

# GENERAL CONDITIONS FOR RENTING A VESSEL

## 1. INTRODUCTORY NOTES

Charter operator "Candor d.o.o.", located at Franje Tudmana 213, 21213 Kastel Gomilica, Croatia (henceforth Candor), guarantees the truthfulness of the information in connection with the charter offer presented on its web pages, [www.candor.hu](http://www.candor.hu), and also for the truthfulness of the conditions under which the charter fleet is offered. Candor takes care and maintains the offered vessels with the attention of a good host and guarantees that they are technically in order and in good condition.

## 2. SUBJECT AND DURATION OF BOOKING CONTRACT

The person who submits advance payment (henceforth The Client), and thus confirms his/her reservation for one or more vessels from Candor's offer, establishes a legal relationship with Candor by which he/she consents to agree with, and accepts the general conditions of renting vessels and with the terms that are given for her/his consideration herein. All data announced in these conditions present a legal obligation, both for the Client and for Candor. These conditions are the foundation for resolving eventually arisen disputes between the Client and Candor.

## 3. BOOKINGS

Applications for booking a vessel are accepted via e-mail or using an online booking system where Candor is presenting such a possibility. Bookings may also be done in the office of Candor, or in the offices of the Candor partners that are authorized to sell its services. During the application process, the Client is obliged to give all information requested in the intended reservation procedure. The same applies during the Client's application in Candor office or in the offices of the Candor's authorized representatives to whom he/she must present all documents necessary for carrying out the booking procedures.

A booking can be considered to be valid only after Candor has issued a written booking confirmation or Proforma Invoice, and after the advance payment described in the above documents is fulfilled.

## 4. PRICE LIST

The price list published on the Candor website, and in the primary booking system (MMK Booking Manager) is to be considered valid for new bookings. Candor reserves its right of changing the prices, but that does not affect the bookings that are already confirmed, with the exception of price changes due to legislation, and taxation changes.

All listed prices refer to a seven-day rent, from Saturday to Saturday.

The listed prices include: rent of a clean and dry vessel in good technical order with full tanks of fuel and water; and its inventory; obligatory vessel insurance; comprehensive insurance that exceeds the value of the deposit defined by the contract; Croatian sailing license, and a charter license of the vessel.

The listed prices of the vessels do not cover port expenses (port and berth taxes and fees except the start and finish date in the home port, sojourn, and other tariffs), optional vessel equipment, fuel expenses, food and water, Candor crew compensations and all other services, such as health and accident insurance for the crew.

## 5. METHOD OF PAYMENT

In order to confirm the requested reservation of the vessel, the Client has to make an advance payment that equals 50 % of the complete arrangement within 5 days. The remaining amount has to be paid 30 days prior to the beginning of the rental period, at the latest.

These payment terms can only be changed in written form confirmed by Candor.

The Client can start embarkation only when all the necessary payments are made, that is including the security deposit and base payables.

By paying in advance, the Client confirms that he is completely familiar with all characteristics and conditions under which the certain vessel is offered to him. By paying in advance, all that is mentioned in these conditions becomes a legal obligation, both for the Client and Candor.

The final settlement will be made together with a Candor representative, or with the owner of the vessel, upon returning it, at the end of the renting period in the harbor agreed as the vessel's final destination.

## 6. CANCELLATION

Cancellations are to be made in writing by e-mail, fax, or regular mail. The date, when Candor receives the written cancellation request, presents the basis for calculating the cancellation charges as follows:

- for cancellations up to three months before the beginning of the renting period, Candor charges 30 % of the whole arrangement. The rest of the advance payment is refunded to the Client at his/her own expense.
- for cancellations up to four weeks before the beginning of the renting period, Candor charges 50 % of the whole arrangement, i.e. no refund is made from the advance payment.
- for cancellations up to two weeks before the beginning of the renting period, Candor charges 70 % of the whole arrangement. The rest of the payment is refunded to the Client at his/her own expense.
- for cancellations within two weeks before the beginning of the renting period, Candor charges the whole 100% of the rental cost.

