

BAREBOAT/DEMISE CHARTER AGREEMENT

MADE this _____ day _____ month _____ year by and between NAUTIUS CHARTERS, LLC of Delray Beach, Florida, hereinafter referred to as the OWNER, and (name) _____ of _____, hereinafter referred to as the CHARTERER,

WITNESSETH:

WHEREAS, OWNER is the owner of that certain Vessel described as follows: _____ which is hereinafter described as the Vessel, and which includes all equipment, fixtures and other property delivered to CHARTERER with said Vessel; and

WHEREAS, CHARTERER wishes to charter said Vessel for him or herself and no more than **twelve (12)** guests from the OWNER:

NOW THEREFORE, in consideration of the foregoing, the mutual covenants contained herein, and the sums paid and to be paid in accordance herewith, the OWNER agrees to let and the CHARTERER agrees to hire the Vessel upon the terms and conditions set forth below:

1. TERM: The term of the charter shall commence at: _____ (AM/PM) (the Start Time) on the _____ day of _____ (month) _____ (year) and the term shall end at: _____ (AM/PM) (the End Time) on the _____ day of _____ (month) _____ (year).

2. RENTAL: The total rent to be paid by the CHARTERER to the OWNER is \$ _____, as **PER INVOICE # _____**, payable in \$US Dollars. The full invoiced amount shall be paid to OWNER no later than **thirty (30) days prior** to the Vessel’s delivery. A security and damage deposit of \$ _____ shall be paid by the CHARTERER to the OWNER prior to delivery, which shall be applied to late return charges, any damage within the insurance deductible amount for which the CHARTERER shall be responsible, the repair of any damages or loss of equipment and such other charges for consumable items as may have been used and not paid for or replaced during the term of the charter. When the CHARTERER hires more than one Vessel the OWNER considers the security deposits on all of the Vessels chartered to be a universal security deposit from which the OWNER can deduct all of the losses and damage caused by the CHARTERER regardless of any perceived individual limits on any one Vessel. Said deposit shall be held for ten (10) days after termination of the Vessel’s charter pending review of an inspection report by OWNER.

3. DELIVERY AND REDELIVERY: The OWNER agrees to deliver the Vessel in full commission and in proper working order, outfitted as a Vessel of her size, type and accommodations, with full equipment, inclusive of that required by law, and fully furnished, including galley and dining utensils, blankets, staunch, clean and in good condition throughout and ready for service. Nevertheless, should it be impossible for the OWNER to make delivery as

CONTRACT PAGE 1 OF 4 – INVOICE # _____ OWNER INITIALS (_____) CHARTERER INITIALS (_____)

stipulated through causes beyond its control and should such delivery be not made within two (2) days thereafter, then this Agreement may be canceled by the CHARTERER and any charter money paid in advance shall be returned to him, which shall be CHARTERER'S sole and exclusive remedy.

The CHARTERER agrees to redeliver the Vessel, her equipment and furnishings, free and clear of any indebtedness incurred for the CHARTERER'S account at the expiration of the charter term, to the OWNER, at his dock in as clean a state as when delivery was taken, ordinary wear and tear excepted. If the Vessel is not redelivered in a clean condition, CHARTERER will be charged \$_____ for cleaning, which will be deducted from the security and damage deposit. The CHARTERER is responsible for allowing sufficient time for redelivery, but should it be impossible for the CHARTERER to make redelivery of the Vessel as stipulated hereinabove, he shall immediately notify OWNER, and he shall pay such late return charges and/or demurrage pro rata to the OWNER for the time that such redelivery is delayed, and in addition thereto shall pay all costs of such redelivery, if any, except in the event of total loss to such Vessel, in which event the rights and obligations of the parties shall be determined by other provisions of this Agreement.

4. NAVIGATION LIMITS: The OWNER does not guarantee any destinations. The navigational limits of the Vessel are determined by the Vessel's insurance policy; therefore, the CHARTERER agrees to restrict the cruising of the Vessel to the coastal and inland waters of the State of Florida and the Bahamas north of 24 degrees North Latitude not more than 100 miles off shore, including that portion of the Atlantic Ocean lying between the East Coast of Florida and the Bahamas. Nighttime operation is not recommended except when crossing the Gulf Stream to make a daylight landfall in the Bahamas or the Florida coast, the CHARTERER should not navigate any unfamiliar or unlighted harbors except between the hours of 0900 and 1700. If for any reason the CHARTERER shall operate or take the Vessel outside the navigational limits hereinabove described without having obtained both the prior written authorization of the OWNER and the appropriate additional insurance coverages, the CHARTERER shall be liable and responsible for all loss and damage to the Vessel and/or the CHARTERER'S party, and all sums paid under this Agreement, including the security and damage deposit, shall be thereupon forfeited and applied against such loss(es) and damage(s).

