

Yacht charter agreement

1. Object of contract: Terms and Conditions

Included/Excluded: (unless otherwise specified under Additional Conditions): The charter fee includes the services of a Captain and Crew, meals, standard ship's bar, fuel, and all expenses related to running of the vessel and use of on-board sports equipment. The charter fee does not include (optional) crew gratuities, kitesurfing and or scuba equipment, premium beverages and fine wines, excessive alcoholic consumption, off yacht excursions, dockage, cruising taxes and permits, telephone, airport transfers or similar expense incurred by the Charterer.

2. Defaults in Payments

Should any installment of charter fees not be paid on the date designated, the CHARTERER will be advised in writing and will have 5 days to pay balances due. If the default continues thereafter, the OWNER shall have the right to cancel this agreement without prejudice to his rights in respect of any arrears of charter money, or of any breach by the CHARTERER of the conditions contained herein.

3. Cancellations

Should the CHARTERER cancel before the charter term period begins, deposits will be refunded under the following conditions:

- a. Cancellations prior to 6 weeks of the start date of the charter period through the CHARTERER will be fully reimbursed excluding the deposit of 25%.
- b. Cancellation less than 6 weeks from the start date of the charter are fully charged and no reimbursement to the CHARTERER will be made.

If the OWNER cancels, the OWNER shall reimburse the CHARTERER for all deposits paid as of cancellation date. Cancellations by OWNER or CHARTERER are to be in writing and acknowledged by both parties.

4. Delivery

The OWNER agrees to deliver the yacht at the Port of Boarding in full commission and in proper working order, having all licenses required for any jurisdiction within the area of charter, outfitted as a yacht of her size, type and accommodations, with full equipment, inclusive of that required by law, and fully furnished, including galley and utensils, blankets, linens, and towels; in staunch, clean and good condition throughout and ready for service; and, further agrees to allow demurrage pro rata to the CHARTERER for any delay in delivery, unless caused by Force Majeure. Should it be impossible for the OWNER to make delivery within twenty-four hours after the start of the charter period (for any reason other than Force Majeure), the CHARTERER may cancel or reschedule this Agreement. Any charter deposits paid in advance shall be returned by the OWNER in full to the CHARTERER at the CHARTERER'S option without further liability to the OWNER.

5. Force Majeure

Force Majeure is defined as any cause attributed to acts of GOD, accidents, natural disaster, weather or other occurrences beyond the reasonable control of the OWNER, and not caused by the OWNER'S negligence. No warranty is made as the suitability of weather with respect to this charter. If a Named Storm threatens or is forecast to threaten the expected location of the charter yacht, as determined by the Captain in his/her sole discretion, the Captain shall have the option of terminating or canceling the charter any time that he/she deems necessary. No refund is provided for cancellation due to weather.

6. Authority

The OWNER warrants that the Captain meets all requirements necessary to legally command the yacht in the area chartered. While it is agreed the CHARTERER may determine the general movements and destination of the yacht within the boundaries of this Agreement, it is understood that the Captain is in full command, and

that the CHARTERER agrees to abide by his judgment as to clearance, sailing, weather conditions, anchorages and other pertinent matters.

7. Liens

The CHARTERER, his agents, and/or employees, have no right or power to permit or suffer the creation of any Maritime Liens against the yacht. The CHARTERER agrees to indemnify the OWNER for any charges or losses incurred as a result of a breach of this paragraph, including reasonable attorney's fees.

8. Non-assignment

The CHARTERER agrees not to assign this Agreement or sub-charter the yacht without the OWNER'S consent in writing.

9. Navigation Limits

The CHARTERER agrees to restrict the cruising of the yacht in accordance to the Captains guidance.