*In case of cancellations related to a pandemic please refer to the amendment at the bottom of this document.*

If the Client who is canceling the rented vessel finds another user who is willing to overtake his rights and duties for the same reservation, Candor only charges for the expenses caused by the change.

If cancellation is caused by *force majeure*, (death of skipper or main guest, war, pandemic, etc.) due to objective reasons on the Client's side, Candor will offer another vessel from its fleet, the next season at the latest. In this case, the cancellation charges are credited to the rental of the vessel offered. The Client can request such credit, in case the payment terms are adhered to, i.e. all payments were made on time.

The refund is made immediately after confirming the amount that has to be returned to the Client. The payment can be done exclusively by bank transfer to the account of the Client. When it comes to currency transfer, the expenses of wiring the money to a foreign country are billed to the Client. The Client can request a refund only if the payment terms were adhered to, i.e. all payments were made on time.

## 7. DEPOSIT

During checking-in, the Client must leave an obligatory deposit for possible losses and damages that occurred during the renting period, regardless of the insurance coverage. The deposit must be made in cash, or by credit card. The modalities and amounts of the deposit are shown on the internet pages and booking system of Candor.

The deposit will be returned to the Client after the Candor representative establishes that the vessel has been returned at the appointed time and at the appointed place, undamaged, with full tanks of fuel and water, and under the condition that there are no further requests from a third party, nor there are announced ones, concerning the Client that is connected to his usage of the rented vessel.

In case of damage to the vessel and/or the equipment, and in case of a loss of one or more parts, the Client takes responsibility for related expenses, regardless of the accidental or intentional cause of the damage or loss. Candor will deduct the amount from the deposit that covers the repair expenses, the acquiring and/or purchasing of the equipment, or separate parts of the vessel. If due to damage, or loss of the vessel or the equipment, renting is not possible anymore, the value that Candor will keep from the deposit will equal the value of the lost goods.

Leaving the deposit is obligatory also in cases when the vessel is rented along with a skipper hired by Candor. In this case, the set-down deposit shall not be used for covering the expenses caused by the skipper's negligence, maneuvering mistake, and bad management of the equipment.

## 8. DELIVERING THE VESSEL

The vessels are delivered at the appointed time and place, from 17.00 to 20.00 hours.

If the Client does not take the vessel within 48 hours from the appointed time without previously announcing it, Candor is authorized to one-sidedly break the renting contract and the Client has no right to subsequently ask for compensation.

If due to any reason Candor is not able to deliver the reserved vessel at the appointed time and place, it has 24 hours from the appointed time of delivering the vessel, to provide the Client with another vessel with equal or better characteristics. If Candor does not succeed to do so, the Client has the right to break the contract and to be compensated with the funds already paid. If the Client decides to wait for a substitutive vessel more than the previously agreed 24-hour limit of overtaking of the same, he/she can be refunded to the extent of the sum of the rent for the number of days he was not able to use the vessel. The responsibility of Candor for amounts higher than the previously agreed for the rent, as well as other means of compensation, is excluded.

During the delivery of the vessel, it is the responsibility of the Client to test its condition and the equipment carefully in order to verify whether the inventory and checklist are correct and complete. Eventual objections are presented exclusively before the beginning of the rental. Eventually concealed defects of the vessel and/or the equipment, which were not known to Candor when submitting the vessel, as well as damages and defects after returning the vessel that Candor could not foresee, do not give the Client the right to ask for a reduction of the rent. The Client has the right to ask for the diver's report of the underwater control of the vessel performed after the last charter.

Candor reserve the right to refuse the delivery of the vessel if the Client is not showing adequate knowledge of maneuvering. In such a case, Candor can obligate the client for hiring a skipper and charge for it.

## 9. RETURNING THE VESSEL

The Client is obliged to return the vessel to the defined port mentioned in the contract, until daylight on the last full day before the end of the charter period, with full tanks of fuel, empty waste tanks, and open seacocks, ready for inspection of those. Exception from this deadline must be agreed upon and confirmed in advance by a Candor representative.

The vessel must be disembarked until 09:00 a.m. on Saturday, clean and tidy, preferably full water tanks, ready for further sailing, i.e., in the same condition the Client took it. Should the vessel have any defect, damage, or failure, the Client must report to Candor's base manager upon arrival at the latest.

