

“CRIMSON DYNASTY”

RECREATIONAL BAREBOAT

CHARTER AGREEMENT



NAME OF VESSEL: Crimson Dynasty Type: Leopard Catamaran

Length: 48' Hailing Port: Bradenton, FL Flag: USA

Owner (the “OWNER”): Crimson Dynasty Enterprises, LLC
Address: 821 E. Dove Loop Rd. Apt. 2224, Grapevine, TX. 76051

Lead Charterer (the “CHARTERER”):
Address:

Charter Period: From: hours on the day of 20____
To: hours on the day of 20____

PLACE OF DELIVERY:
PLACE OF RE-DELIVERY:
Cruising Area: Number of Guests sleeping ____ and cruising ____ on board

Total Charter Fee: \$

Initial Payment: \$ 5,000.00 Due date: Upon booking, non-refundable
Security deposit: \$ 1,500.00 Due date: Upon booking

Final Payment: (Remainder) Due date: No later than 30 days prior to charter

Additional Payments: As required Due date: Upon requesting additional services

Paid to the OWNER’s bank or PayPal account and deemed paid only when cleared

Checks Payable to: Crimson Dynasty Enterprises, LLC
821 E. Dove Loop Rd, # 2224, Grapevine, TX 76051

PayPal payments: crimsondynastyenterprises@gmail.com

See additional conditions - Paragraph 27

The OWNER and CHARTERER agree that the terms above; Clauses 1-27, inclusive, below; and any Additional Conditions or attached addenda form part of this Agreement. This Agreement will be binding only upon signature by both parties or transmission by both parties of signed copies by facsimile or other electronic means, including, without limitation, transmission of signed copies in Portable Document Format (PDF).

OWNER: Crimson Dynasty Enterprises, LLC CHARTERER: _____

Signature: by, _____ Signature _____

Date _____ Date _____

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Paragraph 1. AGREEMENT TO LET AND HIRE

- a. The OWNER agrees to charter the Vessel to the CHARTERER and not to enter into any other agreement for the charter of the Vessel for the same period.
- b. The CHARTERER agrees to hire the Vessel and shall pay the Charter Fee, the Delivery/Re-delivery Fee, the Security Deposit and any other agreed charges, in cleared funds, on or before the dates and to the account/s specified above.

Paragraph 2. DELIVERY

- a. The OWNER shall, at the beginning of the Charter Period, deliver the Vessel to the place of delivery and the CHARTERER shall take delivery of the Vessel in full commission and working order, seaworthy, clean, in good condition throughout with tanks filled and ready for service, with all equipment required by the U.S. Coast Guard, and the Vessel's flag state, including up-to-date safety and life-saving equipment (including life-jackets for children if any of the CHARTERER's guests are children).
- b. The Vessel will be fitted out as appropriate for a vessel of her size and type as required to operate in the Cruising Area in which this Charter takes place and enabling the CHARTERER to use the Vessel as set out in Paragraph 13.
- c. The OWNER does not warrant her use and comfort in bad weather conditions for all cruises or passages within the Cruising Area.
- d. The CHARTERER shall inspect the Vessel before beginning the Charter and must immediately notify the Captain and OWNER in writing if there is any complaint or visible defect as to the condition, equipment or accommodations of the Vessel.

Paragraph 3. RE-DELIVERY

The CHARTERER shall redeliver the Vessel to the OWNER at the place of redelivery free of any debts incurred by the CHARTERER as provided in Paragraph 26 and in as good a condition as when delivery was taken, except for fair wear and tear arising from ordinary use. If the CHARTERER wishes, and with the OWNER's consent, the CHARTERER may redeliver the Vessel to the place of redelivery and disembark prior to the end of the Charter Period, but such early redelivery will not entitle the CHARTERER to any refund of any part of the Charter Fee.

Paragraph 4. CRUISING AREA

The CHARTERER shall restrict the cruising of the Vessel to the Cruising Area and to regions within the Cruising Area in which the Vessel is legally permitted to cruise.

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Paragraph 5. GENERAL RESPONSIBILITIES

- a. The CHARTERER shall not at any time during the Charter Period permit more than the maximum number of guests (as indicated on Page 1) sleeping or cruising on board.
- b. If any of the CHARTERER’s guests or invitees are children, the CHARTERER will be fully responsible for their conduct, entertainment, and safety.
- c. The nature of a Charter may render it unsuitable for anyone with physical disability or undergoing medical treatment. By signing this agreement the CHARTERER warrants the medical fitness of all members of the CHARTERER’s party for the voyage contemplated by this Agreement. The CHARTERER and the CHARTERER’s party undertake to have all necessary visas and vaccinations for the countries to be visited.

Paragraph 6. CHARTERER’S AUTHORITY AND RESPONSIBILITY

- a. This Agreement constitutes a demise charter of the Vessel to the CHARTERER under the maritime law of the United States. Therefore, the OWNER shall deliver and, during the Charter Period, the CHARTERER shall accept, full possession, command, and navigation of the Vessel. The CHARTERER will pay expenses and operating costs as provided in Clause 8.
- b. If the CHARTERER chooses to utilize the services of a captain, the CHARTERER represents and warrants that such captain will be qualified and, if necessary, licensed, provided that the CHARTERER shall remain responsible for the operation and management of the Vessel.

Paragraph 7. CAPTAIN’S AUTHORITY

1. If the CHARTERER is to operate the Vessel, the CHARTERER represents and warrants that the CHARTERER is experienced, licensed, if applicable, and competent in the handling and operation of a Vessel of the type named in this Agreement and that the CHARTERER has sufficient practical knowledge of seamanship, piloting, and Rules-of-the-Road to properly exercise full authority over the Vessel.
2. The CHARTERER shall allow the Vessel to be operated during the Charter Period only by a person qualified to do so.
3. The CHARTERER shall direct the captain to immediately notify the OWNER of any breakdowns, disablements, crew changes, accidents, or other significant incidents that occur during the Charter Period.

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Paragraph 8. EXPENSES AND OPERATING COSTS

1. The CHARTERER shall be responsible for the operating costs, including, without limitation, all fuel costs for the Vessel, its tenders, and all watersports equipment; berthing dues and harbor charges, including customs formalities and harbor, pilot, and divers' fees; charges for water and electricity taken from shore and any charges for waste disposal; ships' agents' fees, where applicable; national and local taxes, as applicable; food, beverages, personal laundry, and communications costs; hire or purchase costs of any special equipment placed on board at the CHARTERER's request; and any Additional Payments or any other payments as provided in Clause 27 (collectively, the "Operating Costs") for the entire Charter Period, for the CHARTERER, the CHARTERER's guests, and any captain and crew retained by the CHARTERER. **Tips are NOT included.**

2. Payment for special requirements or equipment, shore transport or excursions, or any other expenses not customarily considered part of the Vessel's Operating Costs will be required to be paid into the OWNER's account in advance.

Paragraph 9. DELAY IN DELIVERY OR FAILURE TO DELIVER

1. OWNER's Delay in Delivery.

If by reason of Force Majeure (as defined in Clause 17.a.), the OWNER fails to deliver the Vessel to the CHARTERER at the place of delivery at the commencement of the Charter Period, the OWNER will not be in default of this agreement so long as the delivery is made within forty-eight (48) hours of the scheduled commencement date, or within one-tenth (1/10th) of the Charter Period, whichever period is shorter. In such event, the OWNER shall refund pro rata any payments made by the CHARTERER to the OWNER, or, alternatively, the CHARTERER and the OWNER may agree to extend the Charter Period for a time equal to the delay.

2. OWNER's Failure to Deliver as a Result of Force Majeure

a) If by reason of Force Majeure, the OWNER fails to deliver the Vessel within forty-eight (48) hours or a period equivalent to one-tenth (1/10th) of the Charter Period, whichever period is shorter, then the OWNER will be considered in default as from the time delivery was due and the CHARTERER may treat this agreement as terminated.

b) The CHARTERER's exclusive remedy for the OWNER's failure to deliver the Vessel by reason of Force Majeure will be to receive repayment, without interest, of the full amount of all payments made by the CHARTERER to the OWNER.

c) Alternatively, the CHARTERER and the OWNER may agree to extend the Charter Period for a time equal to the delay.

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3. OWNER’s Failure to Deliver Other than as a Result of Force Majeure

a) If the OWNER fails to deliver the Vessel at the place of delivery at the commencement of the Charter Period, other than by reason of Force Majeure, the CHARTERER may treat this agreement as repudiated by the OWNER.

b) The CHARTERER will be entitled to repayment, without interest, of the full amount of all payments made by him to the OWNER, and will, in addition, be paid by the OWNER, as liquidated damages, an amount equivalent to fifteen percent (15%) of the Charter Fee.

4. Cancellation by OWNER as a Result of Force Majeure

If prior to the commencement of the charter period the OWNER tenders notice of cancellation and, if the cancellation is by reason of Force Majeure, the remedy in Clause 9.(2) above will apply.

5. Cancellation by OWNER Other than as a Result of Force Majeure

If the cancellation is for any reason other than Force Majeure, the CHARTERER will be entitled to repayment, without interest, of the full amount of all payments made by him to the OWNER, and the CHARTERER will, in addition, be entitled to liquidated damages to be calculated and paid immediately as follows:

a) thirty (30) days or more before commencement of the Charter Period, an amount equivalent to five percent (5%) of the Charter Fee.

b) more than fourteen (14) days, but less than thirty (30) days before commencement of the Charter Period, an amount equivalent to ten percent (10%) of the Charter Fee; or

c) fourteen (14) days or less before commencement of the Charter Period, an amount equivalent to fifteen percent (15%) of the Charter Fee.

6. Payments as Liquidated Damages

The parties agree that the CHARTERER’s damages as a result of the OWNER’s cancellation or failure to deliver the Vessel are difficult to estimate as of the date of this agreement and would be difficult for the CHARTERER to prove. Therefore, the parties intend for payment of amounts under this Clause 9 to compensate the CHARTERER and not to punish the OWNER.

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Paragraph 10. DELAY IN RE-DELIVERY

a. If re-delivery of the Vessel is delayed by reason of Force Majeure, re-delivery shall be effected as soon as possible. Thereafter and in the meantime, the conditions of this agreement will remain in force, but without penalty or additional charge against the CHARTERER.

b. If the CHARTERER fails to redeliver the Vessel to the OWNER at the place of re-delivery due to intentional delay or change of itinerary, then the CHARTERER shall immediately pay to the OWNER, by direct wire transfer to the OWNER’s account, for such additional time, at the daily charter rate (total charter cost divided by number of nights in Charter Period) plus fifty percent (50%) of such daily rate until the Vessel is re-delivered at the agreed location, and the CHARTERER shall also pay any additional necessary expenses incurred by the OWNER in effecting such re-delivery. If delay in re-delivery exceeds twenty-four (24) hours, the CHARTERER shall also indemnify the OWNER against any loss or damage which the OWNER shall suffer by reason of deprivation of use of the Vessel or cancellation of, or delay in delivery under, any subsequent charter of the Vessel.

c. The parties agree that the OWNER’s damages as a result of the CHARTERER’s failure to re-deliver the Vessel are difficult to estimate as of the date of this agreement and would be difficult for the OWNER to prove. Therefore, the parties intend for payment of amounts under this Clause 10 to compensate the OWNER and not to punish the CHARTERER.

Paragraph 11. CANCELLATION BY CHARTERER/CONSEQUENCES OF NON-PAYMENT

a. If the CHARTERER gives notice of cancellation before the commencement of the Charter Period, the OWNER may retain part or all of the charter fee as follows: (1) if the CHARTERER gives notice of cancellation after this agreement is signed and the initial payment has been made, the OWNER may retain the initial payment, and any other amounts due and payable as of the date of cancellation; and (2) if the CHARTERER gives notice of cancellation after the final payment is paid, the OWNER may retain the full amount of any payments made, and any other amounts due and payable as of the date of cancellation. If any amounts due and payable as of the date of cancellation have not been paid, the CHARTERER shall pay such amounts to the OWNER immediately upon cancellation.

b. If the CHARTERER gives notice of cancellation or, after receiving notice from the OWNER of nonpayment, fails to pay any amount due under this agreement, then the OWNER may treat this agreement as repudiated and retain the full amount of any payments made by the CHARTERER.

c. Notwithstanding the OWNER’s right to receive or retain all payments as aforesaid, the OWNER will be under a duty to mitigate its loss. In the event that the OWNER is able to re-charter the Vessel for all or part of the Charter Period, the OWNER shall give credit for the net amount of all payments made to the OWNER arising from the re-chartering of the Vessel during

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all or part of the Charter Period, after deduction of all commissions and other consequential expenses arising from such re-chartering. The intention is that the OWNER will receive the same in net proceeds from any re-chartering as would have been received under this Agreement.

d. The OWNER shall use the OWNER's best efforts to re-charter the Vessel and shall not unreasonably withhold the OWNER's agreement to re-charter, provided that the OWNER may refuse any charter that the OWNER reasonably determines would be detrimental to the Vessel, its reputation, or its schedule.

e. If any part of the Delivery/Re-Delivery Fee has been earned (including for any required return voyage) before the date of cancellation, then the CHARTERER shall pay such expenses.

Paragraph 12. BREAKDOWN OR DISABLEMENT

a. If, after Delivery, the Vessel at any time becomes disabled by breakdown of machinery, grounding, collision, or other cause so as to prevent reasonable use of the Vessel by the CHARTERER for a period between twelve (12) and forty-eight (48) consecutive hours, or one-tenth (1/10th) of the charter period, whichever is shorter, and the disablement has not been brought about by any act or default of the CHARTERER, then the OWNER shall make a pro rata refund of all payments made by the CHARTERER to the OWNER for the period of the disablement or, alternatively, the CHARTERER and the OWNER may agree to extend the Charter Period for a time equal to the period of disablement.

b. If the CHARTERER wishes to invoke this Clause 12, the CHARTERER shall immediately give written notice to the OWNER. The CHARTERER shall pay normal expenses during the period of disablement. In the event of the actual or constructive total loss of the Vessel, or if the Vessel is disabled, as aforesaid, for a consecutive period of more than forty-eight (48) hours or one-tenth (1/10th) of the Charter Period, whichever is shorter, the CHARTERER may terminate this agreement by notice in writing to the OWNER.

c. As soon as practicable after such termination, all payments made by the CHARTERER to the OWNER will be repaid to the CHARTERER pro rata without interest for that proportion of the Charter Period outstanding after the date and time on which the loss occurred or the disablement began. In the event of such termination, the CHARTERER may effect re-delivery by giving up possession of the Vessel where she lies.

d. The CHARTERER may recover from the OWNER the reasonable cost of returning the CHARTERER and the CHARTERER's guests to the place of re-delivery via scheduled services, together with reasonable accommodation expenses incurred, if any.

e. Alternatively, after a consecutive period of disablement of more than forty-eight (48) hours or one-tenth (1/10th) of the Charter Period, whichever is shorter, and dependent on the nature and seriousness of the disablement, by mutual agreement, the CHARTERER may elect to remain on board for the duration of the Charter Period and the CHARTERER will then have no further or additional claim against the OWNER.

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f. When Force Majeure is invoked in relation to breakdown or disablement, the OWNER shall instruct the OWNER’s representative to submit a detailed technical report, a copy of the vessel’s maintenance log, if applicable, and all the relevant supporting documentation to the CHARTERER.

Paragraph 13. USE OF VESSEL

a. The CHARTERER shall use the Vessel exclusively as a private pleasure vessel and shall not transport cargo, carry passengers for hire, engage in trade, or violate any laws or regulation of any jurisdiction where the Vessel may travel, including, without limitation, any marine parks, sanctuaries, and protected areas.

b. The CHARTERER shall not navigate the Vessel beyond the navigational limits set forth in the Vessel’s insurance policy without prior written approval by the Vessel’s insurer, with any additional premium that may be due paid by the CHARTERER.

c. The CHARTERER shall comply and shall ensure that the CHARTERER’s guests comply with the laws and regulations of any country where the Vessel may travel during the Charter Period.

1) If the CHARTERER or any of the CHARTERER’s guests commits any offense contrary to the laws or regulations of any country that results in the Vessel being detained, arrested, seized, or fined, the CHARTERER shall indemnify the OWNER against all loss, damage, or expense incurred by the OWNER as a result and the OWNER may, by notice to the CHARTERER, terminate this agreement immediately.

2) The CHARTERER shall pay any fines, penalties, damages, and forfeitures incurred as a result of any negligence or intentional acts of the CHARTERER or the CHARTERER’s guests or invitees, and the CHARTERER shall indemnify and hold the OWNER harmless against and from any claim arising out of or in connection with such negligence or intentional acts.

d. The CHARTERER shall ensure that no pets or other animals are brought on board the Vessel.

e. The CHARTERER shall ensure that the behavior of the CHARTERER and the CHARTERER’s guests does not cause a nuisance to any person or bring the Vessel into disrepute.

f. Zero Tolerance for Drugs or Contraband

1) The use, transport, or possession of illegal drugs or narcotics, or of any other contraband, or the participation in any other unlawful activity, such as the transport of illegal aliens, is strictly prohibited.

2) The participation in any of these activities by the CHARTERER or any of the CHARTERER’s guests or invitees constitutes a breach of this agreement and will be cause for immediate termination of this agreement without refund of Charter Fee or any other payments made by the CHARTERER.

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3) It is also specifically understood that the possession or use of any weapons (including particularly firearms) by the CHARTERER or any of the CHARTERERs guests or invitees is strictly prohibited on board the Vessel and failure to comply will be sufficient reason for the OWNER to terminate the charter immediately without refund or recourse against the OWNER or crew.

4) Smoking, vaping, any form of electronic smoking, and all tobacco products are prohibited aboard the vessel.

g. The CHARTERER may, in its sole discretion, cause the Vessel to be surveyed, at the CHARTERER’s expense, before and after the Charter Period to assess the Vessel’s condition. If the CHARTERER chooses to have the Vessel surveyed, the CHARTERER shall notify the OWNER within three (3) days of the signing of this agreement. Upon receiving such notice, the OWNER shall use reasonable efforts to make the Vessel available for survey before and after the Charter Period.

Paragraph 14. NON-ASSIGNMENT

The CHARTERER shall not assign this Agreement, subcharter the Vessel or any part thereof, or part with control of the Vessel at any time.

Paragraph 15. INSURANCE

a. The OWNER shall insure the Vessel throughout the Charter Period against all risks, on such terms, and subject to such deductible as are customary for a vessel of the Vessel’s size, type, and value. The OWNER shall make available for inspection, upon reasonable notice by the CHARTERER, copies of all relevant insurance documentation, which will also be carried on board the Vessel. The OWNER shall pay the premium for such insurance.

b. The CHARTERER acknowledges that it is the CHARTERER’s responsibility to determine, in its sole discretion, whether such insurance coverage, terms, and applicable deductibles are adequate and appropriate for the CHARTERER’s purposes. If the CHARTERER deems any additional coverage necessary, then the CHARTERER shall arrange with an insurance broker before the commencement of the charter for separate or supplemental insurance at the CHARTERER’s cost.

c. The OWNER shall ensure that the CHARTERER is covered throughout the Charter Period. Except to the extent that either the CHARTERER or any of the CHARTERER’s guests has acted in any way as to void or limit coverage under the OWNER’s insurance policy, the CHARTERER will not be liable, with respect to any one accident or occurrence, for an amount greater than

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the deductible of the OWNER’s insurance policy for any cost or expense incurred as a result of any damage to the Vessel or to any third party caused by the negligence or willful act of the CHARTERER or the CHARTERER’s guests.

d. If the CHARTERER or any of the CHARTERER’s guests acts in such a way, whether by negligence or willful act, as to void or limit coverage under the OWNERs insurance policy, then the CHARTERER shall indemnify and hold the OWNER harmless against and from any claim for loss, damage, or expense attributable to such negligence or willful act, to the extent that such loss, damage, or expense would otherwise be covered by the OWNER’s insurance policy.

e. The CHARTERER acknowledges that the CHARTERER is responsible for insuring the CHARTERER’s personal effects on board the Vessel and ashore, and for insuring against any cost or expense incurred as a result of any accident or emergency during the charter, including, without limitation, emergency medical evacuation or other emergency transport for the CHARTERER or the CHARTERER’s guests, to the extent the same are not covered by the OWNER’s insurance policy.

f. The CHARTERER acknowledges that neither cancellation and curtailment insurance, nor CHARTERER’s liability insurance, as such, is included in this agreement.

Paragraph 16. SECURITY DEPOSIT

A security deposit will be held by the OWNER and may be used in, or towards, discharging any liability that the CHARTERER may incur under any of the provisions of this Agreement. To the extent that the security deposit is not so used, then it will be refunded to the CHARTERER without interest, within seventy two (72) Working Hours after the end of the Charter Period or the settlement of all outstanding questions, whichever occurs later.

Paragraph 17. DEFINITIONS

a. Force Majeure - In this agreement "Force Majeure" means any cause directly attributable to acts, events, non-happenings, omissions, accidents, or acts of God beyond the reasonable control of the OWNER or the CHARTERER, including, without limitation, strikes, lock-outs, or other labor disputes, civil commotion, riots, blockade, invasion, war, fire, explosion, sabotage, storm, collision, grounding, fog, governmental act, or regulation, major mechanical, or electrical breakdown beyond the OWNER’s control and not caused by the OWNER’s negligence. Shipyard delays not attributable to the aforementioned conditions do not constitute Force Majeure. Crew changes do not constitute Force Majeure.

b. OWNER, CHARTERER - Throughout this Agreement, the terms “OWNER,” and “CHARTERER,” and corresponding pronouns shall be construed to apply whether the OWNER or CHARTERER is male or female, corporate or individual, or singular or plural, as the case may be.

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c. A Working Day is a day on which the bank of the OWNER named on the contract is open for business. A Working Hour is an hour between 9 a.m. and 5 p.m. in the time zone where such bank is located, on a Working Day.

Paragraph 18. SALVAGE

During the Charter Period, the benefits, if any, from all derelicts, salvages, and towages, after paying the crew’s proportion, and hire for the relevant Charter Period and expenses, shall be shared equally between the OWNER and the CHARTERER.

Paragraph 19. LAW AND ARBITRATION

a. This agreement will be governed by and construed in accordance with the maritime law of the United States and, to the extent such law fails to supply a rule of decision, the law of the State of Florida regardless of any conflicts-of-law principles that would require the application of any other law. Any dispute arising out of or in connection with this agreement or any alleged breach hereof will be resolved by binding and confidential arbitration in Fort Lauderdale, Florida, or such other place as the parties may agree in writing, in accordance with the Rules of the Miami Maritime Arbitration Council (the “MMAC”) current when the arbitration proceedings are commenced.

b. A party wishing to refer a dispute to arbitration shall send notice in writing to the other party appointing its arbitrator and requiring the other party to appoint its arbitrator within seven (7) calendar days of such notice. If the other party fails to appoint an arbitrator within seven (7) calendar days of such notice, then the first party’s arbitrator will act as sole arbitrator. Otherwise, upon the other party’s appointment of the second arbitrator, the two arbitrators so appointed will appoint jointly, within seven (7) calendar days, the third arbitrator, who will serve as chairperson of the panel with respect to administrative matters. If the two arbitrators fail to appoint a third arbitrator within seven (7) calendar days, then either party may apply to the MMAC to appoint the third arbitrator. The sole arbitrator or the three arbitrators, as the case may be, will resolve the dispute as soon as practicable, but in any case no more than ninety (90) calendar days after the date on which the first arbitrator was appointed.

c. The decision of the arbitrator, if a sole arbitrator, or the arbitrators or any two of them, if a panel of three arbitrators, will be final and binding on the Parties and may be enforced by any court of competent jurisdiction. The arbitrator or arbitrators will award costs and expenses of arbitration, including, without limitation, costs of expert witnesses and attorneys’ fees, to the prevailing party as provided in Clause 23.

d. In cases in which the total amount of all claims, including any counterclaims, does not exceed fifty thousand dollars (\$50,000) or an equivalent sum in another currency, or if the parties agree in writing, the arbitration will be conducted in accordance with the Simplified Claims Procedure of the MMAC current when the arbitration proceedings are commenced.

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e. Notwithstanding the above, the parties may agree in writing at any time to refer any dispute arising out of or in connection with this agreement to mediation before such person and according to such rules as the Parties may agree.

f. The parties shall not bring any proceedings in any other forum or jurisdiction based on any claim arising out of or in connection with this agreement, except that either party may bring (1) proceedings in any jurisdiction to arrest or attach the property of the other party as security for an arbitration award or (2) such other proceedings as may be necessary to ratify, enforce, or confirm an arbitration award.

g. If either party gives notice of arbitration proceedings, the OWNER, after receiving notification of such proceedings, shall not deal with those monies held by the OWNER without a mutual written agreement signed by both the OWNER and the CHARTERER or in accordance with the order of the arbitrators or their final award.

h. The monies should be held in a designated client account. This account should be interest bearing where banking rules permit.

Paragraph 20. PAYMENT OF CHARTER FEES AND OTHER MONIES TO THE OWNER

a. Upon booking a charter, the CHARTERER will be required to pay a non-refundable initial payment of \$5,000.00, plus a security deposit of \$1,500.00.

b. A final payment will be required to be paid no later than 30 days prior to the charter.

c. Additional payments for special requests will be due immediately.

d. The OWNER shall hold all funds received pursuant to this Agreement in a designated account in the currency of this Agreement. If the OWNER receives notice of a complaint, the OWNER shall retain the balance for the Charter Fee for fourteen (14) calendar day after the end of the Charter Period. If the OWNER and the CHARTERER agree to resolve the complaint with that period, the OWNER shall disburse the balance of the Charter Fee as directed in a writing signed by both the OWNER and the CHARTERER. If the OWNERS receives notice of arbitration from the CHARTERER as provided in Clause 19 within that period, the OWNER shall hold the balance of the Charter Fee until the arbitration results in an award or the OWNER and the CHARTERER resolve the matter by agreement, whichever happens first. The OWNER shall immediately thereafter disburse the balance of the Charter Fee as provided in the arbitration award or an agreement signed by both the OWNER and the CHARTERER. If the complaint has not been resolved by agreement and neither the OWNER nor the CHARTERER has given notice of arbitration as provided in Clause 19 within fourteen (14) calendar days of the end of the Charter Period, the OWNER shall pay the balance of the Charter Fee to the OWNER.

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Paragraph 21. COMPLAINTS

The CHARTERER shall notify the OWNER as soon as practicable after any event or occurrence giving rise to a complaint has taken place, and in all cases, within twenty-four (24) hours of the event or occurrence unless it is impracticable due to failure or non-availability of communications equipment. The complaint may be made orally in the first instance, but must be confirmed as soon as possible in writing (by fax, mail or email) specifying the precise nature of the complaint.

Paragraph 22. NOTICES

Any notice given or required to be given by the CHARTERER or the OWNER under this agreement will be communicated in any form of writing and will be deemed to have been properly given as follows: (1) if by mail, when and if dispatched pre-paid and properly addressed by mail or bona fide courier service; (2) if by fax, when and if transmitted with confirmation; and (3) if by email, when and if transmitted without any error or non-delivery message. Notice must be given to their respective addresses set forth on Page 1 of this Agreement or, in the case of the CHARTERER, to the CHARTERER's address set forth on Page 1 of this agreement, or, where appropriate, to the CHARTERER on board the Vessel.

Paragraph 23. ATTORNEY FEES

In any arbitration or litigation arising out of or in connection with this Agreement, the prevailing party will be entitled to recover from the non-prevailing party or parties, in addition to any other relief to which the prevailing party may be entitled, reasonable attorneys' fees (including paralegal fees), court costs, and all other expenses incurred in such arbitration or litigation by the prevailing party, even if not taxable as court costs, including, without limitation, all fees, costs, and expenses incident to appeals. For purposes of this Clause 23, a party will be considered the "prevailing party" to the extent that (1) such party initiated the proceedings and substantially obtained the relief it sought, whether by award, judgment, or voluntary agreement; (2) such party did not initiate the proceedings and did not obtain award or judgment in its favor, but the other party did not substantially obtain the relief it sought; or (3) such party did not initiate the proceedings and the other party to the proceedings withdrew its claim or action without having substantially obtained the relief it sought. Nothing in this Clause 23 will be construed to affect the mandatory arbitration provisions of Clause 19 of this Agreement.

Paragraph 24. INDEMNIFICATION

The CHARTERER shall indemnify, defend, and hold the OWNER harmless against and from any liability for loss, damage, or expense incurred by the CHARTERER or the CHARTERER's guests as a result of the negligence or willful act of the CHARTERER or the CHARTERER's guests, to the extent such loss, damage, or expense is not covered by the OWNER's insurance policy.

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Paragraph 25. OWNER’S ASSURANCES

The OWNER represents, warrants, and covenants that, at delivery, the Vessel will comply with all applicable laws and regulations of the Vessel’s flag state and any country within the Cruising Area, including, without limitation, any laws and regulations governing charters and any documentation, registration, or customs laws or regulations, such that the Vessel may lawfully be used by the CHARTERER as provided hereunder.

Paragraph 26. MARITIME LIENS

The CHARTERER shall not incur or allow any maritime lien, salvage, or debt on the Vessel or on the OWNER’s credit. The CHARTERER shall not abandon the Vessel or enter into any salvage agreement without the OWNER’s prior written consent. The CHARTERER shall indemnify and hold the OWNER harmless against and from any liability for any maritime lien, salvage, or debt that arises on the Vessel or the OWNER’s credit as a result of any act or omission of the CHARTERER.

Paragraph 27. ADDITIONAL CONDITIONS

Delivery and Re-delivery fee (if applicable) \$500.00

SAMPLE