

GENERAL TERMS AND CONDITIONS

LAGOON 560 S2 TAIPAN

All our offers are subject to the general terms and conditions of Adara Yachts S.r.l. hereinafter referred to as "The Manager".

1. CHARTER AND USE OF THE VESSEL

The Manager shall make the vessel available to the Charterer for the period stipulated in the contract for recreational use only carried out within the navigation area indicated in the contract and within ports, safe anchorages and bays and where the vessel can always be floating. The use of the vessel for profit and/or commercial purposes such as passenger or freight transport and commercial photographic and cinematographic footage of any nature is prohibited, unless the Manager has agreed and has given his permission to the Charterer in a signed written form. Possession of weapons, drugs, narcotics, or any other illegal substance is strictly prohibited. It is forbidden to sub-charter the vessel and bring animals on board.

2. OBLIGATIONS OF THE MANAGER

For the duration of the contract, the Manager shall:

- Present the vessel in the port of boarding, equipped conveniently, with qualified crew and able to carry out the scheduled navigation by the Charterer.
- Insure and keep the vessel insured throughout the charter period in accordance with flag state standards.
- Keep the vessel seaworthiness and safety at its own expense.
- Provide linen and any other furniture essential for the stay on board of the charterer and his/her guests.

3. OBLIGATIONS OF THE CHARTERER

For the duration of the contract, the Charterer shall:

- Undertakes to pay the sums due to the Owner in accordance with the terms of the contract.
- Assures that neither he/she nor any of his/her guests are subject to medical treatment that may affect their stay on board and their safety.
- The Charterer and his/her guests must be in possession of the documents and visas necessary for entry into the States that are scheduled to be visited.
- Cover the costs of on-board supplies such as food and drink, fuel and oils necessary for the operation of the vessel, port and pilotage fees and any other charges arising from the use of the vessel carried out by the Charterer for the duration of the contract.
- Undertakes to indemnify the Manager for any loss or damage suffered by the vessel or any of its parts as a result of an act committed directly or indirectly by the Charterer or one of his/her guests, as well as for any liability for offences against the crew committed on board during the charter period.

4. BOARDING AND DISEMBARKATION

The Manager shall present the vessel at the port of boarding and at the times agreed in the contract, equipped with all the necessary equipment for the navigation required by the Charterer, with full fuel and in perfect working conditions. For the first night of charter the Manager will provide a free berth. The Manager and the Charterer will document the execution of the boarding operations. The handover of the vessel will have place only if the following conditions have been fulfilled:

- Full payment of the charter fee and mandatory extras agreed;
- Full payment of the security deposit. The deposit is due even if the client has subscribed an insurance.
- The yacht charter agreement signed by both parts;
- Fully completed crew list.

The Manager considers dinghy engine, air conditioning system, generator and water-maker to be additional equipment. Not-functioning additional equipment does not entitle the charterer to a reduction in the charter price. A faulty toilette does not constitute a defect. The charterer is not entitled to a refund. With the departure of the Yacht, the charterer accepts the conditions of the vessel.

In the event that boarding is delayed compared to the period indicated in the contract:

- If the delay occurred for reasons of force majeure not directly dependent on the will of the Manager for a period less than 30 (thirty) hours, the Manager will refund the charter fee to the Charterer for the time not used;
- If the delay occurred for reasons of force majeure not directly dependent on the will of the Manager for a period exceeding 30 (thirty) hours, this contract will be considered terminated and the Manager will return to the Charterer any sum paid in advance, interest-free;
- For any other reason other than force majeure, if the time does not exceed 30 (thirty) hours, the Manager will refund the Charter fee to the Charterer for the time not used, while if the period exceeds 30 (thirty) hours, this contract will be considered terminated and the Manager will refund the Charterer of any fee paid, increased by 10% as a penalty.
- If the delay occurred for reasons directly connected to the Charterer, transportations or his/her late arrival on board, no refund will be made by the Manager for the time not used.

Disembarkation shall take place in the port and at the time agreed in the contract. The vessel must be presented at the port of disembarkation with full fuel and all appliances present at the time of embarkation of the charterer and his/her guests. The charterer may request for the disembarkation to be carried out in advance at the place indicated in this contract or in other port, without entitlement to any refund for the period not used. The navigation needed to reach the check-out port is at Charterer expenses.

The Manager will verify the presence of eventual damages performed by the Charterer or one of his/her guests. If anomalies are found, the Charterer will have to make the necessary repairs within the end of the charter period; if this deadline is exceeded, the Charterer shall pay to the Manager a fee equal to the original basic charter fee, calculated pro rata and increased by 20% (twenty percent) for each day until the repairs at his/her expense are completed. The Charterer shall indemnify the Manager against any damage or loss suffered as a result of the delayed presentation of the vessel at the next boarding or the cancellation of a subsequent charter contracts. The charterer is not responsible for damages occurred by crew fault or mistake if there is a direct proof of their responsibility.

