

# GENERAL TERMS AND CONDITIONS

## 1. DEFINITIONS:

"Owner" shall mean Two Bits, LLC which owns the vessel *Offline* and whose address is 236 Northcliffe Drive, Gulf Breeze, FL 32561

"Charterer" shall mean the party that has chartered the vessel *Offline*, including his or her guests, invitees, or servants.

"Yacht" shall mean The 2017 Galeon 500 Fly, "Offline", HULL # GLN500041617, OFFICIAL # 1304763

## 2. CONDITION ON DELIVERY

*Offline* is a motor yacht with accommodations for up to 15 persons in total, including the Captain and one deckhands / stewards. The *Offline* is equipped with all safety equipment required by the United States Coast Guard for such a vessel.

Acceptance or use of the *Offline* by Charterer will be deemed to be an acknowledgment that it is seaworthy, in good condition, and fit for Charterer's purposes.

The Yacht shall be fueled and the cost of fuel is included in the price of the Charter Agreement. Charterers acknowledge that the Yacht may not be fully fueled but will have sufficient fuel for the planned excursion.

## 3. TERM

The *Offline* is chartered on a day basis for the number of hours stated in the Charter Agreement. For charters booked more than four weeks before disembarkation, fifty percent of the Charter fee is payable at the time of signing this Charter Agreement and the balance shall be payable four weeks before disembarkation.

For charters booked less than four weeks before disembarkation, the full Charter fee is payable at the time of signing this Charter Agreement.

Owner shall be entitled to payment by the Charterer of \$500 refundable deposit to cover any of the ordinary cleaning or damage caused by the Charterer, which shall be refunded at the conclusion of the Charter if no extra cleaning or damage has occurred. Extra cleaning is defined as spills or food dropped on the deck or fabrics requiring additional cleaning by the crew or yacht management company. This deposit in no way limits Charterer's liability for damage caused by Charterer to the Yacht. Deposit will be refunded within 5 business days after charter, provided there is no charge. Deposit will be refunded once cleaning or repairs are done if required.

The Charterer and his or her party must arrive at the Yacht at the agreed disembarkation time. The Charterer shall aim to return the Yacht as close as possible to the return time or an agreed upon extension of the Charter, which may be affected by sea and weather conditions.

In the event that the Charter is not possible because of weather conditions or mechanical breakdown, the Charter fee shall be refunded to Charterer in full, and Owner shall have no further liability to Charterer whatsoever. *Offline* shall be returned in a clean condition and in the same condition of repair as accepted by the Charterer. Charterer shall be responsible for any and all damage to *Offline* that is caused by the Charterer, his family, guests, or servants.

#### **4. INVENTORY**

Charterer acknowledges that an inventory of equipment on the *Offline* will be taken at the time of departure, and a second inventory will be taken upon the *Offline's* return. Charterer shall be responsible for any damage to or shortage of equipment.

#### **5. CHARTER HIRE**

Charterer shall pay hire for *Offline* plus applicable sales tax. A rental deposit of 50% of the rent shall be paid at the time the *Offline* is reserved and the balance is due no later than four weeks before the charter. Once the Yacht has disembarked, the charter hire is deemed fully earned and no amount shall be refundable in the event that the Yacht has to return to port early or for any other reason.

#### **6. CANCELLATION**

The Charterer shall have the right to a refund or partial refund of the Charter fee deposit on the following bases:

- If the Charter is canceled by Charterer 4 weeks or more before the date of disembarkation, Charterer shall be entitled to a refund of the full Charter fee paid, minus a \$250 cancellation fee;
- If the Charter is canceled by Charterer 1 to 4 weeks before the date of disembarkation, Charterer shall be entitled to a refund of 75% of the Charter fee paid; and
- If canceled less than 1 week, and before the date of disembarkation, Charterer shall not be entitled to any refund of the Charter fee paid. We will make every effort to find an alternate date with no penalty if possible and only if the schedule change did not affect our ability to book another charter for the time slot being released.

Charterer agrees that it would be difficult for Owner to calculate damages in the event of cancellation and that the amounts referred to above constitute agreed upon liquidated damages.

