



BLUE LAGOON
CHARTERS

Bareboat Charter Agreement

Blue Lagoon Charters
832-385-4828

451 Mariners Drive
Kemah, TX 77565

1.0 INTRODUCTION

1.01 Parties: The parties (singly a "Party" and collectively the "Parties") to this yacht charter agreement (this "Charter Agreement") are Blue Lagoon Charters, a Texas Corporation ("Blue Lagoon") and that person or other legal entity executing this Charter Agreement as the "Charterer" as reflected below.

1.02 Purpose: The purpose of this Charter Agreement is to define and establish the terms and conditions under which the Parties agree that Blue Lagoon will provide a motor vessel (the "Vessel") as reflected below for use by Charterer under the terms and conditions contained in this Charter Agreement.

2.0 TERMS OF THE CHARTER

2.01 Charter Period:

2.02 Vessel Name:

2.03 Charterer:

2.04 Location of Charter

2.05 Navigation Limits:

Start Date MM/DD/YYYY	Start Time	End Date MM/DD/YYYY	End Time
Vessel			
Name			
Address			
City		State	ZIP
Embarkment Location		Disembarkment Location	
Navigation Limited to the following			
Charter Fee		Deposit Amount	Number of Nights
Final Payment Amount		Final Payment Due by	Number of Guests

2.06 Charter Fee and Payment: The Charterer's credit card on file will be charged automatically as follows: (a) a 50% (fifty percent) deposit of the total Charter Fee is required to confirm reservation; (b) final payment is due 45 days prior to commencement of the Charter Period; (c) if the reservation is made less than 45 days prior to commencement of the Charter Period the Charterer's credit card will be charged the full amount of the Charter.

2.07 Security Deposit: The Charterer agrees to pay to Blue Lagoon a Security Deposit of _____, which amount shall be applied first to: (i) the cost of any repairs or other damage to the Vessel caused by the negligence of the Charterer or by violation of this Agreement; (ii) then to the reduction of any amounts of the Charter Fee remaining unpaid upon termination of the Charter; and then (iii) the balance thereof returned to the Charterer within (5) working days following termination of the Charter.

2.08 Vessel Use Restrictions: The Charterer agrees to use the Vessel exclusively for and in the manner described in this Charter Agreement. Charterer shall not permit the Vessel: (a) to be used for the transportation of merchandise; (b) to be engaged in any type of trade or other similar enterprise; (c) for racing or any other type of competitive activity; or (d) in any manner which is in contravention of any applicable law.

2.09 Authority: The Parties agree that the authority regarding operation of the Vessel is hereby transferred to the Charterer for the Charter Period subject to the terms, conditions and limitations contained herein. Charterer agrees to utilize the services of a qualified master certified and accepted by Blue Lagoon in connection with all operations of the Vessel, which master shall be the employee or agent of Charterer and under no circumstances the agent of employee of Blue Lagoon.

2.10 Termination or Cancellation by Charterer: If the Charterer terminates or cancels this Charter Agreement, or fails to accept delivery of the Vessel, at the time and place specified above, then Blue Lagoon will hold the Vessel in readiness for the Charterer for the Charter Period, and the Charter Fee and/or Security Deposit described above shall be retained by Blue Lagoon. If the Charter Period is for in excess of twenty four (24) hours then the Charterer may request that Blue Lagoon endeavor to obtain a substitute charterer for all or any part of the charter period, Blue Lagoon will endeavor to do so and if successful, will apply any money obtained from such a substitute charterer (less 25% (percent) of Charter Fee which will be retained by Blue Lagoon as a service fee), to any amounts owing or to be paid by the Charterer to Blue Lagoon.



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3.0 DELIVERY AND RE-DELIVERY OF VESSEL

3.01 Delivery of Vessel: At the commencement of the Charter Period, Blue Lagoon will deliver the Vessel to the Charterer at the point of Embarkment, in proper working order, with all equipment required by law and outfitted as is usual for a Vessel of her size, type, accommodation and intended use. The Vessel will be in good and clean condition throughout, and ready for service in the manner consistent with the Charter including ice, fuel, oil, requested food, and other consumable items, pilotage, and port charges.