If due to whatever reasons during the trip further sailing is not possible and/or exceeding the negotiated date of return is inevitable, further instructions should be given by contacting the representative of Candor. The information about the announcement must be written in the vessel's logbook or on the provided failure report sheet. Adverse weather conditions cannot justify exceeding the negotiated return date of the vessel. Exceeding is only justified in cases caused by *force majeure*.

If exceeding the negotiated date and time of return with not more than 3 hours, the Client will pay a late charge. Any further delay would be charged as additional daily rent for each day commenced. Alterations from this are possible, but exclusively upon previous agreement with Candor.

When returning the vessel to a port that is not negotiated as final, the Client must reimburse Candor for all expenses connected with taking it back to the negotiated port, a delay fine, if such has occurred, as well as for all damages that occur during transferring back the vessel and that are not covered by the insurance policy.

When returning the vessel, a Candor representative will perform a complete check-up of its general condition and equipment and compare the present inventory and equipment with the inventory list.

The Client is obliged to report to the Candor representative eventual defects and damages. If damages have occurred on the underwater part of the vessel, or if there is such suspicion, a detailed check-up needs to be done with the help of a crane or a diver. Candor decides in which way the check-up will be performed, and the Client is charged with the expenses of the procedure.

The expenses for lost and damaged parts of the vessel, or the equipment, caused by negligence or bad management on the Client's side, or his crew, are billed to the Client. Candor will compensate that sum from the deposit of the Client. In case the vessel is returned dirty and untidy, Candor will use the Client's deposit for the extra cleaning of the yacht. Candor will also charge for fuel costs and refuel service costs in case the Client does not return the vessel with full tanks. During the time of renting, the vessel remains in possession of Candor or the owner with whom the agency has signed a cooperation contract. Until the moment of proper returning of the vessel, it is considered to be rented to the Client.

## 10. EXTENDING THE RENTING PERIOD

If due to whatever reason the Client wants to extend the renting period, he has to sail back to the designated port and contact the Candor representative and ask in written form for permission for a new time of disembarkation and a new designated port.

## 11. DOCUMENTS OF THE VESSEL

The vessel is submitted to the Client's usage with all proper documents necessary for renting (navigation permit, registration, VHF license, insurance policy), as well as with all other supplements found in the vessel's folder (list of port authorities, gas stations...). The Client is obliged to handle and keep all received documents with extra care.

When returning the vessel, the Client must give back all received documents and their supplements.

The Client is obliged to keep records in the logbook according to ending maritime regulations.

## 12. OBLIGATIONS OF CANDOR

Candor is obliged to take care of the delivery of the offered services with the attention of a good manager and to watch after the rights and interests of the Clients, in accordance with the good Croatian tourist tradition.

Candor is obliged to make sure that the guest receives all the services he paid for in the reserved term, and thus is responsible to him for any possible unfulfillment of the services, or a part of them.

In case of changes or unfulfillment of the services caused by *force majeure* (war, riots, strikes, terrorist activities, sanitary disorders, adverse weather, government official, etc.), Candor refuses any responsibility.

## 13. CLIENT'S OBLIGATIONS

The Client is bound to and declares that:

