

MARINE CLUB INTERNATIONAL D.O.O.

GENERAL TERMS AND CONDITIONS OF THE SERVICE CENTER AREA

THE BASIC PROVISIONS

General terms and conditions of business at the Marine Club International d.o.o. Service Center Area (hereinafter the "terms and conditions") apply to all physical and/or legal persons, or the users of the services in the Marine Club International d.o.o. Service Center area (Hereinafter referred to as the MCI/MCI Service Center), persons signing the contract, whose terms and conditions are the integral part of the contract, are accepting their due care obligation in relation to their own property, as well as the assets of third parties.

MCI Service Center performs activities within the area closed for access and passage of citizens without special notification to MCI employees, and it is not permitted to move and stay within the service zone without special approval or escort by one of the MCI employees.

General terms and conditions apply to the entire area used by MCI (land and sea) in accordance with the Treaty for the economic use of space. MCI reserves the right to change these terms at any time.

In the text of the General Terms and Conditions the terms listed below have the following meaning:

- MCI service center – space defined by contract for economic use;
- Vessel-any object intended for navigation, and which is the subject of the contract for the use of the services;
- The owner-the person who is in a prescribed legal document marked as owner of the vessel;
- A vessel user-a person who is in the stipulated legal document marked as a user of the vessel; Authorized person of the owner or user of the vessel– the person to whom the owner or user of the vessel has granted authorization
regulated in detail in a written special power of attorney, with the proviso that MCI reserves the right to assess the validity
of the authorization from the power of attorney and to request special approval from the owner or user
- Service user-any physical or legal person who uses the services in the area of MCI Service Center;
- Vessel operator – the person who manages a navigation based on certificate of training requirements, and other documents equivalent to them;
- Authorised service provider – a service provider authorized by the owner, user of the vessel or his authorized representative to perform work on the vessel;
- Contractual service provider – a service provider that has the agreement on business cooperation with the company MCI;
- Docking/berth-a space in the sea or on the land that is temporarily assigned to a user by MCI for the accommodation of the vessel.

Article 1.

Users of the services in the area of MCI Service Center are required to comply with the General terms and conditions, the applicable regulations of the right to the MCI space service center and the positive regulations of the Republic of Croatia. Due to a failure to follow the above acts, MCI may deny use of its space service center and the provision of services, or cancel/terminate its service contracts.

Article 2. LIABILITY FOR DAMAGES

a) User Liability for Damage

In the event that the user of the services within the area of the MCI Service Center causes damage to the MCI service center or third parties in the area of MCI Service Center, by action or omission, he is obliged to compensate the damage in its entirety in accordance with the applicable laws of the Republic of Croatia .

The user is obliged to indemnify the MCI Service Center, or third party, for any damage that he or his vessel, his vehicle, the crew or other persons authorized to stay on board the vessel inflict any object, facility or equipment owned by the MCI Service Center, or a third parties, and which is located within the area of jurisdiction of the MCI Service Center.

By accepting the General Terms and Conditions, the User confirms that, for the entire duration of the Agreement of which the General Terms and Conditions are an integral part, he is insured against liability towards third parties on all grounds.

By accepting the General Terms and Conditions, the User confirms that, for the entire duration of the Agreement of which the General Terms and Conditions are an integral part, he is adequately insured with an insurance policy for all damages, including break-ins to the vessel and vehicles, as well as for damages

caused by the alienation and damage to the vessel, vehicles, equipment, devices, accessories and the like. The User expressly releases the MCI Service Center from conducting any verification of the contents of his insurance policies.

By accepting the General Terms and Conditions, the user undertakes to:

- When concluding the contract, submit to the MCI center a copy of the certificate of the vessel and a copy of the insurance policy-comprehensive insurance policies and liability insurance policies with a limit greater than or equal to the value of the vessel;
- Comply with the rules of the MCI service center ;
- Equip the vessel with the proper fire safety appliances;
- Properly store (lock) all movable equipment of the vessel so that it cannot be stolen without forced entry;
- Hand over the keys of vessel to the MCI Service Center which will remain in the MCI Service Center Office until the next arrival of a user on a vessel;
- Report the arrival/departure of the vessel at the MCI Service Centre Office;
- Equip the vessel with good ropes for the tying the vessel to a jetty or pontoon (stern ropes), with fenders and if desired with a cover.

The user is solely responsible for any damages that could be possibly caused by the cable connected to the electric installation.of MCI Service Center.

