

GENERAL TERMS & CONDITIONS FOR YACHT CHARTER – SEASON 2019

1. The Purpose

These General Terms & Conditions for Yacht Charter (hereinafter: Terms) regulate mutual rights and obligations related to services of accommodation on vessels - yacht charter. The vessels regulated by Terms (hereinafter: Vessels) are recreational vessels listed in the fleets of various charter fleet operators (hereinafter: Charter-Operators), while SailingEurope – Navigatio Europae d.o.o. Zagreb (hereinafter: SailingEurope) operates as Agency-Mediator for booking of those Vessels. These Terms and all stipulations stated in them shall be the subject of legal liability and are binding for the Client who charters the Vessels (hereinafter: Client). By confirming the booking, Client commits to agree with the Terms.

2. Booking Confirmation

From Client's side, the booking is confirmed when advance payment is made by the Client or Client's representative. From SailingEurope's side the booking will be confirmed when full amount of advance payment lands on its account and the booking confirmation from the Charter-Operator is obtained.

3. Payment Methods and Dynamics

After the booking has been confirmed in written form, the payments are to be done according to amounts, dynamics and instructions stated in the Pro-forma Invoice and documentation sent by SailingEurope to the Client. The primary method of payment for yacht charter is bank transfer. The Client accepts to pay full costs of the bank transfer charges, and when making the payment, he/she should emphasize to his/her bank that all bank fees (of both outgoing and incoming bank) should be paid by the Client. If the Client fails to do so and SailingEurope is charged bank transfer fees, it will be considered that the payment is not fully settled and the Client will need to settle the remaining amount.

Exceptionally, SailingEurope may allow other methods of payment, but in such cases discounts for yacht charter services may decrease due to surcharges and fees connected with those alternative payment methods. Any such details shall be stated in the Pro-forma invoice and the Client agrees to them when choosing the alternative payment method.

The Vessel can be taken over only after the complete amount for yacht charter and all contracted extra services has been settled. If either advance payment or balance payment has not been fully settled until above stated deadlines, SailingEurope or Charter-Operator shall be entitled to cancel the Vessel's booking without any refunds to the Client.

4. The Price of Yacht Charter

The yacht charter price shall include the following: the Vessel equipped according to the presently effective inventory-list, such as auxiliary boat with oars, gas..., as well as usual charter base services at the time of Vessel's delivery (check in/check out). Yacht charter price shall typically not include additional services such as food and beverages, fuel, costs for marina services and moorings, harbor dues, taxes, entrance tickets to parks, or any other additional services other than those explicitly stated in Vessel's equipment list. Yacht charter price includes VAT valid at the time of booking confirmation, however, should the relevant VAT rate be increased by law prior to beginning of charter, SailingEurope reserves the right to charge the VAT difference. SailingEurope includes the largest part of its processing services in the offered yacht charter price. However, in particular cases of bookings where SailingEurope has high processing costs, a small part of these costs may be charged to the Client as the Operative Cost. In such cases, this Operative Cost will be separately stated and visible on the Pro-forma invoice.

5. Additional services - Extras

Additional services and extra equipment for which an extra payment shall be done (hereinafter: Extras) in accordance with the effective Price List of the Charter-Operator (e.g. auxiliary engine, one-way options, transfers, gennaker, skipper, etc.) should be requested by Client and agreed prior to booking confirmation.

Client may ask for addition of certain Extras even after the booking confirmation. SailingEurope will try their best to provide the Client with the newly requested Extras and if it is possible, and inform the Client about it. The Client acknowledges that SailingEurope is not obliged to provide newly requested Extras at that point in time. At the latest, all Extras must be confirmed by both sides in writing not later than 10 days prior to the beginning of the charter date. Only very exceptionally, SailingEurope can allow last minute confirmation of Extras in particular cases.



6. Hiring a Skipper, Hostess, Cook or other professional Crew

If Client requires a skipper and/or a hostess and/or a cook and/or other professional crew aboard, it would be necessary to point it out during the time of confirmation of charter reservation.