1. he/she owns a valid passport. The Client bears all expenses of document loss or theft.
2. he/she will consciously and carefully handle the vessel, the inventory, and the equipment, especially that he/she will not sail under the influence of alcohol or narcotics, and that in every way he will behave responsibly to the pleasure of his crew.
3. he/she will attain and study the available materials for familiarisation and proper usage of the vessel
4. he/she will acknowledge that all official matters related to sailing are under the jurisdiction of the competent port authority
5. he/she will sail within the territorial borders of the Republic of Croatia. Leaving the territorial waters of the Republic of Croatia is possible only by means of previous written permission by Candor.
6. he/she will not sail in forbidden sailing zones.
7. he/she will not sail and plan routes (itinerary) without previously studying the navigation charts, potential routes, nautical guides, and all other guides found aboard, especially that he/she will not sail in areas that are not satisfactory researched and insufficiently covered by the nautical maps.
8. when taking over the vessel, he/she will let Candor know about the approximate route of sailing (itinerary). He/she has to report to Candor using a GSM, email, or the available radio station, about all breakdowns and damages
9. he/she will carefully plan and maintain his itinerary so that the place of turning around and heading towards the port of departure be, at the most, two days of sailing from that port, which is approximately 80 NM.
10. he/she will not sail at night without the use of navigation lights; he/she will sail with adequate watching over the deck and with the necessary attention directed toward potential obstacles.
11. he/she will sail in safe weather conditions, in good visibility, and he/she will avoid obviously dangerous areas.
12. depending on the atmospheric conditions, he/she will take in the sails in time, and for the purpose of comfortable sailing, he/she will not allow unnecessary damage to the mast, the sails, and the lines.
13. he/she will not leave the port or the anchoring place if the current wind intensity is, or is soon expected to be more than 25 knots, or when the general weather conditions are unstable.
14. he/she will not leave the port or the anchoring place if the vessel or part of the equipment (such as the engine, the mast, the lines, the bilge pump, the sailing equipment, the compass, the navigation lights, the safety equipment) is not properly functioning.
15. he/she will not leave the harbor if port authorities have issued a sailing prohibition, in case of insufficient gas supply, and in case of sickness of any crew member.
16. he/she will not use the vessel for commercial purposes (transporting goods and people for compensation), professional fishing, sailing school, and similar activities.
17. he/she will not further rent the vessel or give it away to a third party.
18. he/she will not take more passengers onboard than the vessel is intended for, and that there will be no more people onboard than the ones listed on the crew list.
19. he/she will not participate in a regatta or other competitions without the previous written agreement of Candor.
20. he/she will not tow another vessel, except in emergency cases.
21. he/she will take all preventive measures in order to avoid situations in which the rented vessel needs to be towed. If such situations occur, the price of towing needs to be negotiated with the captain of the other vessel before towing, for which the Client needs to ask for the Candor's permission.
22. he/she will respect all customs and other regulations of the Republic of Croatia and will not take onboard any objects undeclared to the customs.
23. he/she will personally watch that he himself and all crew members behave in accordance with all valid laws and regulations of the Republic of Croatia, especially obeying fishing and diving laws; and that no archeological valuable objects should be found onboard.
24. he/she agrees that the renting contract is canceled if it is established that some crew member has broken any valid regulation and/or a law of the Republic of Croatia, which means that the vessel should be at Candor's disposal, without any right of compensation on the Client's side. Furthermore, it is hereby specially established that Candor will be free of any responsibility before any government officials because, for all committed violations and/or criminal offenses, the Client is wholly responsible before the government organs.
25. Candor does not represent the Client or its passengers in any way during official proceedings or before official bodies,
26. he/she will overtake full responsibility and thus compensate Candor for all expenses for which it has been established that have been caused by actions and failures on the Client's side and for which Candor is materially and criminally

- responsible to a third party.
27. the responsibility of the Client for breaking any rules of sailing and all other rules, performed during the renting of the vessel, does not stop after the end of the renting period.
  28. in case of damaging the vessel, accident, or breakage, he/she should record the course of happening and immediately report to Candor. He/she should also file a report of the sea accident to the closest port authorities, doctors, or corresponding authorities so that he/she can get their attest.
  29. in case of any defect of the vessel, or its equipment, caused by the natural expenditure of the vessel or the equipment, he/she should immediately report to Candor. Candor is obliged to fix the defect within 24 hours of receiving the report. If Candor fixes the defect within the 24-hour period, the Client has no right to any compensation. The contact telephone numbers, which should be used in case of breakage, are listed in the vessel's documentation.
  30. he/she will fully compensate Candor for any damage performed in negligence and/or by the unconscious actions of the Client, which are not covered by the insurance, and for which Candor is responsible to a third party.
  31. in case of the disappearance of the vessel and its accompanying equipment, the inability of sailing the vessel, expropriation of the vessel and/or its confiscation, or prohibition by government officials or a third party, the Client must immediately report to the competent authorities and Candor and ask for a copy of the police report.
  32. in case of confiscating the vessel by any government officials due to irresponsible or illegal actions (commercial fishing, extracting antiquities from the sea bottom) performed during its renting period, he/she will take full responsibility.
  33. he/she alone is responsible for contaminating the sea by filling the gas tank or disposing of garbage or waste in forbidden areas outside the regulated places.
  34. he/she will check the level of oil in the engine regularly, and pay attention to the alert signals when underway. The Client is fully responsible for damages caused by an oil shortage.
  35. he/she is responsible for mooring the boat properly and professionally
  36. Client must also inform Candor if they repaired damage or malfunction during the rental period at his/her own expense
  37. he/she will correctly run the vessel's/or his/her personal logbook and leave it available after the rental period
  38. he/she will take aboard home pets (dogs, cats, birds) only with the permission of Candor.