For damage to the property of the MCI Service Center, vessels, vehicles, trailers, equipment and other property of third parties located on the premises of the MCI Service Center, compensation due to injury or death of a third party, as well as for damage due to environmental pollution, caused by the crew of the vessel or other persons authorized to be on the vessel, or which occurred as a result of a defect in the vessel or ship's equipment or as a result of poor maintenance of the vessel or equipment, the person who caused the damage in question by his or her own action or omission, personally or with his or her own property, is liable, and if MCI were to bear any costs, including legal costs, in connection with the damage thus caused, or if it were to be obliged to pay any amounts of compensation to third parties, the responsible vessel owner, and, subordinately, the owner's authorized user of the vessel, or the person responsible for the occurrence of the damage in question, are obliged to indemnify MCI in full.

b) MCI Service Center Liability

MCI Service Center is only responsible for the damages that are caused by its employees in the course of performing work in the MCI Service Center, and only if the damage is caused as a result of gross negligence on the part of its employees.

MCI Service Center explicitly excludes its liability for the following damages:

- That caused the repairmen, subcontractors, proxies of vessel owners and a third parties, regardless of whether they have the permission to provide services in the premises of the MCI Service Center.
- That could not, during the prescribed business operations of the MCI Service Center, be foreseen, prevented, eliminated or reduced, if the damage was caused by a third party and/or the damage occurred as a result of force majeure (e.g. hurricane, lightning strike, exceptional tidal wave and other weather conditions that are not common in the Adriatic Sea, earthquake, fire, epidemics, and other natural disasters, or catastrophes, strike, measures of State authorities, civil unrest, terrorist act and the war, etc.)
- For damages incurred as a result of the natural disasters on bimini, spray hood, sails, canopies, and equipment that was not adequately protected and stored. The user is obliged to further protect and prepare the boat and the equipment for the storage before leaving the vessel in premises the MCI Service Centre.
- For the theft of the vessel, vehicle, or equipment that could have not been prevented, the damage on the vessel which has been the result of a malicious procedure, or gross negligence of the owner or user or the crew or other persons on the vessel.
- The damages of the equipment or the loss of the equipment that is not listed on the inventory list or is listed on the inventory list, but it was not in an enclosed space under lock and key or it has disappeared without breaking in.
- The disappearance of fenders, anchors, ropes, propellers and other equipment that can be dismantled from the ship without breaking in;
- Damage that would be caused by wrongful or unprofessional actions by the owner of the vessel, crew or other persons on the vessel;
- Damage resulting from non-maintenance, neglect or wear and tear of the vessel or equipment;
- Damage as a result of hidden defects;
- Damage resulting from unprofessional electrical or plumbing installation on the vessel or from ports on the pier to the vessel;
- Damage resulting from the breaking of ropes belonging to the vessel;
- Damage due to loss of time, earnings, delayed use of vacations, etc;
- Damage to or theft of paintings and objects made of precious metals, money, securities, etc;
- Damage or other consequences resulting to non-compliance with these General terms and conditions;
- Damage resulting from non-compliance with customs, port and other administrative regulations;

- Damage due to freezing, damage from rodents.
- Damage to the vessel resulting from damage by another vessels.
- For all other damage that is not listed here, which may occur.

On the date of expiry of the billing period for accommodation according to the invoice, all liability of MCI in relation to the vessel ceases, and all possible damage, resulting after the expiry of the billing period, shall be borne by the Berth User.

The request for compensation for possible damage must be based on the minutes of the competent official bodies in order to assess the validity of the claim.

If the above cannot be determined, the issue of the validity of the claim shall be left to the competent court.

Article 3. The Arrival and Departure of Vessels

All of the vessels that sail or come in another way into the territory of the MCI Service Center must have all the required certificates and documents in accordance with these general terms and conditions, the current regulations on the right to the space MCI Service Center and all applicable regulations of the Republic of The Croatia, the navigation, within the MCI territory, must be managed by a qualified person with a valid certificate and a sufficient number of qualified and licensed crew in accordance with the regulations, and be maintained in a navigation state.

Otherwise, MCI can deny them access to the Service Center.

Prior to arrival of the vessel, the user is required to arrange the arrival and receive a confirmation of the reservation (verbally or in writing) by the MCI service center. Before the departure of the vessels, the user shall be obliged to arrange the departure of term and get a certificate of the departure (oral or written) by the MCI service center.