If Client does not require a skipper, the copy of his/her skipper's license is to be sent for verification and approval. If the license is not approved by Charter-Operator, the Client will be obliged to take a professional skipper. For some Vessels, Charter-Operator may request that a professional skipper and/or other professional crew members are obligatory regardless of Client's licenses. This will be indicated at the time of arranging the booking.

Client and Client's guests on board should treat the crew with respect, and should allow them a proper amount of daily rest. The food of the crew during the charter period is financial responsibility of Client, according to usual charter standards.

7. Crew List and Arrival Details

The Client must send a correctly filled Crew list, not later than 10 days prior to the first day of charter. The Client agrees that s/he is the main contracting party for yacht charter, and that the Client is responsible for the other guests on board.

Additionally, it is recommended to send an estimated time of arrival at least 10 days prior to the first day of charter, in order for base staff to organize check-in procedure in the smoothest way possible. If Client has booked the transfer (e.g. from airport), then sending detailed arrival and departure information at least 10 days in advance is obligatory.

The Client is responsible for the accuracy of delivered eCrew list information, as well as for validity of all passports, visas, licenses and other identification documents. The Client and his guests aboard are responsible to obtain appropriate visas for all countries they travel to, if applicable. In particular, the Client acknowledges that the sailing license is a very important document on board and is legally responsible for its accuracy and trustworthiness.

8. Cancellation by the Client

Should the charter of the booked Vessel be cancelled by the Client, whatever the reasons may be, the Client shall be liable to inform SailingEurope via email about the cancellation without delay.

The Client shall be charged for the cancellation in the minimum amount of:

- 35% of the total yacht charter price if a reservation has been cancelled more than 2 months prior to the first charter day.
- 65% of the total yacht charter price if a reservation has been cancelled more than 1 month but less than 2 months prior to the first charter day
- 100% of the total charter price if a reservation has been cancelled less than a month prior to the first charter day.

In this category of cancellations there are also the situations when the Client does not come for the check-in (no-show), or when the Client leaves the Vessel prior to the contracted check-out time (early-departure) – in all such cases the 100% cancellation fee applies and the Client is not entitled to a refund.

Also, if skipper was hired and then cancelled by the Client, the skipper fee has to be paid nevertheless, according to the same percentages as listed above (35% of the total skipper price if skipper was cancelled more than 2 months prior to the first charter day, 65% for 1-2 months and 100% for less than 1 month). The same applies in case of hiring a hostess or cook. Cancellation of skipper, hostess and cook is charged regardless of whether the Vessel booking has been cancelled or not.

The cancellation policy listed above reflects the most common practice in the yacht charter industry. However, in some cases it may occur that the Charter-Operator in its valid terms and conditions requires a higher percentage of cancellation fees. In such a case, the percentage requested by the Charter-Operator shall be applicable.

In all cancellation cases, SailingEurope shall consider the date of receiving information on cancellation as a basis for the settlement of the cancellation costs. From this date, SailingEurope shall be entitled to make the Vessel available for bookings by other clients, and shall have no further obligations towards the Client who cancelled the booking.

The above cancellation provisions are not applicable in the case of a one-time payment of the Charter price by the Client after receiving the Pro-forma Invoice, and if the Client consequently acquires the right to an additional discount in relation to the initially offered price. In that case SailingEurope has no obligation to refund any part of the payment of the Charter price, no matter what the reason for cancellation is.

9. Changes and Modifications

Should the Client request a smaller change in the booking details (e.g. change of name or similar), an administrative fee of 45 EUR shall be charged to the Client.

Should the Client request a change in the charter period of the booked Vessel, and/or a change of the vessel or base, or any other major change, SailingEurope reserves the right to charge for the cancellation of the original booking. Alternatively, SailingEurope may choose to grant the requested change to the Client without charging the cancellation of the original booking. However, in such case, an administrative fee of 300 EUR shall be charged to the Client.