If he/she decides to act differently than hereby stated, the Client alone takes upon himself all material and criminal responsibility.

## 14. SAILING PERMIT

The Client must possess the necessary nautical knowledge and skills and a valid sailing permit for running the vessel at sea, as well as a confirmation of a finished course on handling the radio station. If the Client does not possess the required documents, knowledge, and skills, he is obliged to let the vessel be run exclusively by a crew member who owns such documents.

The Client, or the person appointed as a skipper by him, may be asked by a Candor representative to demonstrate his knowledge and skills. The Client is billed for the testing expenses. The time spent for testing is included in the renting period.

If during testing the Candor representative establishes that the Client, or the person appointed as a skipper by him, does not possess enough knowledge, experience, and/or valid sail permits, then a Candor skipper will join the crew at additional cost, in accordance with the official price-list. If the Client does not accept the appointed skipper, Candor can exercise its right to forbid sailing out of the vessel, cancel the contract, and to keep the whole amount of the deposit. In this case, the Client has no right to be compensated.

If the Client knows in advance that he will need the service of the official Candor skipper, he ought to notify the Candor personnel about that during reservation.

## 15. INSURANCE

The insurance is defined by the conditions established by the insurance company with whom the owner of the vessel, or Candor has signed the policy.

The insurance of the vessel covers damages inflicted to and by a third party up to the amount of the reported value of the vessel (obligatory insurance). The vessel is also covered by comprehensive boat insurance that equals the amount of the reported value of the vessel. The comprehensive boat insurance covers damages that exceed the amount of the deposit and are caused by *force majeure*, but not damages caused intentionally or by negligence.

The Client, the crew, and their personal belongings are not insured and therefore we suggest that he should do that on his/her own. All damages and/or losses must be reported to Candor immediately upon occurrence. When there is greater damage, as well as in the case when more vessels participate in the accident, it must be reported to the competent port authorities and asked for the corresponding document that will additionally be handed over to the insurance company. Damages covered by the insurance policy that were not immediately reported to Candor, to the competent authorities, to the insurance company, and for which all necessary documents do not exist, will not be acknowledged, according to the conditions of the insurance. Therefore, the Client is personally responsible for all damages and will be charged with all restoration expenses.

When the vessel is damaged, the Client will be charged with all expenses in accordance with the conditions of the comprehensive boat insurance to the amount of the deposit. The expenses of all damages to the vessel and/or its equipment caused by negligence

and/or loss of one or more equipment parts are borne in full amount by the Client.

The sails are not insured for user errors, thus the Client will be charged with all repair expenses. The responsibility of the Client is excluded only in case of natural wearing out of one or more sails, or in case of damages caused by breaking of the mast.

Engine damages caused by the oil shortage are not covered by the insurance; thus, the Client will be charged personally for all repair expenses

The Client takes full material responsibility for damages caused by anchoring and docking into ports and small ports that are known as being unsafe.

## 16. RESPONSIBILITY FOR EXPENSES ORIGINATED DURING RENTING PERIOD

The Client himself/herself is charged with all expenses or defects that have occurred while the vessel was his responsibility and that are not connected with the normal wear of the vessel. Before the process of reparation/replacement, the Client has to come to an agreement with Candor concerning the technical justification of the necessary action. Physical damage to the hull, hardware, machinery, equipment, furniture, or upholstery, loss of anchor, chain, fenders, ropes, boat hook, dinghy, or its parts are strictly excluded from normal wear.

