

## 1. Agreement

By this agreement the Lessor agrees to lease the above-mentioned unit to the Lessee and not to enter any other agreement concerning the lease of said unit for the same period. The Lessee agrees to take said unit in lease and to pay, in compliance with the terms set forth by this agreement, the fee, the security deposit and any other expense hereby agreed upon, by the deadline mentioned in this agreement.

## 2. Technical data and features of the unit

The Lessor guarantees that upon delivery the unit shall have the features and equipment as per the attached technical data sheet, which is understood as an integral part of this agreement, together with the boat check-in form and the boat log book.

## 3. Payment of the fee

The Lessee undertakes to pay the Lessor all the above-mentioned amounts by the deadlines hereby agreed upon. Failure to pay any of the amounts or to comply with the relevant deadlines shall bring about the legal termination of this agreement, entitling the Lessor to withhold all the received payments, without prejudice to a further claim for damages.

## 4. Security deposit

The security to be paid by the Lessee as a guarantee against any obligation of the Lessee himself, of the guests and possibly of the Master, shall be handed back, without any interests, after verifying the absence of any damages, breaches of contract, and obligations undertaken during the lease. Any deduction shall be justified and documented.

## 5. Non-payment

In case of non-payment of the advance amount by the deadline and in the form hereby agreed upon, this agreement shall be understood as terminated, with the attendant right of the Lessor to claim for damages incurred. A failure to pay the balance of the lease fee and/or the security deposit by the deadline and in the form hereby provided for shall legitimate the Lessor's claim for a legal termination of this agreement, simply by sending the Lessee a written notice notifying the default, and stating the intention to exercise the above mentioned right. In such a case, the Lessor shall be entitled to withhold all the payment he received, and to further claim for damages incurred.

## 6. Delivery and directions for use

The Lessor shall deliver the unit on the day and at the time hereby agreed upon, it being seaworthy, fully rigged, cleaned, with the relevant appurtenances, complete with its accessories, equipment, safety devices, equipped with the documents that are needed for navigation and duly insured against third party liabilities and with an own-damage coverage against total or partial loss. The Lessor shall supply the Lessee with a complete inventory list, and the latter, by signing it, shall confirm that he has received the unit with all the regulation accessories and all necessary equipment. Challenges after delivery shall not be accepted. The time that the Lessor or a representative of the same shall employ to explain the modes of use of the unit to the Lessee is included in the lease time. In case the Lessee should desire to take delivery of the boat in a different port from the one hereby agreed upon, the Lessor can agree to the transfer of the boat itself, at the Lessee's expense, but it shall be understood that the lease period shall begin in the port and at the time hereby stated.

## 7. Delay in delivery

If, for whatever reason, the Lessor should be unable to deliver the unit hereby leased, he shall be entitled to deliver another one of similar features within 48 hours, with an obligation to reimburse the Lessee of the daily fee share for the days the boat was unavailable. If the delay should last for a longer time, for a reason not attributable to the Lessor, the Lessee shall be entitled to confirm the lease with a right to the reimbursement of the lease fee share for the time the boat was unavailable, or to waive the lease while demanding the full return of the consideration, with interests, but with no claim to damages. Said waiver shall be notified to the Lessor in writing within 24 hours, and the agreement shall be understood as terminated.

## 8. Boat inventory

The Lessor (or a representative of the same) and the Lessee (or the Master), before the delivery and the return of the unit, shall draw up, through cross-examination, a report concerning the boat inventory and the consumables on board. Diesel fuel shall be calculated upon check-out according to the hours of operation. Any lacking item and/or breakdown that should be ascertained upon return shall be made good by the Lessee.