3.02 Re-delivery of Vessel: The Charterer agrees to surrender and re-deliver the Vessel to Blue Lagoon upon expiration of the charter period at the point of Disembarkment specified above, free and clear of any lien or encumbrance, and in the same or better condition in which the Vessel was delivered. Any repairs covered by insurance, described below, or repairs required as a result of a defect in the Vessel, machinery or appurtenances at the time of delivery are the responsibility of Blue Lagoon.

4.0 INSURANCE/LIABILITY

Blue Lagoon shall, at its own cost and expense, keep the Vessel fully insured against fire, collision, perils of the sea, theft and other risks normally insured against under standard marine coverage, and maintain on it's own behalf (and on behalf of the Charterer) protection and indemnity insurance with respect to third parties, for death and injuries to persons and property, **BUT SUCH COVERAGE SHALL NOT EXTEND TO ANY PERSONAL INJURY, BODILY INJURY, DEATH OR PROPERTY DAMAGE TO THE CHARTERER, PASSENGERS, INSTRUCTOR, PAID MASTER OR PAID CREW ON THE VESSEL. IN THE EVENT THAT ANY ACT OR OMISSION OF THE CHARTERER NULLIFIES ANY INSURANCE PROVIDED HEREIN, THE CHARTERER SHALL PAY TO BLUE LAGOON ALL LOSSES AND INDEMNIFY BLUE LAGOON AGAINST ALL CLAIMS AND DEMANDS WHICH WOULD OTHERWISE HAVE BEEN COVERED BY SUCH INSURANCE. BLUE LAGOON SHALL NOT BE RESPONSIBLE FOR ANY PERSONAL INJURY, DEATH OR PROPERTY DAMAGE TO THE CHARTERER, PASSENGERS, PAID CREW, OR PAID MASTER ON THE VESSEL HOWSOEVER CAUSED.**

5.0 MISCELLANEOUS PROVISIONS

5.01 Notice of Defects and Accidents: Charterer shall immediately notify Blue Lagoon by telephone or otherwise, of any mechanical or structural defect which interferes with the safe operation of the Vessel, or of any accident or grounding in which the Vessel was involved and will confirm such report in writing forthwith upon request by Blue Lagoon.

5.02 Indemnity: The Charterer agrees to hold Blue Lagoon harmless from any fines, forfeitures, fees, liens, or encumbrance levied against Blue Lagoon or the Vessel, that are incurred by the Charterer in contravention of the terms and provisions of this Charter Agreement.

5.03 Charterer's Default: If Charterer fails to perform or observe the terms and conditions of this Charter Agreement, Blue Lagoon may immediately repossess the Vessel and retain the whole of the Charter Fee, provided that such repossession shall not release the Charterer from his obligations to pay any other amounts or to indemnify Blue Lagoon as provided in this agreement.

5.04 Loss of Use: If after delivery the Vessel sustains a breakdown in machinery, or is disabled or damaged by fire, or other cause that is not brought about by the act or negligence of Charterer and the same continues for a period in excess of fifty percent (50.0 %) of the Charter Period defined in Section 2.01 above then Blue Lagoon shall make a pro rata refund of the Charter Fee to the Charterer.

5.05 Non-Assignment: The Charterer agrees not to assign this Charter Agreement or sub-charter the Vessel without prior written consent of Blue Lagoon.

5.06 Governing Law: The Validity, construction, and enforcement of this Agreement shall be governed by the laws of the State of Texas, excluding its conflicts of law provisions. In the event of a dispute concerning this agreement, the Parties agree that the proper forum will be courts of Galveston County, Texas, and the Parties consent to the personal jurisdiction of those courts.

Executed on the _____ day of _____, 200_____

Blue Lagoon Charters Inc.

Charterer

By: _____

By: _____