10. Cancellations by the Charter-Operator

Should the booking be cancelled by Charter-Operator (e.g. due to severe damages on the reserved Vessel or other unforeseen circumstances occurring to the Vessel), then the Client will be remunerated by Charter-Operator according to valid Terms & Conditions of that Charter-Operator. The examples of what most Charter-Operators would offer to Client in such cases are:

a) reservation of another Vessel of similar size and with similar features, from same fleet or from another fleet, if possible
or

b) a refund of all amounts received from the Client for the Vessel. Client acknowledges that in case when severe damages of the Vessel have occurred during previous charters, or due to events such as Acts of God, neither SailingEurope nor Charter-Operator are objectively guilty for this, and thus the Client shall aim to be cooperative towards finding appropriate alternative solution under the given circumstances.

11. Security Deposit

Before taking over the Vessel, the Client must give a security deposit (hereinafter: Deposit) in an amount stated in the valid Price List of Charter-Operator. The Deposit may be given either in cash or paid with one of the credit cards accepted by the Charter-Operator, all in accordance with the processes in Charter-Operator's base. After the completion of yacht charter the whole Deposit shall be repaid to the Client, unless some Vessel damages or loss of equipment have occurred, or unless the Client or its Crew have not acted in accordance with these Terms and/or the valid terms of the Charter-Operator. However, if the damages or breach of Terms have occurred, then the Deposit will be retained partly or fully, depending on the extent of damage or breach and depending on the details of policy of Charter-Operator. Some typical industry practices are the following:

- In case of a larger damage or breach, the Deposit shall be kept in full and the Client has no right for its refund.
- In case of a smaller damage or breach, Charter-Operator will keep the amount needed for the repairs and purchase of damaged or lost equipment, covering of intervention costs and/or handling costs, while the rest of the Deposit shall be refunded to the Client.
- If the Vessel will not be eligible for next charter because of the incurred damages, the full Deposit shall be taken, due to the fact that Charter-Operator shall have expenses related to remunerating the next client.

Paying the Deposit is obligatory also in cases when Client hires a professional skipper from SailingEurope or Charter-Operator. In such a case the Deposit cannot be used for covering the costs which emerged due to skipper's negligence, bad operation of the Vessel or its equipment. If the damage has happened due to gross negligence of the Client, or behaviors such as sailing under influence of alcohol or illegal drugs, sailing single-handed or sailing at forbidden times or outside of approved areas, participating in regattas without written approval of Charter-Operator, or similar serious breaches, the Client shall be liable even beyond the amount of the Deposit, including expenses connected to repairs and remunerations for lost charter income in the next weeks.

12. Insurance

According to industry standards, charter vessels are normally insured, with deductible franchise. The insurance usually does not cover damages of personal property of clients, property brought to the vessel and a deliberately caused damage, or any damage caused by clients' lack of diligence. It is strongly recommended that, upon booking, Client and all crew-guests should contract adequate travel and health insurance packages for their travel arrangement.

13. Taking over the Vessel/Check-in

The Client is obliged, when taking over the Vessel, to give to the representative of Charter-Operator a verified voucher with all Client's data and charter appointment info. Also, he needs to provide the original of the skipper's license. Also, identification documents (e.g. passports) of all guests on board must be provided for the purpose of re-checking the Crew list.

On the occasion of taking over the Vessel, the Client shall examine the inventory list with the representative of Charter-Operator, confirming the condition of the delivered Vessel with his signature. The same procedure shall be done with instruments aboard.

Any possible Client's subsequent complaints will not be accepted if the Client confirmed that the Vessel was in order and that the Vessel's equipment was complete and in order as well.

Should any of the Vessel's parts be damaged or lost during the previous charters, and if it is impossible to obtain the new Vessel parts prior to the date of the new charter, provided their loss will not seriously affect the security of navigation, it will not be possible for the Client to give up the charter or to demand a reduction of the charter price. Client acknowledges that such situations are not under influence of neither SailingEurope nor Charter-Operator, but are consequence of damages made by a previous client.

Typically, in yacht charter industry, the Vessel is to be delivered with full fuel and water tank, and it has to be returned to the charter base in the same condition with a full fuel and water tank.