MCI Service Center reserves the right to cancel the reservation or modify the agreed time of arrival or departure of the vessel without explanation to the user. On arrival or departure, the vessel must immediately upon arrival or before departure call the MCI Service Centre Office.

a) Arrival of the vessels by sea

If a vessel arrives by sea, the user shall, at his own expense, deliver the vessel to the pier construction on the sea section of the MCI Service Center, and before entering, contact via telephone or VHF channel 17 MCI about his arrival. When exported, the employees of MCI Service Center will send license according to the link, and provide assistance to users in the process of tying up the vessel thus direct the owner of the vessel to the MCI Service Center Office. During the arrival, the vessel shall be equipped with appropriate ropes for the berth and fenders. MCI is able to, in an exceptional case, equip the vessel with qualitative ropes on the expenses of the user, without previous notice.

b) Arrival of the vessels by land

If the vessel comes by land, the owner of the vessel is required to transport the vessel/and access roads, in accordance with the roadmap, to the entrance of the MCI Service Center. Employees of MCI Service Center will direct the user to its parking space – storage location.

Article 4. WAREHOUSING CONTRACT

Storage of vessels is determined by the " Storage Agreement " (hereafter referred to as the Agreement) that is signed with the owner, i.e. the user of the vessel. The subject of the Agreement is the service of using the MCI Service Center space, whether in the sea or on the land, thus it is considered that the service of using the MCI Service Center space is provided:

- If the Storage Agreement has been signed for the vessel in written form between the MCI Service Center and service user.
- If the vessel is located within the space of MCI Service Center,
- If the keys of the vessel are handed over, including all the necessary documentation that allows the sailing.
- If the vessel is within the area of MCI Service Center even without a signed Storage Agreement, submitted necessary documentation and documents of the owner or vessel, including the identification of the owner of the vessel.

The primary means of communication is considered to be via the email address that the user of the MCI services has delivered as his email address.

a) Cancellation and Termination of Contract

The user can cancel the contract at any time, by a declaration given in writing. The day of the cancellation of the contract is considered to be the one that the MCI Service Center has received as a statement in writing.

In case the user fails to make the fee payment for storage within 7 days, in one of the ways specified in the contract, the contract is considered terminated without any further notice.

In case that the user signs a contract and leaves the vessel at the MCI Service Center Warehouse, and within 7 days does not pay the storage fee, MCI Service Center will, at the cost of the User, move the vessel to another suitable location, and from that day on, settle storage costs and other costs according to the current valid price list.

The day of cancellation or termination of the contract, MCI Service Center ceases to bear any responsibility for the condition of the vessel, and all costs and damages shall be borne by the users of the service. MCI Service Center will be at the expense of the service user to move the vessel to another suitable location, and from that day on, settle storage costs according to the current price list for the currently valid price list as well as other expenses.

b) Renewal of the Warehousing Contract

If none of the Contracting Parties cancels, no later than 30 days before the expiry of the contract, the contract is automatically extended on the following month according to the current price list for that year.

Notice of cancellation/termination of the contract, for the next period of time, shall be delivered to the opposite party of the contract in writing.

During the automatic extension of the contract, the user is obliged to pay the fee no later than the start date of a new accounting period.

In the case of non-compliance with the above terms, MCI Service Center can accept a cancellation of the contract, but with the payment of a contractual penalty in the amount of EUR 5,000.00 HRK (including VAT), according to the current price list of MCI Service Center.

The Contracting Parties may agree to extend the duration of the contract for the next period, with the addition of a contract that is concluded ,at the latest, 30 days before the expiration of this contract.

Other services that the MCI Service Center provides in the framework of their activities, the user is obliged to pay to the account immediately after the services rendered.

For all the payment delays, the MCI Service Center can settle the statutory default interest.

Article 5.

HANOVER OF THE VESSEL TO THE WAREHOUSE

Handover of the vessel to the warehouse is carried out when the owner of the vessel ties the vessel/s on the parking space provided, meaning when it parks the vessel/s on a trailer, for the parking space provided, thus hands in everything that is necessary for the reception of vessels and conclusion of the contract, in the MCI Service Center Office, and that includes the following:

- A copy of the document as a proof of the ownership and/or right of the use of the vessel;
- For vessels that are in the process of warehousing customs or temporary import, submit the documents from which it is visible when the vessel entered in the Republic of Croatia (by land or by sea), no older than 18 months, or notify the MCI about the intent of getting out of the Republic of Croatia, and in a timely manner to fulfill their obligations in accordance with the customs regulations of the REPUBLIC of Croatia;
- EU residents should always have, on the vessel, evidence that for the specified vessel customs duties and/or VAT are paid, in one of the EU Member countries, i.e. that the vessel has a status of community goods;
- Identification of the owner of the vessel, or the identification of the authorized person or the excerpt from the register for a legal person, not older than 6 months;
- Navigation permit, vignette or a valid navigation permit;
- A copy of the insurance policies of the vessel;
- Policies and voluntary insurance towards third parties in the smallest amount of;
- A certified list of the inventories for the vessel;
- All keys for the internal space, storage room and the engine room of the vessel.

