

CHARTER AGREEMENT

YACHT:

CRUISING AREA: North Channel, Lake Huron and Georgian Bay

CHARTERER:

IN PARTY: _____

CHARTER PERIOD:

PORT OF BOARDING AND RELEASE: SPIDER BAY MARINA, LITTLE CURRENT

CHARTER FEE (Excluding taxes) \$

SECURITY DEPOSIT TO BE PAID IN LITTLE CURRENT \$4000.00
SEE PARAGRAPH 14 "SECURITY DEPOSIT" FOR MORE DETAILS

In consideration of the covenants herein contained, DISCOVERY YACHT CHARTERS, hereinafter referred to as the "Manager", hereby leases to the above named Charterer upon the terms, covenants and conditions herein set out, the yacht described above, hereinafter referred to as the "Yacht".

1.DELIVERY

The Manager agrees to deliver the Yacht at Port of Boarding in full commission and in proper working order, 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 dining utensils, bedding, towels, linen, clean and in good condition throughout and ready for service and agrees to allow demurrage pro rata to the Charterer for any delay in delivery. But should it be impossible for the Manager to make delivery as stipulated through causes beyond his control and should such delivery be not made within 24 hours thereafter this Agreement may be cancelled by the Charterer and any charter money paid in advance shall be returned to him unless the Manager is able to provide a Yacht of equal or greater value. Should the Charterer not be present or is not ready to accept delivery of the vessel for whatever reason before specified time and place, the Manager reserves the right to set the time of delivery within a 24 hour period thereafter. The Charterer agrees to redeliver the yacht, equipment and furnishings free and clear of any indebtedness incurred for the Charterer's account, at the expiration of this charter, to the owner, at his dock in as clean a state as when delivery was taken, ordinary wear and tear excepted. If the yacht is not redelivered in a clean condition, Charterer will be charged \$100.00 for cleaning, which cost will be deducted from the Security and Damage Deposit.

2. INSURANCE

The Manager shall keep the Yacht fully insured against fire, collision, perils of the sea, theft and other risks normally insured against under standard marine coverage, and maintain on its behalf, and on behalf of the Charterer, protection and indemnity insurance with respect to third parties for death or injury to persons or property. In the event that any act or negligence of the Charterer shall vitiate any insurance hereinafter provided for the Charterer shall pay to the Manager all losses and indemnify the Manager against all claims and demands which would otherwise have been covered by such insurance. The Manager shall not be responsible or liable for any personal injury, death or property damage to the Charterer, his crew, his guests, or to any instructor or paid master on the Yacht, howsoever caused.

3. ACCIDENTS

The Manager agrees that should the Yacht after delivery sustain breakdown of machinery or be disabled by fire, grounding, collision or other cause so as to prevent the use of the Yacht by the Charterer for a period less than 24 consecutive hours at any time, the same not being brought about by any act of default of the Charterer, the manager shall make a pro rata return of hire to the Charterer for such period in excess of said 24 hours the Yacht shall be disabled or unfit for use. Provided, however, that in case the Yacht be lost or said damage be so extensive the charter money paid in advance shall be rebated pro rata from the time of such damage, and the Charterer shall have the right to terminate this charter.

The Charterer obligates himself to advise the Manager immediately, by telephone or telegraph or in the absence of these means of communication in the most direct possible manner of any mechanical or structural defects which interfere with the safe operation of the Yacht, and also to report immediately to the Manager any accident in which the Yacht may be involved with as complete information as possible, and to confirm such report in writing within 12 hours after the accident. The Charterer shall not attempt repairs without authorization of the Manager and is responsible for the consequences of any unauthorized repairs.

4. RUNNING EXPENSES

The Charterer agrees to accept the Yacht hereinbefore provided and to pay all running expenses during the term of the charter, fuel and water, deck, engine and other consumable stores, pilotage, port charges and provisions and supplies for himself and party. The Manager will supply one tank of fuel for the engine on the yacht, full tank of water, and fuel for stove. The Charterer however agrees that upon redelivery of the Yacht, he will pay for any and all engine fuel used during the term of the charter.

5. LIENS

The Charterer, his agents and employees have no right or power to permit or suffer the creation of any maritime liens against the Yacht whatsoever.

6. NAVIGATION LIMITS

The Charterer agrees to restrict the cruising of the Yacht to the Cruising Area, such area to be designated by the Manager or any employee of the Manager at the time of delivery of the vessel to the Charterer or otherwise. Navigation beyond the Cruising Area shall constitute default of this agreement in which event the Charterer will forfeit all benefits of this contract and become personally responsible for all damages.

7. EXCLUSION OF LIABILITY

The Manager, his agent and his insurance underwriters accept no responsibility or liability for accidents, injuries or death due to swimming or the use of snorkels, masks or allied equipment such as scuba equipment whether or not provided by the Manager or his agent.

8. RESTRICTED USE

The Charterer agrees that the Yacht shall not be raced, underway before sunrise or after sunset and shall be employed exclusively as a pleasure vessel for the sole and proper use of himself, his family, his servants, and guests and that he shall not violate the laws of any Government having jurisdiction. The Yacht shall not be operated; (a) to propel or tow any vessel, except a small dingy, and except in an emergency where another vessel is in distress; (b) by any person other than the Charterer or skipper; (c) by a person who has given a fictitious name or false address; (d) by any person who is under the influence of alcohol, drugs or narcotics, or under the age of 18 years; (e) for any illegal purpose; (f) recklessly or carelessly; (g) in any manner contrary to or in violation of any rules of navigation or any Government within whose jurisdiction the Yacht is operated. The Charterer agrees not to use the Yacht for the transportation of persons or property for hire express or implied.