Due to the fact that Vessels are expensive property and a certain level of skill is needed to operate them, Charter-Operator may require from Client (or their skipper) to demonstrate their navigation skills in presence of a representative of Charter-Operator. The costs for the stated demonstration (if any) shall be paid by the Client and the time spent for testing shall be included in the charter period of the Vessel. Should it be considered that the Client (skipper) is not skilled enough, Charter-Operator shall hire an official skipper and the costs required for such a service shall be paid by the Client according to the current Price List. If the Client refuses the assigned skipper, s/he will be forbidden to sail out, the charter contract shall be immediately terminated



and the paid amount shall be kept without any rights of reimbursement.

14. Taking back the Vessel/Check-out

On the occasion of returning the Vessel and re-checking the Vessel according to the inventory list, the fuel tank shall be examined too. If the fuel tank is not full, the Charter-Operator shall typically charge the Client for the fuel (calculated according to the maximum motor consumption for specific motor hours) plus a service fee. Also, the Client shall pay for damages on a Vessel, if any damages are found during the Vessel's examination, as described in the "Safety Deposit" section. Otherwise, if the Vessel is returned in a good state and a full fuel and water tank, the whole Deposit will be returned to the Client by Charter-Operator.

Should the Client take back the Vessel to a port that is not stated in the contract as the destination port, the Client must pay all costs concerning the Vessel's transport to the destination port, including all remuneration costs for the next client, plus a penalty fee set forth by the Charter-Operator.

Similarly, if Client is overdue, s/he will be fined according to the policy of Charter-Operator.

Running behind schedule owing to weather conditions is not justified because it is necessary to keep the vessel at an appropriate distance from the charter base during the last 48 hours before the charter ends.

If the Client wishes to prolong the period of charter, whatever the reason may be, s/he should immediately inform SailingEurope about his/her intentions. SailingEurope shall in return inform the Client whether the desired prolongation is possible or not. If the prolongation is possible and confirmed, and the Client has paid for it, SailingEurope will organize all the necessary paperwork for additional days (such as prolongation of the booking, prolongation of the crew list etc.).

15. Sailing Area

The basic sailing area of the Vessel is stated in the registration documents of the Vessel in question.

If the Client wants to sail outside the basic sailing area, the Client shall be liable to inform SailingEurope about their intentions before booking confirmation, in order for the Vessel to be insured and registered for that occasion. Simultaneously, the Client shall be charged for the stated additional insurance and registration costs, along with extra costs that may arise for SailingEurope or Charter-Operator due to this request.

Charter-Operator may also request a higher Deposit in such cases.

The Client hereby agrees that, if sailing outside of the basic sailing area, the Client should be prepared to organize Vessel's maintenance and repairs on his own, and at his own cost, as most commonly the Charter-Operator maintenance and intervention services do not cover those areas.

Charter-Operator shall advise the Clients on their processes in such cases.

16. Damages during yacht charter

Should any damage emerge during the yacht charter owing to usual abrasion of Vessel's materials or ageing of equipment, the Client should inform the Charter-Operator without delay.

If severe damages, engine troubles, loss of Vessel, personal injuries and similar incidents happen, the Client is liable to inform the Charter-Operator and SailingEurope about it without delay, and to obtain official minutes and certification on the emerged incident by other parties (e.g. port authority, physician, authorized expert, etc.).

In all such cases, further procedure will be handled according to valid processes and Terms & Conditions of the Charter-Operator in question.

Damages which were not reported and have no recorded minutes shall be considered to have emerged owing to the Client's negligence, and in such cases they have to be paid by the Client.

17. Liabilities of the Charter-Operator

The Charter-Operator is responsible for the correctness of the accommodation (i.e. of the Vessel), investment maintenance, current maintenance, as well as preparation of the Vessel for charter.

The Charter-Operator is also responsible for organizing and conducting check-in and check-out processes at the base.

