailing of the Charterer's crew or the assumption of any liability for loss or damages incurred as a result of sailing, for which the Charterer assumes sole responsibility.

8. Accidental Damage, Death and Injury

The Owner strictly prohibits the use or consumption of illegal drugs on board. The consumption of alcohol or drugs may increase the risk of injury around the water and boats and the Charterer and their crew accept that risk. The Owner shall be held harmless from any and all claims or liability for property damage, personal injury or death arising from or related to, directly or indirectly, the use or consumption of alcohol or drugs, even if the property damage, personal injury or death is caused in whole or in part by the negligence of the Owner. This shall in no way limit or diminish the Owner's accountability for its negligence where the property damage, personal injury or death does not arise from or relate to, directly or indirectly, the use or consumption of alcohol or drugs

9. Availability and Running Expenses

Taking the Yacht into possession is effective once the formalities have been completed; viz: Full payment of the charter, submission of crew list and boating resume and refundable damage deposit left by credit card. The Yacht is handed over with full fuel, water and a tank of cooking fuel. The Charterer agrees to pay any additional running expenses during the term of the charter. Such additional running expenses may include but are not limited to, food and other consumable stores, fuel, pilotage, mooring and dockage fees, port charges, park permits, customs and provisions, and supplies for the Charterer and their party.

10. General

10.1 The Owner or his Managing Agent shall have the right to accompany the Charterer and/or his Skipper for trials prior to delivery. In the event that they are not satisfied as to the ability of the

Charterer/Skipper to handle the Yacht safely, the Owner or his Managing Agent, shall be at liberty to terminate this Agreement

10.2 The Owner or his Managing Agent shall have the right to restrict the cruising limits of the Charterer in the light of the experience of the Charterer, the members of his party, and/or the actual or anticipated weather conditions.

10.3 If the Charterer, having already contracted for the Charter, notifies the Owner or his Managing Agent that he no longer requires the Yacht, the Yacht will immediately be offered for Re-charter. If successful, the value of this Re-charter will be refunded to the Charterer, less the Advance Payment (Booking Deposit). Should the Yacht remain unchartered for the contracted charter period, then the full Charter Fee under this Agreement remains due and is forfeit at the discretion of the Owner or his Managing Agent.

10.4 The Charterer shall only Salvage or tow another Yacht if the saving of Life is involved and/or by so doing the safety of that Yacht is secured, but without placing the chartered Yacht in peril. Any proceeds of Salvage shall belong to the Owner.

The Charterer shall only accept a tow, or otherwise risk a salvage claim, if the safety of Life and/or the Yacht is at stake.

10.5 Charter Bookings are on a "First Come First Served" basis and can only be confirmed upon the receipt and acknowledgement of:

- A signed Booking Form
- A signed Charter Agreement
- An Advance Payment (booking deposit) of 25%.

10.6 Where this Agreement is signed by the Managing Agent on behalf of the Owner, the Managing Agent does so in good faith but contracts as an Agent only and incurs no liability for any acts or matters done, omitted or suffered by either party.

10.7 Save as provided otherwise in the terms of business of the Managing Agent, the provisions herein shall exhaustively govern the rights and obligations of the parties hereto.

10.8 This Agreement is subject to English Law. Any and all differences or disputes of whatsoever nature arising out of this Charter shall be referred to a sole Arbitrator to be appointed by the President for the time being of the London Maritime Arbitrators Associations. The provision of the Arbitration Acts 1950 and 1972 and any statutory modification thereof shall apply to any Arbitration.

10.9 No action taken by the Owner/Managing Agent, or any failure to act or time allowed to the Charterer or any failure of the Owner/Managing Agent to insist upon and enforce their strict legal rights, shall constitute a waiver of any of the provisions of this Agreement which shall remain in full force and effect.

10.10 This issue of the "Bareboat Charter Agreement", incorporating "Charter Terms and Conditions" supersedes all previous issues.

11. Return of the YACHT

The Charterer shall surrender the Yacht at the expiration of the charter at the release port and time specified, free and clear of any indebtedness and liens whatsoever, and in condition and clean state as when delivered and having properly cleared customs. The Owner has the right to charge a cleaning fee if deemed necessary. Fuel tanks for the vessel and the outboard must be filled by the Charterer. A refuelling fee of £100 in addition to the cost of the fuel will be charged if vessel is not refuelled prior to redelivery of vessel to Owner. The Charterer is responsible for allowing sufficient time for unforeseen contingencies to permit the return of the Yacht at the

stated time. Should the Charterer not make redelivery of the yacht at the time and place herein before stipulated for any cause, other than that occasioned by an occurrence beyond the Charterer 's control, The Owner has the right to: a) charge a pro rata fee for the time the delivery is delayed plus 25% for any loss that the Owner or the Yacht Owner may sustain due to the delayed delivery and b) charge for all expenses involved in returning the yacht to the to the port of origin (should the yacht be left at any other location) c) charge the Charterer for all lost charter revenue if the delay in return causes cancellation of the succeeding charter. The Owner needs to be informed immediately of any delays.

12. Termination:

The Charterer accepts responsibility for the proper conduct of themselves and their crew. The Owner reserves the right in it's absolute discretion to terminate, without further notice, the vacation arrangements for any Charterer who refuses to comply with the instructions or orders of the Owner and whose behaviour or competence in the Owner's opinion is likely to cause distress, damage, danger or annoyance to their crew, other clients, staff, any third party or to the property. Upon such termination, the Owner's responsibility for the Charterer 's vacation ceases and shall not be liable for any costs incurred by the Charterer.

13. Liability, hold harmless and indemnity

It is understood that the Owner is acting for and on behalf of the owner of the Yacht. Neither the Owner nor the owner will be liable to any person for any loss, damage, injury, or death that results from the Charterer's use of the Yacht. The Owner makes no representations other than those contained in this Contract, the rate sheet and any written materials provided as part of the booking procedures. The Owner will not be responsible for any fees, expenses, airline tickets, hotel rooms, food, phone calls, or other expenses incurred by the Charterer for any reason whatsoever. The Charterer will indemnify and hold the Owner and the owner of the Yacht harmless from and against any and all claims for loss or damage to property or injury to persons (including loss of life) resulting from use, operation, or possession of the Yacht and related equipment or other Inventory by the Charterer or any crew, and from any claims whatsoever from loss or damage to personal property of the Charterer or any crew carried on the Yacht or dinghy. This Agreement shall be construed and interpreted in accordance with the laws of United Kingdom. The venue for any proceedings hereunder shall lie in London, United Kingdom.

14. Charter Guarantee

If during a sailing day (8am to 5pm) the Yacht is out of commission for more than 6 hours after notifying the base, the Owner will refund the lost charter time. The Guarantee covers engine, transmission, sails, rigging, battery and alternator.

Excluded from the Guarantee are refrigeration, water, heat, Radio/CD player, dinghy and outboard, and any other items that do not prevent Yacht usage. Breakdowns occurring outside the agreed sailing area or due to user negligence, bad weather and Force Majeure are also excluded from the Guarantee.

K6 yachting Ltd – 40 Skyline House Dickens Yard, Longfield Avenue, W5 2BJ London, UK

The time of breakdown will commence from the point when direct contact is made with the Owner. If the Owner is unable to resolve the problem within 6 hours the guarantee comes into immediate effect. The Owner and the Charterer must agree on the time lost prior to the Charterer's departure from the base.