#### **7. FORCE MAJEURE**

Neither Charterer nor Owner shall be liable if it is not possible for this charter to go ahead as a result of a force majeure, which shall include calamities of nature, Acts of God, war (whether declared or undeclared), war like operations, civil war, civil commotion, act of public enemy, strikes, floods, fires, hurricanes or tropical storms, lockouts, riots, embargos, pandemics, governmental decree or similar. In the event that the charter cannot go ahead because of an event of force majeure, the charterer shall be entitled to apply any payments made to a future charter or to a refund of sums paid (at Owner's sole discretion) and Owner shall have no further liability to Charterer.

## **8. USE OF Offline**

The Charterer agrees that *Offline* shall be exclusively employed as a pleasure vessel for the sole and proper use of Charterer, his or her family, guests, and servants during the term of this charter, and shall not transport merchandise or carry passengers for pay, or engage in any trade nor, in any way violate the laws of the United States, or any government within the jurisdiction of which the Yacht may be in, and shall comply with the law in all respects. Charterer shall provide drinks and optional food for Charterer and his or her family, guests, and servants in accordance with the package agreed between Owner and Charterer and detailed request accepted and agreed to by Owner.

## **9. CAPTAIN'S AUTHORITY**

The Charterer agrees to provide *Offline* with a captain and 1 crew member who will serve as a deckhand and steward. The Captain shall be competent in both inland and coastwise navigation, and hold an appropriate Captain's license. While it is agreed the Captain may determine the general movements and destination of *Offline*, it is understood that the Charterer is in full command. Charterer agrees to abide by the captain's judgment as to clearance, sailing, weather conditions, anchorage and other pertinent matters regarding *Offline*. The Captain may take whatever action he or she deems necessary to ensure the safety of *Offline*, its crew, and passengers. Any person who refuses an order of the Captain, acts illegally, or acts in any manner that might endanger *Offline*, crew, passengers, or himself or herself, may be returned to port and required to disembark. In such an event, Charterer is not entitled to any refund or credit.

## **10. VESSEL SAFETY**

- a) The Charterer shall not at any time during the Charter Period permit more than the number of paid guests (including the Charterer and Charterer hired crew) to be on board.
- b) If children are taken on board, the Charterer shall be fully responsible for their conduct and entertainment and no member of the crew shall be held responsible for their conduct or entertainment.
- c) The Charterer shall ensure that no pets or other animals are brought on board without the consent in writing of the Owner.
- d) The Charterer shall ensure that the behavior of his or her guests shall not cause a nuisance to any person or be dangerous to the Yacht or other persons or vessels.
- e) Smoking, vaping, use of hookahs, and the use of e-cigarettes is absolutely prohibited on the Yacht at any time and in any place. Failure to abide by these rules will result in the automatic forfeiture of the Charterer's damage deposit.
- f) Red wine, colored drinks, and greasy foods are not allowed on board due to their ability to stain wood and fine fabrics found aboard a yacht of this stature.
- g) The possession or use of illegal drugs is absolutely prohibited on the Yacht at any time and in any place. Failure to abide by these rules will result in the automatic forfeiture of the Charterer's damage deposit.
- h) The nature of a charter may render it unsuitable for anybody with a physical disability or undergoing medical treatment. By signature of this agreement, the Charterer warrants the medical fitness of all members of the Charterer's party for the voyage contemplated by this agreement.
- i) With particular regard to the use of watersports equipment, the Charterer hired Captain shall have the authority to exclude the Charterer or any or all of his guests from use of any particular watersports equipment if, in his reasonable opinion, they are not competent, or are behaving irresponsibly when operating it, or are intoxicated on alcohol and/or drugs.

## **11. CHARTERER'S RESPONSIBILITY**

It is agreed and expressly understood that the Charterer is not the broker, servant, nor the employees of the Owner in any way whatsoever, and the Owner shall not be responsible for any injuries or damages caused by the Charterer or any member or guests of his or her party. The Charterers agree to be responsible for and to replace or make good any injury to *Offline*, her furnishings or equipment caused by themselves or by any of the Charterer's party, through carelessness, abuse or neglect, normal wear and tear excepted, and to satisfy any indebtedness that may have been incurred for account of or by order of the Charterers.

Charterer shall be solely responsible for any and all damage caused by Charterer to the Yacht and any equipment on board the Yacht used by Charterer and Owner shall be entitled to deduct from the Cleaning and damage deposit referred to in Section 3 of this Charter Agreement and recover any amount in excess of that deposit. The Charterer agrees to pay any and all costs associated with collection of these costs.