In case of any special or additional requests by the Client (e.g. earlier check-in, longer explanations during check-in, special needs... etc.) the Charter-Operator may try to resolve them to the satisfaction of the Client, but the Client acknowledges that this is not a liability of the Charter-Operator, and cannot ask for remuneration if such special requests were not fulfilled or were fulfilled only partially. The Charter-Operator is responsible to bear expenses towards the Client in case of not fulfilling their obligations, according to valid Terms & Conditions of that Charter-Operator.

However, the Client cannot expect refunds for delays or issues caused by *force majeure* (e.g. earthquakes, floods, thunders, fire, other natural calamities, wars, civil wars, terrorism, strikes, etc.).

The Client acknowledges that the Charter-Operator is a fully separate legal entity from SailingEurope, and that the role of SailingEurope in the booking process is that of mediator only, as described in the chapter below.



18. Liabilities of SailingEurope

SailingEurope works with a large international online database of Vessels and has established business partnerships with many Charter-Operators who operate boat fleets. The Client acknowledges that SailingEurope acts as an Agency-Mediator between the Client and the Charter-Operator. Thus, SailingEurope will provide the Client with the information on the type of the Vessel's accommodation, its integral parts and possible additional costs (services of skipper etc.), it will assist the Client in obtaining most appropriate Vessel to meet Clients specific needs, and also assist the Client throughout the entire booking process.

SailingEurope shall inform the Charter-Operator about relevant booking information, collect documents from the Client (e.g. licenses, crew lists etc.), as well as make payments to the Charter-Operator and perform all other agency-mediator duties according to business cooperation contract concluded between SailingEurope and the Charter-Operator.

In case of any possible disputes between the Client and the Charter-Operator before, during or after the charter, SailingEurope will put its best efforts to help the Client and strive to protect Client's interests to the maximum possible extent. Also, in case the Charter-Operator fails to fulfill some of their obligations towards the Client, SailingEurope will support and assist the Client, striving to obtain the appropriate refund from the Charter-Operator to the Client.

In extreme and very rare cases in which the Charter-Operator fully fails to fulfill their obligations (e.g. filing bankruptcy, loss of Vessels or similar), SailingEurope will put utmost effort to assist the Client in finding the best possible alternative solution with minimum possible costs/losses for the Client. The Client acknowledges that SailingEurope shall not be liable to pay to the Client any refund or loss caused by Charter-Operator's failure to fulfill their obligations, provided that SailingEurope had made appropriate payments to the Charter-Operator for chartering the Vessel(s), following the corresponding Client's payments to SailingEurope. Still, SailingEurope will assist and help the Client towards obtaining appropriate refunds from Charter-Operator and protecting Clients interests as stated above in this article.

19. Liabilities of the Client

Other than what was already stated in these Terms, the Client shall also be liable:

- to be nautically and navigationally skilled for the Vessel charter, otherwise he/she shall be liable to accept a skipper according to the effective Price List of Charter-Operator
- to have all required licenses for operating the Vessel in case of bareboat charter
- not to leave the Vessel to a third party
- not to transport persons or goods for commercial purposes, or engage in any other commercial use of Vessel
- to have aboard the exact number of persons, and exact persons, as stated on the crew list
- to keep the crew list with the certificate of residence registration together with vessel documentation for the whole duration of the charter
- to promptly inform the Charter-Operator about any possible changes in crew members or passengers
- to fully respect legal regulations of the host country
- not to participate in competitions and regattas without consent granted by the Charter-Operator
- to hold on to obligatory control intervals for the duration of cruising
- in case of towing, to conclude an award for rescuing prior to the acceptance of help, unless prescribed otherwise by the Charter-Operator
- to undertake all safety precautions in order to keep the Vessel in good condition and avoid any damages or towing of the Vessel
- not to leave the port if the foreseen wind force was estimated stronger than 25 knots, or if the port authorities issued a prohibition on leaving the port, without prior consent given by the Charter-Operator
- to avoid unnecessary burdening of masts, sails and ropes, i.e. to sail respecting the weather conditions
- to plan the navigation route very carefully, so that two days before arrival the Vessel is approximately 40 NM away from the check-out charter base
- not to sail at night without prior consent given by the Charter-Operator
- not to sail single-handed without prior consent given the by Charter-Operator
- to inform the charter base manager about the Vessel's exact location in case of severe weather conditions (gale-force wind), in order to avoid unnecessary and expensive search for the Vessel
- not to operate the Vessel under influence of alcohol or any illegal drugs, and generally not to use or have any illegal drugs on board
- not to make excessive noise in marinas, harbors and other mooring locations
- to respect privacy and night-rest rights of occupants of the neighboring vessels and houses
- not to engage with fishing or any other submarine activities without a valid license for such activities
- not to embark pets (dogs, cats, birds, etc.) aboard without written consent of the Charter-Operator
- to respect other provisions that are not listed above, but are listed in the valid Terms & Conditions of the relevant Charter-Operator.