## 9. Agreeed use, restrictions and prohibitions

The Lessee is required to use the unit with special diligence, in compliance with the technical features listed by the navigation permit and using the same solely for leisure purposes, among safe, good ports and landings where the unit can enter, stay and leave from in complete safety (always afloat). The Lessee undertakes not to use the unit to transport goods, passengers or any kind of business and always within the cruising area hereby agreed upon. Said area shall never include countries involved in conflicts, wars, military operations, revolutions or civil disorder. In particular, the Lessee undertakes: to comply with the minimum number of crewmen and with the maximum number of persons aboard; to use the unit solely within the area hereby agreed upon and not to leave the Italian territorial waters without permission by the Lessor; to obtain a written permission by the Lessor or a representative of the same in order to participate in regattas or any kind of sailing competitions; not to request to be towed and not to tow other units save in case of absolute emergency; to comply with the laws of the host country, the regulations concerning customs statements, the orders by port, customs, health authorities and the regulations concerning fishing, including underwater fishing; to comply with the directions by port authorities when they forbid navigation for whatever reason. The Lessee also undertakes: not to leave port, or to come back at once at the closest port or shelter safe enough for anchoring, should he be at sea, if the sea and wind conditions should go beyond, or be forecast to be going beyond, force 6, with waves of significant height over 2 meters (moderate sea), or if the conditions of the unit or of the crew should be such as to jeopardize its safety; to moor the unit by the coast in safe position and never to leave it unattended; not to use it for practical navigation lessons; not to keep any animal aboard without the prior consent of the Lessor; to report in the boat log book arrivals and departures from ports, weather conditions, hours of engine operation, damages, repairs etc.; not to navigate in dangerous areas as a consequence of wars, hostilities, military operations, revolutions, civil disorder, or in areas where navigation is forbidden, keeping into account that in such cases there is no insurance coverage; not to keep aboard any weapons and/or narcotics, not even for personal use.

## 10. Personal documents

The Lessee undertakes to make sure that all persons aboard the unit at the beginning of the lease be in possession of a passport and/or any necessary documents and visas.

## 11. Responsibility for minors

In case any minors are present aboard, the Lessee shall be fully responsible for their safety and their conduct.

## 12. Health of the Lessee and of his guests

The unit, by nature and structure, might be unsuitable for persons affected by some physical disabilities or undergoing some medical treatments. By signing this agreement, the Lessee guarantees that before embarkation himself, his guests and the Master are in good health. The Master and the whole crew aboard shall be in possession of all permits and vaccinations that may be necessary for the countries the unit shall be calling at.

## 13. Return and compliance with the deadline

The Lessee and/or the Master undertake to return the unit punctually within the deadline and at the port hereby agreed upon, free from any encumbrance or obligation entered during the lease period, and in the same factual state in which they had taken possession thereof, with the same features and suitable for the same use, together with the accessories, equipment, supplies and documents with which it was received from the Lessor. The cruise route has to be planned in such a way as to allow for the return within the deadline, and it shall be shortened if necessary in case the weather forecasts are bad. If the return does not take place within the deadline, for every day or part of day (over two hours) of delay, a penalty shall be applied equal to the daily share of the lease fee hereby agreed upon, in addition to the fee itself, without prejudice to any claim for additional damages the Lessor may incur in because of a failure or delay in delivering the unit to the next user. The time needed to bring back the unit to the port of return, should the Lessor interrupt or terminate the cruise in a different port from the one hereby mentioned, is also considered as a delay. Any expense for transporting and transferring the unit to the planned port of return shall be borne by the Lessee. In any case, a delay in the return of the unit shall never be longer than five days without a written authorization by the Lessor; such a fact would cause a change in the right of possession of the leased unit, and therefore the crime of misappropriation. In case of damages to the furniture, upholstery, equipment and supplies of the unit, the Lessee undertakes to reimburse the Lessor, before disembarking, for the damages caused, according to the current market price if it should not be possible to timely take care of repairs and/or replacements. If repairs at the expense of the Lessee should become necessary, he shall carry them out before returning the unit, or, in any case, he shall reimburse the Lessor for the time needed for such repairs, should that take longer than the lease agreement duration. The Lessee shall be entitled to return the unit at the port hereby agreed upon and disembark before the end of the lease period, however such an early return shall not entitle the Lessee to claim any reimbursement, not even a partial one, of the lease fee.

## 14. Waiver or interruption

In case of a waiver to the performance of this agreement, the Lessee shall give a timely written notice thereof to the Lessor, who shall be entitled to demand or to withhold: the advance payment, if said notice takes place before the date for the payment of the balance; the advance and the balance payments, if the notice takes place in the 30 days before the departure. However, if the Lessor shall lease the unit to another Lessee for the same period of time and at conditions no less favorable than those provided for by this agreement, he shall return to the Lessee the cashed payments, withholding an amount equal to the expenses (including commissions) incurred in for entering this agreement and for the new lease. The Lessee in case of voluntary interruption of the journey, shall not be entitled to any reimbursement, while he shall be liable to indemnify the Lessor for any expense caused by the early return of the unit.