5. INSURANCE: The OWNER agrees to keep the Vessel insured against Fire, Marine and Collision risks, and with Protection and Indemnity coverage, for the term of this charter, the policy to be held by it as full protection for any and all loss or damage that may occur to, or by, the Vessel during charter period, and the liability for loss or damage shall be limited to not more than the amount of the deductible feature of the OWNER'S policy for covered events, and in case of any accident or disaster the CHARTERER shall give the OWNER prompt notice of same. In addition, a Damage Waiver (DW) policy will be in effect when CHARTERER pays the premium in full. The DW covers any loss or damage to the chartered Vessel and its equipment over and above the refundable Security Deposit. The DW does not insure against any third-party claims, liability, or personal effects of the CHARTERER. Third party claims and liability are covered under the Vessel's insurance but CHARTERER is responsible for the amount of the deductible feature. Personal effects of the CHARTERER are not covered by the Vessel's insurance or the

DW. Dinghy and outboard are not covered by the Vessel's insurance or the DW. If the CHARTERER takes an outboard and/or dinghy, CHARTERER agrees to be responsible for the full replacement cost thereof.

6. ACCIDENTS: CHARTERER bears the risk of any loss of use resulting from his act, default, negligence and/or poor judgment. After delivery, the OWNER agrees that should the Vessel sustain a mechanical breakdown and be disabled or if it is otherwise severely damaged as a result of a major system failure essential for the running and navigation of the Vessel, so as to prevent the use of the Vessel by the CHARTERER for a period of not less than forty-eight (48) consecutive hours at any time, the same not being brought about by any act, failure to act, default, negligence, and/or the exercise of poor judgment of the CHARTERER, the OWNER shall make a pro-rata return of the rental fee to the CHARTERER for such period in excess of the said forty-eight (48) hours that the Vessel shall be disabled or unfit for use. The OWNER shall be the sole arbiter of whether the CHARTERER committed such act, failure to act, default, negligence, and/or exercised such poor judgment as to render such Vessel disabled and unfit for use. The OWNER, and only the OWNER, shall determine if the breakdown is that of such a major system essential for the running and navigation of the Vessel as to prevent the use of the Vessel by the CHARTERER. In the event of natural calamity or any act of God which disables the Vessel or makes it unfit for use, the same not being brought about by any act, failure to act, default, negligence, and/or poor judgment by the CHARTERER, the OWNER shall make another Vessel, deemed suitable by the OWNER, available to the CHARTERER as a replacement within the forty-eight (48) hour period. Again, the OWNER shall determine if there is cause, act, failure to act, default, negligence, and/or poor judgment by the CHARTERER which contributed to the Vessel's disability and unfitness for use. In the event that the CHARTERER refuses the replacement Vessel for whatever reason then the CHARTERER will be considered in default of the Contract and there will be no pro-rata return of funds to the CHARTERER. In the event that the OWNER is unable to make another Vessel, deemed suitable by the OWNER, available to the CHARTERER as a replacement within the forty-eight (48) hour period, then the OWNER shall make pro-rata return of the rent to the CHARTERER for such period in excess of the said forty-eight (48) hours for which the Vessel shall be disabled or unfit for use.

7. REPLACEMENTS: The CHARTERER agrees to be responsible for and to replace or make good any injury to the Vessel, her equipment or furnishings, caused by the CHARTERER, or any member of his party, and agrees to be responsible for any loss or damage to the Vessel's hull, machinery, equipment, tackle, furniture, or the like. CHARTERER acknowledges that damage caused by engine overheating is not covered by insurance and that all repair costs incurred from overheating shall be the full responsibility of the CHARTERER.

8. LIENS AND REPAIRS: Neither the CHARTERER nor anyone acting in or upon his behalf has the right or power to permit or suffer the creation of any maritime liens against the Vessel. The CHARTERER agrees to indemnify the OWNER for any charges or losses incurred in connection therewith, including reasonable attorney's fees. Further, CHARTERER is responsible for and shall indemnify the OWNER from all costs, expenses and consequences of all unauthorized repairs.

CONTRACT PAGE 1 OF 4 – INVOICE # _____ OWNER INITIALS (_____) CHARTERER INITIALS (_____)

9. RUNNING EXPENSES: The CHARTERER agrees to accept the Vessel delivered as hereinabove provided and to pay all running expenses during the term of the charter including, but not limited to, fuel, water, dockage, pilotage, port charges, provisions, supplies, and other consumable stores for himself and his party.

10. INDEMNIFICATION: The CHARTERER agrees to indemnify and save the OWNER harmless from any and all liabilities for loss or damage to third persons and their property occasioned by the negligence or default of the CHARTERER, except to the extent that any such liability is covered by the OWNER'S insurance.

11. SKIN DIVING AND SWIMMING: The OWNER and the insurance underwriters of the Vessel accept no responsibility or liability for accidents, injuries or death due to swimming or the use of snorkels, masks or allied equipment such as self-contained underwater breathing apparatus (SCUBA) equipment, whether or not it is provided by the OWNER or CHARTERER. No warranty of any type is made by OWNER regarding any such equipment which may be provided with the Vessel.