10. Insurance

The OWNER agrees to keep the yacht fully insured against fire, marine and collision risks and with protection and indemnity coverage for the full term of the charter period. The CHARTERER shall not be liable for any such loss or damage covered by such insurance. Failure by the OWNER to provide such insurance will burden him with the same responsibility as if the yacht were so insured. The CHARTERER may purchase additional Charter liability insurance at his/her expense. The OWNER shall not be held responsible for loss or damage to personal property or for any injury suffered by the CHARTERER, or any member of his party, during the term of this charter, regardless of whether any such loss or injury occurs on board the yacht or elsewhere, unless such loss, damage or injury is the direct and proximate result of OWNER'S sole negligence. More specifically, but without limiting the foregoing, the OWNER and his insurance underwriters accept no responsibility or liability for accidents, injuries or death related to the yacht's dinghy, swimming and/or the use of snorkels, masks, or allied equipment (such as scuba equipment), water skiing, windsurfing, personal watercraft, spinnaker flying, halyard flying, or other sports equipment, whether or not supplied by the OWNER or CHARTERER.

11. Accidents

The OWNER agrees that should the yacht, after delivery, sustain breakdown of machinery, or be disabled, or damaged by fire, grounding, collision or other cause so as to prevent its use by the CHARTERER for a period of twenty-four (24) consecutive hours or more, or should the yacht be lost or said damage(s) be so extensive that the yacht cannot be, or is not repaired within twenty-four (24) hours, none of the above being brought about by any act or default of the CHARTERER, the CHARTERER shall have the right to terminate the charter. The OWNER shall make a pro rata return of all charter fees to the CHARTERER from the time of such loss or damage.

12. Drugs or any other illegal activities

The use, transportation, or possession of illegal drugs or narcotics (INCLUDING MARIJUANA) or of any other contraband, or the participation in any other unlawful activity according to the law of Egypt is strictly prohibited. The participation in any of these activities by CHARTERER, or by any guest of the party constitutes a breach of the charter and shall be cause for immediate termination of this Agreement without refund of any payments made by CHARTERER. CHARTERER will be held responsible for any loss or damage to the yacht due to any such violations and will be put ashore at the next port of call.

13. Redelivery

The CHARTERER agrees to redeliver the yacht, her equipment and furnishings, free and clear of any indebtedness incurred for/by the CHARTERER, at the expiration of charter. The CHARTERER also agrees to be responsible for and to replace or make good any injury to the yacht, her equipment and furnishings caused by

himself or by any of his party, less ordinary wear and tear, except to the extent such claims are covered by insurance as provided above. This means that the CHARTERER shall be responsible for any costs up to the amount of any deductible. Should the CHARTERER hinder the yacht's redelivery to the place and time stipulated, for whatever cause, he shall pay the OWNER demurrage pro rata for additional charter time, plus any other losses the OWNER sustains related to the delayed redelivery. If the delay in redelivery is due to Force Majeure, the CHARTERER is not held responsible for any additional charter fees.

14. Dispute resolutions

Should the OWNER and CHARTERER be unable to reconcile any differences that may arise with respect to the charter or this Agreement, such dispute shall be submitted first to mediation before a mediator mutually agreed upon by the CHARTERER and the OWNER, with the cost thereof divided equally between the parties. The mediation will be in accordance with such rules as the parties may designate agree upon and in the event the dispute cannot be resolved by mediation, then either party may resort to an action as provided in paragraph 16.

15. Venue

The venue of any action arising from this Agreement shall lie exclusively in the Courts of the City and State of the OWNER'S company registration, unless another place is mutually agreed upon, and both parties shall submit to the jurisdiction of such court.

16. Execution of agreement

The OWNER and CHARTERER, whose signatures need not be affixed to the same copy of the YACHT CHARTER PARTY AGREEMENT, may transmit the Agreement by facsimile or other electronic means. The separately signed Agreement, and/or copies thereof, shall constitute a binding Agreement between the OWNER and the CHARTERER.

This Agreement must be signed and returned within two (2) weeks of receipt by the OWNER or the OWNER'S representative via electronic means to the delivery address provided. Otherwise the CHARTERER has the right to cancel without penalty.

I have read and understood the terms of this Agreement, plus all additional conditions and/or addenda listed above, before signing. Therefore, to the true and faithful performance of the foregoing YACHT CHARTER AGREEMENT, said parties hereto bind themselves, their heirs, executors, administrators and assigns, each to the other.