## 15. Damages, averages, accidents, repairs

The Lessee must notify the Lessor any averages and accidents, by sending a detailed written report, also by telefax, within 24 hours from the event. The Lessee shall be entitled to carry on with the navigation only if this shall not result in a worsening of the damages, or any risk for persons or the unit. All repairs shall require the prior written consent, including as to their cost, by the Lessor or his representative, and they shall be paid by the Lessee, to whom they shall be reimbursed only if they were authorized by the Lessor. Should the unit suffer from an average or any other impediment with no responsibility of the Lessee, that would prevent its reasonable use for a time over 48 consecutive hours from the possible intervention if in Italian waters, or 72 hours if in foreign waters, the Lessor shall reimburse the daily share of the fee for the time of lease not enjoyed, but the Lessee shall be entitled to no further claim for damages. If the time for the repairs should be over 96 hours, the Lessee shall be entitled to withdraw from the agreement, with effect from the time when the average took place, thereby being entitled to the return of the daily consideration for the period of lease he did not enjoy. Compatibly with the organizational needs of the Lessor, and solely at his own discretion, the Lessee might extend the lease period beyond the deadline hereby agreed upon, thus recovering the days of average. In case any repairs become necessary at the expense of the Lessee, he shall have them performed before the return, or in any case he shall indemnify the Lessor for the time needed for such repairs, if this should exceed the duration of the lease, without prejudice to further claims for damages by the Lessor. The clogging of the board toilet, of the sea discharge or of the piping, cause by an incorrect use of the plant, shall be demanded and shall be reimbursed separately upon disembarkation, in addition to any damages caused to the boat and the withholding of the deposit, for an amount of € 120,00.

## 16. Bad weather

The Lessor undertakes no liability for delays in the departure or interruptions of the cruise because of bad weather or orders by the port authorities. In such cases, the agreement shall be valid even if the boat should not be able to take to the sea for several days.

## 17. Maintenance of the unit

The ordinary maintenance of the leased unit is a responsibility of the Lessee, who undertakes to perform it by keeping the accessories in good order and carrying out the usual cleaning and maintenance works aboard the unit, such as, for instance, oil change, maintenance of the engine, batteries, winches, sails etc. During the lease period, any expenses for repairs caused by force majeure or wear due to normal use of the unit according to the commitments undertaken shall be paid in advance by the Lessee and then reimbursed at the end of the lease, if they took place with the Lessor's prior consent in

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writing. The boat must be returned with the galley's cooker and crockery perfectly cleaned; failing that, upon debarkation an additional amount of € 50,00 shall be charged in addition to the normal cleaning expense.

## 18. Current expenses

Expenses concerning the use and consumption of the unit for the lease period, in particular fuel, lubricants, water, electric power, expenses for port, customs, mooring and berthing fees, including in private marinas, as well as expenses for the use for onboard radio and phone devices, and any administrative penalties and fines, are to be borne by the Lessee. The amount of any expenses not yet quantifiable by the end of the lease shall be paid by the Lessee on the basis of an estimation by the Lessor, at the latter's discretion. Such expenses shall be subsequently documented by the Lessor.

## 19. Command of the unit

The choice of the Master shall be subject to the Lessor's approval. If the Lessee is not in possession of a boating license, or if this should not be sufficient for the planned journey, the Lessee shall mention the name of the person who will command the unit, and who shall sign this agreement, thereby jointly undertaking the commitments thereof. The Lessor or his representative is entitled to ask the Master for the certification for commanding the unit, a certification that shall be valid in Italy. At the Lessor's or his representative's sole discretion, if the capabilities and skills of the Master, regardless of any license in his possession, should be judge insufficient for commanding this type of unit, the Lessee might be offered – at his own expense – the presence aboard of a Master that the Lessor trusts in, for the safety of persons and of the boat. Should the Lessee refuse, the agreement shall be understood as terminated and the Lessor shall be entitled to withhold what he received.

## 20. Obligations of the Master

The Master shall, in particular, comply with the port authorities' directions if they forbid navigation for whatever reason (bad weather, local dangers, etc.). If the weather and sea conditions should present factors having an intensity above Force 5 on the Beaufort scale, the Master shall not leave port, or, if already in navigation, shall make a landing at the nearest safe anchorage. In case of anchoring close to the coast, the Master shall make sure the unit is never left unattended, taking all measures suitable to the situation and location. The Master shall report in the boat log book all arrivals and departures from ports, the weather conditions, the daily hours of engine use. The Master, the Lessee and his guests undertake to comply with all the laws of the country where the unit shall be, including regulations concerning customs statements, orders by port and customs authorities, and the regulations concerning fishing (including underwater fishing). If the lease agreement should have a duration of more than ten days, the Master shall notify (by phone, telefax, telegram, e-mail or other valid communication media) every seven days the position of the unit to the Lessor or to his representative. The Master shall also immediately inform the Lessor or his representative (by means of the above mentioned media) about any accident, average, damage or anomaly taking place aboard the unit.