## **12. DRUGS, ALCOHOL, WEAPONS**

- a) No illegal drugs or substances shall be brought on board the Yacht. Persons who attempt to bring illegal drugs on board will not be allowed on the Yacht. Use or possession of illegal drugs or paraphernalia, including but not limited to marijuana, onboard the Yacht shall result in immediate termination of the charter, and Charterer shall forfeit all monies paid under this charter party.
- b) The Charterer is allowed, with owner or captain approval, to bring ice chests, food, and beverages onboard the Yacht. Alcoholic beverages are allowed; provided, however, Charterer is responsible for ensuring that passengers limit consumption of alcohol to a level that does not create a hazard for themselves, crew, or other passengers. The Charterer shall also ensure that those who drink alcohol on the charter are of legal age and that those consuming have safe transportation after leaving the Yacht. Any alcohol provided by Two Bits, LLC., as a Concierge service also follows these guidelines. The Charterer hired Captain shall have full discretion to order any passenger to cease consuming alcohol.
- c) It is specifically understood that the possession or use of any weapons on board the Yacht is strictly prohibited and failure to comply shall be sufficient reason for the captain to terminate the Charter forthwith without refund or recourse against the Owner.
- d) The Charterer will be held responsible for any loss or damage due to any violations of these provisions.

## **13. RELEASE**

**CHARTERER HEREBY RELEASES OWNER, ITS INSURERS, AFFILIATES, AND EMPLOYEES FROM ANY AND ALL CLAIMS FOR PERSONAL INJURY OR DEATH, LOSS, PERSONAL INJURY OR DAMAGE TO PROPERTY ARISING OUT OF CHARTERER'S USE OF *Offline*, ITS EQUIPMENT OR ACTIVITIES. THIS INCLUDES RELEASING ANY AND ALL CLAIMS FOR PERSONAL INJURY OR DEATH ARISING OUT OF COVID-19 OR SIMILAR VIRUS.**

## **14. INDEMNIFICATION**

**CHARTERER SHALL DEFEND, INDEMNIFY AND HOLD OWNER, ITS INSURERS, AFFILIATES, AND EMPLOYEES HARMLESS FOR ANY CLAIMS FOR DEATH, LOSS, PERSONAL INJURY OR DAMAGE TO PROPERTY ARISING FROM CHARTERER'S USE OF *One Fathom Under*, ITS EQUIPMENT OR ACTIVITIES. THIS INCLUDES DEFENSE,**

**INDEMNIFICATION AND HOLD HARMLESS ANY AND ALL CLAIMS FOR PERSONAL INJURY OR DEATH ARISING OUT OF COVID-19 OR SIMILAR VIRUS.**

**15. INSURANCE**

Throughout the period of this Charter the Owner shall insure the Vessel with first class insurers against all customary risks for a Yacht of her size, value, and type the insurance shall also cover war, strikes, pollution, and include insurance of the Captain and any crew against injuries and/or third party liabilities incurred during the course of their employment. The Charterer shall remain liable for any loss, damage or liabilities arising from any act or negligence of the Charterer or his guests and not recoverable by the Owner under Owner's insurance. All such insurances shall be on such terms and subject to such excess (deductible) as are customary for a Yacht of this size, value, and type. Copies of all relevant insurance documentation shall be available on request for inspection by the Charterer prior to the Charter on reasonable notice to the Owner. The Charterer should carry independent insurance for personal effects while on board or ashore and for any medical or accident expenses (including emergency transport evacuation) incurred.

**16. CONSEQUENTIAL DAMAGES**

Owner and Charterer hereby waive any and all claims for consequential damages.

**17. CHOICE OF LAW AND DISPUTE RESOLUTION**

This Charter Agreement shall be governed by the General Maritime Law of the United States. Owner and Charterer agree that the exclusive venue for any dispute arising out of or related to this Charter Agreement shall be resolved by way of confidential binding arbitration to be administered by United States Arbitration & Mediation.

**18. ATTORNEY'S FEES**

In the event that the Owner is the prevailing party, the Charterer shall be solely responsible for attorney's fees and any other expenses related to any action or proceeding in connection with this agreement or the enforcement of any of its provisions, including but not limited to any claim for damage to the Yacht caused by Charterers.