Article 6. WAREHOUSING OF VESSELS

Service Center determines in accordance with its warehousing plan and is empowered to, for excused or safety reasons, to accommodate each vessel or move if necessary, to another appropriate place, without the need of warning the owner of the vessel/s.

If the transfer of the vessel is performed on the request of the owner/user of the vessel, transfer cost is charged to the owner of the vessel according to the current price list.

Transfer of the vessels within the MCI Service Center area does not have any effect on the responsibility of the MCI.

Article 7. MCI SERVICE CENTER OBLIGATIONS

MCI Service Center is obligated to provide its users, the usage of the space in accordance with the General conditions of the Warehousing Contract, price list, and with the regulations about the order of the MCI Service Center.

MCI service center is obligated to its users and to the people who MCI has authorized, for usage, to provide neatly maintained and regularly equipped sanitary knots and other infrastructure intended for users.

Other services that the MCI service center or contracted service technician performs on the vessel, the owner of the vessel is required to pay under the terms of the offer or the account immediately after the services rendered and prior to the letting go of the vessel.

MCI has the right for retention of the vessels until the settlement of all financial obligations arising from the warehousing contract and other services that MCI Service Center provides to its users within the circle of its operations towards its users.

Article 8. OBLIGATIONS OF THE SERVICE USERS

Service user whose vessel is in the area of MCI Service Center, is obliged to

- Store the vessel and its equipment in the care of a good host, equip a vessel and protection of a vessel in an adequate way so it can be appropriately stored either on the sea or on the land, according to the additional instructions from the MCI service center employees, during the whole time of the stay of the vessels in the area MCI Service Center;
- Ensure the vessel and gear from the risk of liability damage caused by the user to third parties and their property, including the prescribed compulsory liability insurance of the owner of the vessel. Security must remain in effect for the entire duration of the storage contract;
- Obey all applicable regulations regarding the stay and navigation of the vessels within the territorial borders of sea of the Republic of Croatia;
- Fill out and submit the "Inventory list" of things and equipment placed on the vessel, certified by the authorized MCI person I;
- Keep all the movable property of the vessels, listed in the inventory list, locked up in the closed area of the vessel, and report any changes in the inventory list;
- Especially for lifting the vessel, to inform about the equipment in the underwater part of vessels and provide accurate information about the location of it. Otherwise, the MCI Service Center is not liable for the same damage;
- Hand over all the keys of the internal spaces, storage room, the engine room of the vessel;
- Equip the vessel with appropriate storage canopies;
- Other coverings (bimini, sprayhood, sails, etc.) that do not serve the purpose of storing and/or for winter time, should be removed and properly stored;
- Equip the vessel with fire equipment in means of acting effectively on the vessel;
- Before leaving the vessel to turn off all the electrical cables and plumbing connections;
- In the bilge of the boat put eco-sponge or similar device that collects contaminants which may arise as a result of technical defects or poorly maintained power boats, and bilge discharge system can get out of the vessel;
- In case if the owner of the vessel sells the ship or in any way transfers the ownership, the owner is obligated, within 24 hours, to notify (in writing) MCI Service Center Office and deliver complete information about the new owner of the vessel;
- Report to the MCI Office of any changes of the address correspondence, phone number and email address. The messages that MCI has sent to its users, using the last known address of the user, are considered to be neatly delivered. MCI assumes no responsibility for the damage that could have been prevented in case of contacting its users successfully, according to its contacts and addresses listed in the contract;
- Deliver a reasoned special power of Attorney (in writing) to the person to whom the owner or user of the vessel gave certain powers;

MCI Service Center can in exceptional case, intervene and adequately equip the vessel at the expense of the user of the vessel, without prior notice.

Article 9. OPERATIONS PERFORMANCE WITHIN THE MCI SERVICE CENTER ZONE

Operations performance within the MCI Service Center zone are only allowed to the MCI employees, repairers who have a contract or other document validated by the MCI Service Center, owners and/or their proxy and/or the registered crew.

Within the MCI Service Center zone, it is not allowed, without a special authorization issued by the MCI Service Center Office or granted by an authorized MCI person, to perform works by other companies or persons.