12. RESTRICTED USE: The CHARTERER agrees that the Vessel shall be employed exclusively as a pleasure vessel for the sole and proper use of the CHARTERER, his family, guests and servants, during the term of this charter. The Vessel shall not be used to transport merchandise or carry passengers for pay or to engage in any trade whatsoever. Nor shall the Vessel be used in any way which violates the laws of the United States, the State of Florida or of any other jurisdiction in which the Vessel may be at any time.

13. SMUGGLING: Federal and state laws prohibit the use of any vessel for the transport or possession of drugs or any other controlled substance, the possession of which is restricted or forbidden by law. In addition to possible criminal and civil penalties against the violators, the law allows for the forfeiture of any vessel which is used in the transport or possession of such substances.

14. ASSIGNMENT AND SUBCHARTER: The CHARTERER agrees not to assign this Agreement or sub-charter the Vessel without the prior consent of the OWNER in writing. Any attempt to assign or sublet this charter shall be void without the written consent of OWNER; however, the OWNER may give such consent after the fact in order to bind the assignee or sub-charterer. No assignment or sub-charter shall release CHARTERER from the obligations imposed by this Agreement, unless the OWNER gives a specific release in writing.

15. CANCELATIONS: If CHARTERER cancels more than thirty (30) days prior to his/her date of departure, The OWNER will refund all monies received less a \$350.00 administrative fee. Cancellation less than thirty (30) days before the date of departure will result in the forfeiture of all monies received.

16. CHARTERER'S AUTHORITY OVER CREW: It is agreed that full authority regarding the operation and management of the Vessel is hereby transferred to the CHARTERER for the term hereof; however, in the event that the CHARTERER wishes to utilize the services of a

CONTRACT PAGE 1 OF 4 – INVOICE # _____ OWNER INITIALS (_____) CHARTERER INITIALS (_____)

Captain and/or other crew members in connection with the operation and management of the Vessel, said Captain and/or other crew members are to be furnished by the CHARTERER. It is agreed that said Captain and/or crew members are agents and employees of the CHARTERER and not the OWNER. Under no circumstance, shall the Captain and/or other crew members be deemed agents of the OWNER and said Captain shall be responsible for all clearance and the normal running/operation of the Vessel, subject to the limitations of this charter Agreement. The Captain should receive orders from the CHARTERER as to ports to be called at and the general course of the voyage, but the Captain shall be responsible for the safe navigation of the vessel and the CHARTERER must abide by his judgment as to the Vessel's movement and operation, weather, anchorages, and pertinent matters.

17. BAREBOAT CHARTER: This charter shall be at all times construed as a bareboat charter and/or a demise charter, and pursuant thereto CHARTERER should keep the Vessel in good repair and will surrender the Vessel at the termination of the charter free and clear of all indebtedness, liens or other charges of any type whatsoever. It is the intention of the OWNER to completely and exclusively relinquish possession, command, control, management and navigation of the Vessel herein described to the CHARTERER. CHARTERER assumes all responsibility for any injury, death, property damage, any Acts of God or other claim of any nature that may arise during the period of the charter or at any time when the Vessel is in the custody and under the control of the CHARTERER.

18. COMPETENCY: CHARTERER certifies: (i) that he is experienced and competent in the handling and operation of inboard powered motor vessels of the general type and size as the Vessel herein chartered, (ii) that he can make minor mechanical/electrical repairs, and (iii) that he has a sufficient practical knowledge of seamanship, piloting and Rules of the Road. CHARTERER agrees that he shall not transfer responsibility for the operation of the hereinbefore described Vessel to any person not equally qualified. OWNER reserves the right to verify CHARTERER'S competency at the time of charter by subjecting CHARTERER to whatever tests are deemed appropriate by OWNER under the circumstances. Should CHARTERER be judged insufficiently competent by OWNER, OWNER shall have the right to require CHARTERER, AT CHARTERER'S expense, to hire personnel to assist CHARTERER in achieving competency. Should such personnel be unavailable, or CHARTERER refuses to hire such personnel, then it is considered that the CHARTERER is in default of this Agreement and CHARTERER shall surrender the Vessel immediately and shall have no recourse for any fees which have already been paid to the OWNER. Should OWNER'S employees be required to spend more than one (1) man-hour training CHARTERER in the use of the Vessel and its equipment and charts, then a fee of \$150.00 per man-hour shall be charged to CHARTERER, which shall be deducted from the security and damage deposit.

19. RADIO - TELEPHONE: It is agreed between the OWNER and CHARTERER that the radio - telephone on the Vessel will be used only by adult persons in accordance with current Federal Communication Commission regulations.

20. CONSTRUCTION: The Agreement was made in the County of _____ in the State of Florida. It shall be interpreted and enforced in accordance with the laws of said state,

CONTRACT PAGE 1 OF 4 – INVOICE # _____ OWNER INITIALS (_____) CHARTERER INITIALS (_____)