## 21. Insurance

The insurance policies taken out by the Lessor do not cover the loss or damage of property of the Lessee or of transported persons, liabilities for property of third parties, nor for family members being transported. All the insurance terms are understood as known to the Lessee, since they are made available to him. Any kind of damages that cannot be indemnified by the insurance because caused by a deed or fault of the Lessee, the Master or the guests are to be covered by the Lessee, as well as the insurance deductible and the adjustment of the insured amounts to the Lessee's ceilings if deemed more suitable.

## 22. Brokerage fees

Any brokerage fees for concluding this agreement are at the expense of the Lessee. By means of this agreement the Lessor grants the Broker the mandate to cash, on the Lessor's account, the advance and the balance payments of the consideration for this lease, and to withhold from the same his commission. The commission shall be entirely due regardless of whether this agreement shall actually be executed or not.

## 23. Force majeure

For the purposes of this agreement, "force majeure" shall mean, by way of example and not limited to the following, any cause that can be attributed to actions, facts, events, omissions, accidents, Acts of God that are out of the reasonable control of the Lessor or the Lessee (including, but not limited to, strikes, lockouts, and other economic controversies, popular turmoil, rebellions, invasions, wars, fires, explosions, sabotages, piracy, storms, collisions, groundings and other accidents at sea).

## 24. Sublease and transfer of the agreement

The Lessee is not allowed to sublease the unit or to transfer the rights arising from this agreement.

## 25. Consideration for assistance, rescue and salvage

The consideration for salvage, tow, rescue operations, and any assistance and aid provided by the unit during the lease agreement (net of the share owed to the Master, of the lease share for the time not enjoyed by the Lessee, of any damages incurred in by the unit, of all expenses incurred in by the Lessor and the Lessee, including legal expenses and the costs of materials and fuel consumed during the rescue operations), shall be divided in equal shares between the Lessor and the Lessee. The Lessee and/or the Master shall be bound by all the initiatives and measures undertaken by the Lessor in order to gain the consideration for assistance or rescue.

## 26. Request for towing / assistance

The Lessee and/or the Master shall be directly responsible for all obligations arising from towing / assistance operations requested from other units, save in case of real danger for the persons aboard and for the safety of the unit, provided this is not a consequence of deeds and/or omissions by the Lessee and/or the Master.

## 27. Registration fees

Any registration fees and other expenses concerning or arising from this agreement shall be paid by the Lessee. If the agreement should be entered into by means of a public intermediary and signed by the latter only, the registration expenses in case of use shall be borne by the party that shall have made that necessary.

## 28. Applicable Law

As to anything not expressly mentioned and provided for by this agreement, reference is expressly made to the Italian laws and regulations in force as to this matter. In case of uncertainty as to the logical or literal interpretation of this agreement and/or of a discrepancy between the text in the Italian language and its translation in another language, the prevailing interpretation shall be understood as that of the Italian language text.

## 29. Exclusive jurisdiction

Any controversies arising from this agreement, including those concerning its validity, interpretation, execution and termination, shall be under the exclusive jurisdiction of the Law Court of Udine, any other court being excluded.

## 30. Broker

This agreement was brokered by

The Lessor and the Lessee acknowledge the Broker is a signatory of this agreement solely as to his own activity, and they release him from any liability concerning the use of the leased boat.

## 31 – Special clauses

Lessor

Broker

Master

Lessee

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In compliance with Articles 1341 and 1342 of the Italian Civil Code the Lessee expressly states that he has taken cognizance and approves the following conditions and clauses of this agreement: 3.Payment of the fee; 4.Security deposit; 5.Non-payment; 6.Delivery and directions for use; 7.Delay in delivery; 8. Boat inventory; 9. Agreed use, restrictions and prohibitions; 11. Responsibility for minors; 12. Health of the Lessee and of his guests; 13. Return and compliance with the deadline; 14. Waiver or interruption; 15. Damages, averages, accidents, repairs; 16. Bad weather; 17. Maintenance of the unit; 18. Current expenses; 19. Command of the unit; 20. Obligations of the Master; 21. Insurance; 22. Brokerage fees; 23. Force majeure; 24. Sublease and transfer of the agreement; 25. Consideration for assistance, rescue and salvage; 26. Request for towing / assistance; 28. Applicable Law; 29. Jurisdiction; 30. Broker; 31. Special clauses.

Lessor

Broker

Master

Lessee