To perform the service on the vessel by the service technician who is not under the contract, but needs to enter the MCI Service Center zone, the user is obliged to notify the MCI Office about the name and the service contract, a description of the work to be done by the service technician, also time and date of the arrival of the technician. Upon arrival to the MCI Service Center zone, an authorized service technician is obligated to get to the MCI office, to report their arrival and departure from the service zone, deliver the keys of the vessel with the signing log of the key delivery.

Everyone who works within the MCI Service Center zone is obliged to obey the "rules of order" in the MCI Service Center zone.

By accepting the General conditions, the user confirms that he is familiar with the dangers within the MCI Service Center zone, and with that agrees to meet all of the third parties that would, authorized by the MCI Service Center, conduct all the works within the MCI Service Center zone.

Hazards inside of the MCI service zone may be the following:

- Danger of vehicles of the internal traffic;
- The risk of decay and fall;
- The danger of hanging loads;
- The danger of falling objects from a height;
- The danger of hanging loads;
- The danger of falling objects from a height.

To perform services on the vessel/s that the MCI Service Center provides in the framework of its operations or the services for which Service Center uses the services of technicians under the contract and/or sub-contractors, the user in the agreement with the Service Center Office needs to verify an arranged written work order.

MCI Service Center services are charged according to the valid price list at the time when the service is provided to the user, and the user is considered to be, with the signed work order or by using the service, familiar with the valid price list;

Services that MCI Service Center provides in the framework of its operations, or for the activities for which MCI uses repairman under the contract and/or sub-contractors, Service User is obliged to pay according to the terms specified in the invoice, or immediately after the services rendered, or otherwise the MCI has a right of retention vessels until the settlement of the bill;

To perform the agreed operations, the user needs to provide the technical documentation that can accurately spot the way of solving the technical assignment; especially when lifting the vessel, warn about the equipment in the underwater part of vessels and to provide accurate information about its location;

Quotes, orders, and offers, in other words, the Contract must be in the written form. The ordering party must be empowered to order works, and MCI has the right to seek the confirmation of such powers ie. proof of the ownership or the power of Attorney.

With the signing of quotes, orders, and offers, in other words, the contract, the buyer accepts these terms and conditions. If there is no contract in writing, the offer accepted or order (in written form) is considered to be a contract.

Payment is made according to the valid price list, order, or written offer, after finished work, and upon receipt of the account, and prior to the landing of the ship (for the case when the vessel stayed on the mainland).

Only with the contract or with the offer, the timing of payment can be arranged differently. Payment of services is carried out at the MCI Office Service Center on the MCI transfer account or by wire transfer payment. Only Director of the MCI service has the authority for negotiating a possible discount.

Complaints on services rendered must be made in writing, no later than 7 days since the handover of the works. In the case of complaints, MCI is not obliged to reimburse the lost profit to the client, or time, or provide a replacement vessel. Addressing the complaints is only possible within the MCI service zone. In case of a claim in a different location, the ordering party is obliged to bear all the associated costs from the arrival of servicemen to the place of repair. If not otherwise agreed, the warranty on derivative remains effective for 6 months.

MCI cannot guarantee works that are not contracted, or works derived from the client work materials.

Article 10. DETENTION RIGHT OF A VESSEL

MCI acquires the right of retention, IE. retention of the vessel and the lien right on the vessel and equipment for all of the outstanding claims with the basis of provided services, claims with basis of compensation, and for other claims originated with the basis of these general terms and conditions, the applicable regulations about the order and the positive regulations of The Republic Of Croatia.

The user of connections agrees with the statement that MCI may, without any further questions and approvals in cases mentioned, execute the lien right of reteining the vessel. MCI may at its own discretion, make a decision on the accommodation of the vessel to the Mainland in order to protect its claims. Customer service takes the burden of all new occurring costs.

Article 11.

MCI is obliged, in accordance with the regulations, to have a book of complaints available to its users, especially during the operation hours, at the MCI Service Center Office.

Also, a complaint may be submitted via e-mail to the following address:

**Marine Club International d.o.o.
Put Sjeverne Luke 11
21000 Split;**

or via e-mail address: info@mci.hr.

MCI is obligated to respond every objection in a legal deadline.

Article 12.

In case of recurrence of provision violations of the general terms and conditions by the user, MCI may cancel the contract concluded with the user.

Article 13.

Any disputes will be solved amicably and if not possible, it will be brought to the Court in Split. In case of a dispute, the documents will be used in the Croatian language.

Article 14.

General terms and conditions shall apply from the beginning of the year 2017. MCI reserves the right to make changes regarding individual provisions, in accordance with the existing legal regulations.

Article 15.

Authorized persons of the Marina Club International are: Director of the society and Manager of the MCI Service Center.