Candor covers all damages or defects that have occurred or originated during the renting period, and that are connected with the normal wear of the vessel. Before the process of reparation, the Client has to come to an agreement with Candor concerning the technical justification of the necessary repair. The Client is to pay the bill right at the repair place and to keep it so that, when returning the vessel, he may be refunded the whole amount.

## 17. BREAKAGES AND DAMAGES

The Client is obliged to inform Candor about all breakages and damages immediately after their occurrence, no matter what their cause may be. Candor will instruct the Client in what ways to perform all necessary activities and/or change of equipment. The Client will be charged with all unauthorized repairs and changes of parts of the equipment.

## 18. PROPERTY LOSS

Candor is not responsible for losses and/or damaging the property of the Client and the rest of the crew, someone else's property that has been laid down and kept on the vessel, in the transportation vehicle, in the Candor office, or in the owner's vessel. By paying the necessary deposit and agreeing to the general conditions of renting a vessel, the Client renounces his rights to request compensation from Candor, or from the owner of the vessel for losses and/or damages of his personal and/or someone else's property.

## 19. PHOTOGRAPHS OF THE VESSELS

If the photographs of the vessels presented on our web pages have the Candor copyright sign, then these pictures correspond to the real vessel the Client will be renting.

Candor wants to especially emphasize that photographs of the vessels that do not have the Candor's copyright sign are not the exact vessels the Client will reside in, but only representative pictures of the vessel's maker, which still refer to the required model. The photographs of the vessels are published exclusively for orientation purposes and in order to help our users. It is possible that the Client may notice some irregularities between the photographs and the real state of the vessel; however, these irregularities cannot serve as valid reasons for the Client's request for a substitutive vessel nor for requesting any kind of compensation, if the real offered model corresponds to the rented one.

## 20. COMPLAINTS

If Client feels that the paid services are not completely and/or qualitatively performed, he/she has the right to address a complaint to Candor. The Client may request proportional compensation only if during checking-out of the vessel he/she files a written complaint and encloses all corresponding documentation or any means of evidence. Both the Client and the Candor representative should sign the written complaint. Candor Charter will not consider additionally received and incomplete documented complaints.

Candor is obliged to come up with a written solution to the accepted complaint within 14 days of receiving it. Candor can postpone the solution period for a maximum of another 14 days for the purpose of collecting data and verifying the complaint that, directly

or indirectly, concerns the involved persons cited in it.

The Client renounces any mediation by any other person, the arbitration of the Association of Croatian Tourist Agencies, law institution, or giving information to the means of mass media until Candor comes up with a solution to the complaint. If the Client breaks this regulation, because of the violation of the procedure, no matter his/her assertions, he/she loses the right to compensation. Candor has the right to ask for compensation from the Client due to the harm he/she has done to Candor.

The highest amount of compensation can equal the amount of the advertised service but cannot comprise the already used services or the whole amount of the rent. This excludes the Client's right to compensation for non-material damages.

## 21. COURT COMPETENCE

If the Client is not satisfied with the Agency's solution and cannot find a peaceful and reasonable agreement with it, he/she has the right to court arbitration. The court in Split is authorized for applying all Croatian law regulations in such cases.

## 22. DATA CHANGE

All changes and additions to these general conditions of renting a vessel are possible and valid exclusively in written form and signed by both the Client and Candor.

## PANDEMY AMENDMENT

In case of travel restrictions (i.e. lockdown, unconditional quarantine obligation, or similar measures in Croatia, particularly in the Split-Dalmatia region, or in the country of the traveler, issued by competent governments) 7 or fewer days prior to departure, the reservation can be rebooked to an alternative period before the end of the subsequent year. The total amount paid for the original booking is credited to the Client in a form of a Voucher.

This policy will not apply to cancellations due to flight changes, conditional quarantine obligations or test obligations, vaccine obligations, travel warnings or recommendations, and restrictions applied by employers.

The Voucher can only be used if payment terms are adhered to.

Kastel Gomilica, 03.01.2024