The Client warrants joint responsibility for all crew members i.e. guests on board. All consequences arising from the Client or his crew or guests on board not respecting the above liabilities are the joint responsibilities of the Client and crew/guests on board. In case of breach of the clauses above or breach of other contractual obligations of the Client and its crew/guests, the Client acknowledges that the Charter-Operator may remunerate from the Deposit and/or claim indemnity for full incurred damage.

20. Complaints

Complaints shall be accepted in writing on the date of taking over the Vessel (check-in). They must be signed by the Client and the representative of Charter-Operator.

The complaints shall be typically resolved in the manner described below, or a similar manner, depending on the Charter-Operator in question:

- In case of a cleanliness complaint, Charter-Operator will inspect the issue, and if the complaint is justified, organize additional cleaning activities to correct the issue. In case of such type of complaints there will be no financial refunds.
- In case of a smaller reported shortcomings or damages, which do not seriously affect security of navigation, the Charter-Operator will inspect the issue, and if the complaint is justified, organize all reasonable activities to correct the issue. The Client acknowledges that, despite best efforts of the team, it may happen sometimes that it will not be possible to correct the issue in a given timeframe due to objective reasons. Generally, in case of such smaller issues there will be no financial refund.
- In case of a larger reported shortcomings or damages, which do seriously affect security of navigation, Charter-Operator will inspect the issue, and if the complaint is justified, organize all reasonable activities to correct the issue in the fastest possible way. Depending on the time needed to correct the issue, the Client will be remunerated by the Charter-Operator according to relevant provisions of Terms & Conditions of the Charter-Operator.

In case of serious issues that objectively could not have been noticed during check-in, but were properly reported according to the section "Damages during yacht charter", the Client may require indemnity latest during check-out. On this occasion he should file a complaint in writing signed by the both parties with all belonging documentation.

If the Client's complaint was reported but could not be solved during check-out, it should be re-sent in writing within 14 days, otherwise it shall not be taken into consideration.

If the Client has filed the complaint via SailingEurope as the Client's Agency-Mediator, SailingEurope will analyze the received complaint, collect information from the Charter-Operator, advise the Client on the industry practices in such cases, and try to resolve the complaint, mediating between the 2 parties, in a timely and fair manner. SailingEurope will provide an official answer to the Client as soon as possible, and latest within 7 days from receiving relevant answers from the Charter-Operator.

21. Terms of the Charter Operator

The Client acknowledges that in some cases it may occur that the Charter-Operator in its valid Terms & Conditions has different requests and conditions regarding the Vessel chartering than set out in these Terms. The Client acknowledges that for his obligations to the Charter-Operator the Terms of the Charter-Operator will apply.

22. Jurisdiction

The parties will strive to resolve any dispute in a peaceful manner.

If the parties are not able to reach an agreement among them, the court in Zagreb, Croatia has the jurisdiction over their dispute.

23. Validity

These Terms come to force and are valid starting from 09.12.2013, and from this date replace any previous general terms and conditions for yacht charter of SailingEurope.

These Terms remain in force until the next version of the general terms and conditions for yacht charter shall be officially issued and come to force.

On the official web pages of SailingEurope there will always be a presently applicable version published.