9. REDELIVERY

The Charterer agrees to surrender the Yacht at the expiration of this charter at the Port of Release, free and clear of any indebtedness and liens whatsoever that may have been incurred for his account during the term of the charter and in as good condition and in as clean a state as when delivery was taken, fair wear and tear from ordinary use excepted, and having properly cleared customs. The Charterer is responsible for allowing sufficient time for unforeseen contingencies to permit his return at the stated time. But should the Charterer not make re-delivery on time, for whatever cause, the Manager may retain from the deposit monies sufficient to reimburse the Manager for the subsequent charter. In the event that the deposit is insufficient to pay such amounts, or after other costs as provided herein have been deducted and is insufficient to pay such amounts the Charterer shall pay to the Manager his liquidated damages such deficiencies.

10. NON-ASSIGNMENT

The Charterer agrees not to assign this Agreement or sub-charter the Yacht without the consent of the Manager, in writing.

11. AUTHORITY

It is mutually agreed that full authority regarding the operation and management of the Yacht is hereby transferred to the Charterer for the term hereof. The Charterer is to be responsible for the safe navigation of the Yacht and is to be the sole judge whether it is reasonable or prudent to sail at any given time having regard to the state of the weather and the surrounding circumstances and also whether any specified anchorage is safe. In the event, however, that the Charterer wishes to utilize the services of a Captain and/or other crew members in connection with the operation and management of the Yacht, whether said Captain and/or crew members are furnished by the Manager or by the Charterer, it is agreed that said Captain and/or crew members are agents and employees of the Charterer and not of the Manager.

12. DEFAULT

It is mutually agreed that should the Charterer wish to cancel this Agreement he must do so in writing no later than 90 days prior to the commencement of this charter and any deposit paid in advance shall be returned except for a \$500.00 cancellation fee. If the Charterer should cancel this Agreement 89 days to 46 days prior to the commencement of this charter, his deposit(s), less the cancellation fee of \$500.00, shall be returned only if the Manager is able to obtain an equivalent charter for the same period. Final payments are due 45 days prior to departure and are non-refundable.

13. WEATHER

The Manager assumes no responsibility for weather conditions which may arise or occur during the term of this charter and all charter rates and agreements will continue in full force and effect.

14. SECURITY DEPOSIT

It is further agreed by the parties that a Security Deposit in the amount specified above be deposited by the Charterer to be applied to demurrage, the repair of any damages or loss of equipment not otherwise covered by insurance, any necessary cleaning of the vessel and for such charges for consumable items as may have been used and not paid for during the term of this charter. Said deposit is to be returned upon the redelivery of the vessel at the end of the term of this charter pending review of the inspection report by the Manager. Standard security deposit amount is \$4000. Should the Charterer wish to reduce the amount of the security deposit, he may do so by purchasing "Buy Down" insurance for the deposit. If this option is exercised, the Charterer will pay \$120/week of charter period booked and will have the deposit amount reduced to \$2500. This option may be exercised up to the time of check out.

15. CHECKOUT

This agreement is subject to a satisfactory sailing check-out prior to commencement of the charter and the Manager reserves the right to terminate the charter for any reason before its commencement and shall return to the Charterer any sum paid hereunder in advance. The Manager shall be under no obligation to pay any of the charterer's expenses arising out of the negotiation, signing and terminating of the charter party.

16. CERTIFICATE OF COMPETENCY

The Charterer certifies that he is experienced and competent in the handling and operation of similar auxiliary powered sailing craft and/or motor vessels and that he has sufficient practical knowledge of seamanship, piloting and collision regulations. He agrees not to allow the Yacht to be operated by any person not equally qualified. He further agrees that the Manager has the right upon establishing that the Charterer does not have the above stated qualifications to place a skipper on board for part or the duration of the charter at the Charterer's expense.

17. CHARTERER DEFINITION

In construing this Agreement, if the Charterer is a firm, corporation or association the word “Charterer” shall mean and include both the said firm, corporation or association and the agent so signing the Agreement and everything contained herein shall extend to enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns.

18. AGREEMENT

The Charterer hereby acknowledges that all statements and representations herein contained are true, that he has read and fully understood the Agreement and that he is bound by all terms and conditions contained herein. He also acknowledges that it represents the whole agreement between the parties and that no representations have been made to him save any herein contained.

DATED THIS DAY OF..... 20.....

CHARTERER.....

MANAGER.....

Charter Reservation and information sheet

Schedule "A" When attached to a Yacht Charter Agreement

DATE:

CHARTER FILE #

SKIPPERS NAME:

ADDRESS:

ADDRESS:

ADDRESS:

PHONE (HOME):

PHONE (BUSINESS):

E-MAIL: _

CREDIT CARD:

EXPIRY:

YACHT REQUESTED:

CHARTER DATES: Departing:

Returning:

CHARTER FEE:

ADJUSTMENTS:

ADJUSTED FEE:

HST:

TOTAL FEE DUE:

DEPOSIT (BOOKING):

DATE PAID:

DEPOSIT (90 DAYS PRIOR):

DATE DUE:

BALANCE DUE (45 DAYS PRIOR):

DATE DUE:

SLEEP ABOARD: Yes/No

\$125.00 ON ARRIVAL

CHARTERERS SIGNATURE:

Additional Notes: