



YACHT: 2009 Jeanneau 50Ds 3 Cabin
CHARTER DATES: Noon 10/21/2012 to Noon 10/29/2012.

CONTRACT: 31696

ABOVE THE WATERLINE AND INVENTORY <u>CASH SECURITY DEPOSIT</u>	\$ 600.00
BELOW THE WATERLINE SECURITY DEPOSIT	\$ 1500.00
2% HULL DEDUCTIBLE:	\$ 11000.00
TENDER & OUTBOARD DEDUCTIBLE:	\$ 8500.00
LIABILITY INSURANCE DEDUCTIBLE:	\$ 2500.00
POLLUTION INSURANCE DEDUCTIBLE	\$ 2000.00

THE ABOVE THE WATERLINE AND INVENTORY SECURITY DEPOSIT OF \$600 IS PAID IN CASH OR TRAVELERS CHECKS UPON BOARDING. THE BELOW THE WATERLINE SECURITY DEPOSIT (VESSEL, TENDER AND OR OUTBOARD) OF \$1500 IS TAKEN AT CHECK-IN BY A PRE-AUTHORIZATION OF YOUR CREDIT CARD.

WE ACCEPT VISA/MASTERCARD ONLY AND CARD MUST BE IN SAME NAME AS THE CHARTER CONTRACT.

MY INITIALS IN THIS SPACE ACKNOWLEDGE THIS: _____

BAREBOAT CHARTER AGREEMENT

THIS BAREBOAT CHARTER AGREEMENT ("AGREEMENT") made 10/16/2012, by and between J & J Yacht Services, LLC, a corporation organized under the laws of the Virgin Islands of the United States dba CYOA Yacht Charters, as the exclusive agent ("**AGENT**") of the 2009 Jeanneau 50Ds 3 Cabin ("**YACHT**"), and John Doe of Anytown, TX ("**CHARTERER**"). Upon acceptance by **CHARTERER**, **AGENT** will surrender care, custody and control of the **YACHT** to **CHARTERER**. **CHARTERER** is considered the MASTER of the **YACHT**, regardless of any requirement by **AGENT** for **CHARTERER** to employ a Sailing Guide, and is fully and solely responsible for the **YACHT** and related equipment and inventory, tender, outboard engine, guests, passengers, navigation, provision of navigational charts and equipment and all running expenses.

TERM & HIRE

In consideration of the covenants hereinafter provided, the **AGENT** agrees to rent and the **CHARTERER** agrees to hire the aforesaid **YACHT** for time period specified above for the total sum of US \$4250.00, ("**FEE**").

PAYMENTS

50% of said **FEE** will be paid as a reservation deposit ("**DEPOSIT**"), with this **AGREEMENT**; and the balance, along with full and final payment for any and all extras, shall be payable, in St. Thomas, on 9/6/2012 (45 days prior to commencement of Charter). All payments called for in this paragraph shall be made in US Dollars, in cash or check drawn on a US Bank, and forwarded to **AGENT** at: 3562 Honduras #4, Frenchtown Marina, St. Thomas, VI 00802-5741.

REFUNDS & CANCELLATION

The **DEPOSIT** and any subsequent payments are non-refundable except as provided for below. Cancellations must be made in writing to **AGENT**. Upon receipt of written or faxed notice of cancellation, refunds, if any, will be made as follows:

Cancellations received in writing more than 91 days in advance of the charter departure date will result in a full refund of all moneys paid, less a US\$300 processing charge plus 10% of any amount charged to a credit card; cancellations received in writing less than 90 days in advance of the charter departure date will result in forfeiture of all moneys paid. Trip insurance is available and recommended to protect your payments.

AGENT and **OWNER** assume no responsibility for weather conditions that may arise during the term of this **AGREEMENT**. This **AGREEMENT** will remain in full force and effect regardless of weather conditions before, during or after the period of this **AGREEMENT**.

DELIVERY

AGENT agrees to deliver the **YACHT** 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 domestic equipment; staunch, clean and in good condition and ready for service. **AGENT** agrees to allow demurrage, pro rata to the **CHARTERER** for any delay in delivery, beyond four (4) hours. Should it be impossible for the **AGENT** to make delivery as stipulated, and should such delivery not be made within 24 hours thereafter, then this **AGREEMENT** may be canceled by written notice to **AGENT**, and any money paid in advance shall be returned to **CHARTERER** within 14 days of the receipt of such notice.

ACCEPTANCE

CHARTERER certifies that he will examine the **YACHT** and her equipment and inventory before departure, and will be satisfied that the **YACHT** is staunch and strong and properly outfitted for a **YACHT** of her size and accommodation and for the intended use and notify **AGENT**, in writing, of any damages or shortages noted before departure. Departure constitutes acceptance of full and complete performance by **AGENT**. **CHARTERER** understands and agrees that arrivals after 3PM, at the yacht being chartered, may, at the sole discretion of the **AGENT**, require a next day departure from the charter base.

NOTIFICATION

In the event of any occurrence, collision or accident, release of pollutant or disaster during the term of this **AGREEMENT** **CHARTERER** will give prompt written notice to **AGENT** of such event and agrees to cooperate and comply fully with any requirements of local, territorial or federal authorities and/or the insurance policy underwriters with respect to such occurrence, accident, release of pollutant or disaster.

INSURANCE

CHARTERER shall be liable to the **AGENT** and **OWNER** for all sums not covered by insurance for any damage, or loss, sustained to the chartered **YACHT** and/or her contents, tender, outboard engine and related equipment or to another person or another person's property while the **YACHT** is under the control of **CHARTERER**. Deductible amounts are a "sum not covered by insurance". **AGENT** represents that **OWNER** maintains fire, marine collision, pollution and third party property and indemnity insurance on the **YACHT** to include **CHARTERER** as additional insured. Such extension of coverage is subject to all applicable terms, exclusions and other conditions of the policy, including its' stated maximum limits of liability, exclusions and deductible amounts for a specific type of coverage.

REDUCTION OF DEDUCTIBLE

AGENT offers and **CHARTERER** is required by **AGENT** to purchase a **DEDUCTIBLE REDUCTION AGREEMENT ("DRA")** to reduce **CHARTERERS** financial obligation for the deductible amount on the Hull, save and except the first \$500 of loss or damage to the vessel and or inventory above the waterline AND \$1500 damage to the vessel below the waterline. **AGENT** offers and **CHARTERER** is required by **AGENT** to purchase a **DRA** to reduce **CHARTERERS** financial obligation for the \$8,500 deductible amount on the Tender & Outboard, save and except the first US\$100 of loss or damage to the Tender and or inventory above the waterline AND \$1500 damage to the Tender or Outboard Engine below the waterline. **It is agreed and understood that the CASH security deposit is payable in CASH or Traveler's Checks prior to boarding and is returned at the end of the charter upon completion of the vessel return procedures, including a sail check and a dive check. The Credit Card Pre-Authorized Below the Waterline Damage Deposit of \$1500 is released after the end of charter return procedures, including dive check are completed.**

REDELIVERY & LIENS

CHARTERER agrees to redeliver the **YACHT**, her equipment and furnishings, tender and outboard engine free and clear of any indebtedness incurred by **CHARTERER**, to the charter base in the same condition as when accepted, ordinary wear and tear, and any loss or damage for which the **CHARTERER** is covered by his purchased **RD**, as set forth above, excepted. **CHARTERER** agrees to pay demurrage to **AGENT** at the rate of US\$1,500 per day, or portion thereof, for each and every day yacht is detained beyond the date agreed to for return, above, unless **AGENT** has agreed, in writing, to a pro rata extension of the term of this **AGREEMENT** or in the event of total loss or serious damage to **YACHT**, in which event the rights of the parties shall be determined by the other terms of this **AGREEMENT**.

CHARTERER does not have any right, power or authority to create, incur, or permit to be imposed upon the **YACHT** any liens whatsoever. **CHARTERER** agrees to notify any person furnishing repairs, supplies, towage or other necessities to the **YACHT** of the reservation of authority to incur liens.

DELAYS

The **AGENT** agrees that should the **YACHT**, after delivery, sustain breakdown or be disabled or damaged, through no fault of **CHARTERER**, preventing the use of the **YACHT** by the **CHARTERER** for more than six hours the **AGENT** shall make a pro rata return of **FEE** to the **CHARTERER** (Six (6) hour delay policy is applicable between 9AM and 4PM, Sundays and government holidays excluded). Provided, however, that in case the **YACHT** is lost or said damage is so extensive that the **YACHT** cannot be or is not repaired within 48 hours, then the **CHARTERER** shall have the right to terminate this **AGREEMENT** and the **FEE** shall be abated pro rata, from the time of notification to the **AGENT**. Should the **YACHT** be driven into port or anchorage by stress of weather or from illness, or accident, to the **CHARTERER**, or to members of his party or crew, or in the event the **YACHT** sustains breakdown or damage resulting from negligent action, or inaction, by **CHARTERER** then time so lost or expenses incurred shall be at the **CHARTERER'S** expense.

RUNNING EXPENSES

AGENT will provide included towels, bunk sheets and pillow cases, stove and engine fuel. Water and engine fuel tanks will be full at the start of the charter. **CHARTERER** agrees to pay all running expenses after commencement and during the term of the charter including ice, fuel, oil, food, and other consumable goods, pilotage, port charges, fines, and provisions for himself and party, unless these have been ordered and paid for through **AGREEMENT** with **AGENT**. **CHARTERER** is responsible, physically and financially, for returning the **YACHT** with full fuel and water tank(s).

LIMITATIONS ON USE

CHARTERER agrees to restrict the cruising of the **YACHT** to the hours of the day from ONE HOUR AFTER SUNRISE TO ONE HOUR BEFORE SUNSET. The sailing area shall be restricted to the US and British Virgin Islands, except the island of St. Croix in the USVI and the island of Anegada and its surrounding shoals in the BVI. **AGENT** will supply a written list of areas that are "out of bounds" and **CHARTERER** agrees that any violation of this list will result in the automatic forfeiture of any reduction in deductible amount(s) that were agreed to when the required **DR** was purchased.

CHARTERER agrees that the **YACHT** shall be employed exclusively for pleasure purposes for the sole and proper use of himself, his family, guests and servants during the terms of this **AGREEMENT**, and shall not transport merchandise or carry passengers for pay, or engage in trade nor in any way violate the Revenue Laws of the United States or of any government within the jurisdiction of which the **YACHT** may be at any time, and shall comply with the law in all respects. No goods, documents, drugs, or persons shall be carried that would involve risk of seizure, capture or repatriation by any government, the **CHARTERER** agrees not to permit any other party to operate the **YACHT** unless the written permission of the **AGENT** is obtained in advance. No dogs, cats or other pets shall be taken aboard the **YACHT**.

INDEMNITY

Notwithstanding any other terms and provisions contained herein, **CHARTERER** acknowledges that he is not the agent, servant or employee of **OWNER** or **AGENT** in any way whatsoever and that **OWNER** and **AGENT** shall not be responsible for any injuries or damages to, or caused by, **CHARTERER** or any member of his party, including any sailing guide or crew employed by **CHARTERER**. **CHARTERER** agrees to indemnify and hold harmless **AGENT** and **OWNER** from any and all losses or damage to third persons caused by him or any of his party and / or sailing guide and crew.

CHARTERER shall keep the **YACHT** in good running order and condition and in substantially the same condition as when received from **AGENT**, reasonable wear and tear excepted. **AGENT** and **OWNER** accept no responsibility for anyone aboard for accident, injury or death, due to any cause whatsoever arising out of the use of the **YACHT**, including but not limited to sailing, powering, towing or use of any equipment aboard, or any other equipment whether or not it is provided by the **AGENT**. **CHARTERER** further agrees to hold the **AGENT** and **OWNER** harmless from any liability whatsoever in connection with scuba or skin diving, snorkeling, swimming or similar activities or the use of allied equipment whether or not it is supplied by **AGENT** or others. **AGENT** and **OWNER** accept no responsibility for any allegedly defective condition of the **YACHT** limited to, outboard motor, dinghy, fuel, water, ice, provisions, or beverages.

CREW

CHARTERER shall be solely responsible for procuring and compensating his own crew. The **AGENT** may, at its sole and absolute option, require a "Sailing Guide" on board the **YACHT** to assist the **CHARTERER**, if in **AGENT'S** opinion the **CHARTERER** is deficient in training, experience, or ability to safely undertake the proposed voyage. The period that a Sailing Guide will be required for will be determined by the **AGENT**. **CHARTERER** is not responsible for any loss or damage directly caused or incurred by a required "Sailing Guide".

CHARTERER'S AUTHORITY OVER CREW

It is mutually agreed and it is the intent of the parties hereto that the **AGENT** relinquishes possession, command, and navigation of the **YACHT** to the **CHARTERER**, and that full authority regarding the management of the **YACHT** is hereby transferred to the **CHARTERER** for the term of this **AGREEMENT**.

It is further mutually agreed that although the **CHARTERER** shall have possession, command, responsibility for navigation, and full control over the **YACHT**, if a "Sailing Guide" is required by the **AGENT**, as provided herein, the **CHARTERER** shall rely upon the "Sailing Guide" for professional guidance in the safe navigation of the **YACHT**. The "Sailing Guide" is responsible to the **CHARTERER** for the safe navigation of the **YACHT**, and is the sole judge as to 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 as to whether any specified anchorage is reasonably safe. But subject to the above, the "Sailing Guide" shall obey all reasonable orders of the **CHARTERER** and do their best to sail the **YACHT** into such safe ports and places as the **CHARTERER** may desire to visit.

LIMITATION OF OWNER'S AND AGENT'S LIABILITY

In the event a "Sailing Guide" shall be required by **AGENT**, as herein above provided, the **AGENT** shall exercise reasonable care in the selection of such "Sailing Guide", but shall not hereafter be responsible for any injuries suffered by the **CHARTERER**, his party, or crew either in person or property, by reason of the negligence of the "Sailing Guide" or of any person or persons employed by the **CHARTERER** on or about the **YACHT**.

NON-ASSIGNMENT

The **CHARTERER** agrees not to assign this **AGREEMENT** or sub-charter the **YACHT** without the consent of the **AGENT** in writing.

CONTRABAND & SMOKING

No contraband substances are permitted aboard the YACHT. Use or possession of contraband substances, by **CHARTERER** or any member of his party or crew, shall result in the immediate termination of this **AGREEMENT** and forfeiture of **FEE** without recourse. **CHARTERER** is fully responsible for any costs associated with any boarding or seizure of **YACHT**, including, but not limited to, lost charter revenue. **AGENT** will report any violation of this clause to the appropriate authorities. **Smoking is not allowed below decks.** If it is determined that smoking, of any kind, occurred below decks the CASH Damage Deposit of \$600 will be forfeited. INITIAL

REFUSE, GARBAGE & VI CODE TITLE 12 COMPLIANCE

CHARTERER agrees that refuse shall not be thrown or allowed to fall overboard and that all garbage will be deposited in appropriate containers. No oil, spirits, inflammable liquids or contaminated bilges shall be discharged into VI Territorial waters in accordance with Title 12, Chapters 7 and 17 of the VI Code. All laws and regulations with regard to marine sanitary devices shall be complied with.

CHARTERER'S CERTIFICATION

CHARTERER, if he is to operate the **YACHT** himself, certifies that he is experienced and competent in the handling and operation of a yacht of the type named in this **AGREEMENT** and that he has sufficient practical knowledge of seamanship, piloting and the Rules of the Road and agrees that he will not allow the **YACHT** to be operated by anyone not so qualified during the term of this **AGREEMENT**. The CYOA Client Responsibility Agreement, that is executed at the base prior to boarding, is an integral part of and an agreed addendum to this Bareboat Charter **AGREEMENT**, with all terms responsibilities set forth therein being accepted by the parties hereto as if they were disclosed herein – a copy, for prior review, is included with this contract.

ARBITRATION

Any controversy or claim arising out of or relating to this **AGREEMENT**, or the breach thereof, shall be settled by arbitration, in the Virgin Islands of the United States, in accordance with the Rules of the American Arbitration Association.

The CYOA Yacht Operations Manual is an integral part of and an agreed addendum to this Bareboat Charter **AGREEMENT**, with all terms responsibilities set forth therein being accepted by the parties hereto as if they were disclosed herein. If any provision of this **AGREEMENT** or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this **AGREEMENT** and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

John Doe

J & J Yacht Services, LLC dba
CYOA Yacht Charters