5. NAVIGATIONAL AREA

The Charterer shall limit the cruise within the navigational area identified in the contract and in the limit area where the vessel is legally authorized to sail. In addition, the Charterer shall limit the time elapsed in navigation to six (6) hours per day, unless the Captain, in his/her sole discretion, agrees to exceed this time.

6. INSURANCE

The Manager will present the vessel with the insurance for bodies and civil liability provided by the flag, extended to commercial activities of bareboat and charter. A copy of the insurance policy will be kept on board. If the Charterer does not consider the insurance coverage ceiling sufficient, he/she must give written notice to the Manager, who will raise it to the required limits, but the additional costs will be covered by the Charterer. In any case, the Charterer shall be liable for damages not recoverable by the insurance for fact or serious fault of the Charterer or one of his/her guests.

The Charterer can subscribe additional insurances for the charter fee and/or security deposit at his own discretion and responsibility.

7. MAXIMUM NUMBER OF PERSONS AND RESPONSIBILITIES FOR CHILDRENS

The Charterer is obliged to respect the maximum number of persons onboard established in the contract throughout the charter period. In the only case where the vessel is moored in port or is at anchor, access by a reasonable number of visitors is allowed, with the sole discretion of the Captain, who authorizes access and indicates the limit number of people who can board. This choice is based on the limit of persons allowed by the local and flag authorities. If children are on board, the Charterer is fully responsible for their conduct and entertainment. This responsibility shall not be delegated to the crew. Children shall not be left on board alone except in the presence of a responsible adult.

8. CREW AND CAPTAIN'S AUTHORITY

The Charterer will present the vessel with a qualified and trained crew in accordance with the requirements of the flag state. No crew member shall carry or use illegal drugs, carry arms on board, or use alcohol or other substances that may alter their psychophysical state. The crew shall be entitled to rest in accordance with the rules of the flag state. Working and rest hours are defined by the Captain according to the needs of the Charterer. The crew, for the regular operation of the vessel, will come in contact with information and sensitive data of the Charterer and/or the guests on board. To guarantee the privacy of guests, no information can be disclosed by them to third parties without prior written permission.

The Charterer and his/her guests must always give the crew due respect. No crew member shall be subjected to work which goes beyond his/her duties. If a crew member is not treated with due respect or is subject to harassment of any kind, he/she shall inform the Manager, who shall withdraw from the contract and withhold any sums paid by the Charterer.

For the duration of the charter, the Captain is subject to the reasonable instructions of the Charterer regarding the voyages to be undertaken, the management of the vessel and the activities to be carried out. However, the Captain shall not comply with any order which may result in the transfer of the vessel to an unsafe, inappropriate port or area outside the boundary area established in the contract or an area which could result in the failure to present the vessel at the port of disembarkation within the agreed time. The Captain, as responsible for the vessel, its safety and navigation, has full decision-making powers on how to navigate, the routes, the speeds to be maintained and whether to make a trip. These decisions are binding on the Charterer. The Captain shall promptly draw the Charterer's attention to any violation carried out by him/her or one of the guests. If the Captain considers that the Charterer or a person in his/her group does not comply with the provisions of this contract, he/she shall immediately notify the Manager, who may order the immediate return of the vessel to the port of disembarkation and may withdraw from the contract. The Charterer and his/her guests must then proceed to disembark, and the Charterer will not be entitled to any refund on the charter fee.

Regarding the use of water sports equipment, dinghies or other equipment, the Captain has the authority to exclude the Charterer and/or his/her guests from the use of such equipment if they act irresponsibly or under the influence of alcohol. The Charterer has the right to inform the Manager of any dissatisfaction related to the work of the crew.

9. PAYMENTS

The payment of the instalments shall be made as follows:

- 50% of charter fee for booking confirmation.
- 50% of charter fee and mandatory extras agreed within 30 days from the boarding.

In the case of:

- Non-payment of the first instalment: the contract is considered terminated, and the Manager will notify the Charterer;
- Non-payment of the second instalment and/or payment of the security deposit and/or other charges provided for in Part I of Framework H-L-M, in accordance with the agreed terms and conditions: the contract will be considered terminated for default of the Charterer, and the Manager may withhold all payments received, in addition to claiming payments due and not received, with the right to compensation for damages.

10. OPERATIVES COSTS

The Charterer is responsible for the payment of the costs for the supply of fuel, lubricating oils, water, electricity, food and drink for himself/herself and his/her guests, communication costs, harbor taxes and, in general, all the expenses and the following costs from the use of the vessel for the whole duration of the contract. Part of these charges are contained within service packages. The costs included within the packages are defined in the contract. For all other costs that may arise, the Charterer shall pay a credit fund called ADVANCE PROVISIONING ALLOWANCE (APA), the amount of which is defined in Part I Framework (M) of this Agreement, which the Captain shall use to pay the costs that may arise. The Captain will notify the Charterer of the fund's claim. If it is exhausted, the Charterer must provide the Captain with additional credit necessary to cover the other costs that will arise until the end of the charter. Before disembarkation at the end of the charter period, the Captain shall provide the Charterer with a detailed statement of the costs and receipts. The unused portion of APA remaining on sale at the end of the charter is returned to the Charterer.

11. SECURITY DEPOSIT

As a guarantee of any obligation arising under the contract, the Charterer shall pay to the Manager upon embarkation the sum agreed in the contract as a security deposit. This sum shall be refunded, without interest, to the Charterer upon disembarkation after having established the absence of damage to the vessel and of deficiencies and/or breakages in the equipment on board, breaches of contract and obligations incurred and/or penalties suffered by the Charterer during the charter period. Any deduction must be duly documented by the Manager.

12. CHARTER SUSPENSION

If, after the Charterer boarding and for facts not attributable to it, the vessel is not able to provide the service for which it was hired:

- If the period of inability to use the vessel is less than 24 hours, the Charterer is entitled to a refund of the charter for the hours not used.
- If the period of inability to use the vessel is longer than 24 hours, this contract will be considered terminated, and the Manager will return to the Charterer the charter fee for the period not enjoyed and will pay the travel and the accommodation expenses for the Charterer and his/her guests to reach the port of disembarkation.

If the period of suspension has occurred due to force majeure, not dependent on the Manager's will or acts, but caused by meteorological events, or other events that limit the use of the vessel, the Charterer shall be entitled to continue his stay on board, without right to reimbursement. Any interruption shall be recorded in a record, signed by the Captain and the Charterer.

13. CANCELLATION BY MANAGER

If the Manager decides, before the start of the charter period, to terminate the contract by giving notice to the Charterer, he must refund the latter with any compensation paid in advance, without interest. If the communication of the Manager takes place within 30 days from the date of embarkation, the latter will pay a penalty to the Charterer equal to 10% of the total value of the charter. The Manager has the right to withdraw from the contract, during the charter, if the Charterer or any of his/her guests commit an offence contrary to the laws or regulations of the State in which the navigation is carried out or the vessel is being held, arrested, seized or fined. In these cases, the Charterer must compensate the Manager for all losses, damages and expenses incurred as a result of his/her actions.

14. CANCELLATION BY THE CHARTERER AND RIGHT TO WITHDRAW

If the Charterer, before the charter start date, decides to terminate the contract by giving written notice to the Manager, the latter shall have the right to receive the total charter fee and to withhold advances already paid. If the Manager manages to re-charter the vessel for the same period on terms not more favorable than those provided for in this contract, the Manager will refund the charter fee to the Charterer, however, deducting a sum equal to all the costs incurred for the conclusion of the new charter contract. According to Directive 1997/7/EC, if this contract is concluded at distance and the Charterer is a Consumer (natural person acting in a non-professional way) the latter has the right of withdrawal within 10 working days from the conclusion of the contract, by sending written notice to the Manager by e-mail or PEC. This right of withdrawal cannot be exercised if the performance of the contract has to start within ten (10) working days of its conclusion.

15. RESOLUTION OF FORCE MAJORE

If due to force majeure, or any cause directly attributable to acts of god, events, omissions, incidents or accidents beyond the control of the Manager and/or the Captain, it is not possible to make the vessel available to the Charterer at the place and time specified in this contract, the latter will be considered terminated. The Manager shall provide the Charterer with a copy of the documents, or pictures or other evidence that the cancellation communicated by him has actually occurred for reasons not directly connected with his work or the poor maintenance of the vessel. The Manager will replace the vessel with another of equivalent characteristics to be delivered for the same period to the Charterer. If it is not possible to obtain an adequate replacement, the Manager will return all the payments made in advance by the Charterer.

16. VALUE ADDED TAX

For calculating the Value Added Tax (VAT), to be paid by the Charterer with the charter fee indicated in the contract, the rules laid down by the State in which boarding takes place shall apply. As the vessel will be used inside of the waters of the European Community, the ordinary Tax previewed from the State of the port of Boarding will be applied.

17. BROKER

The Manager and the Charterer acknowledge the maritime broker indicated in the contract as the sole intermediary. The commission to the broker is due at the signing of this contract by the Manager and the Charterer at the same time as the payment of the first instalment by the Charterer. The fee is paid by the Manager on the charter fee net of expenses.

18. COMPLAINTS, LAWS AND ARBITRATION

All communications between Manager and Charterer shall be in written form. If the Charterer wishes to make a complaint about an event on board, he/she can submit it to the Captain of the vessel or directly to the Manager by e-mail or PEC.

The contract is governed by Italian law, specifically the rules relating to the charter of pleasure craft excluding the EU Directive (2015/2302). The resolution of any dispute relating to this contract will be resolved by Free Arbitration in accordance with the rules of the "Maritime Arbitration Chamber of Genoa". Any registration fees for the contract will be paid by the party requesting registration.

For any question regarding the General Terms and Agreement, please write to: charter@adarayachts.com