

## BUSINESS REGULATIONS

The business regulations are valid for:

- All service users of Brodogradilište Punat d.o.o. (hereinafter "Shipyard").
- Registered subcontractors of the Shipyard
- All those who are located on the Shipyard area.

By entering the Shipyard premises, a person or company confirms that they have read, understood and accepted these Business Regulations.

### 1. GENERAL CLAUSES

The use of the vessel is permitted only to the owner or his authorized representative or other authorized users/possessors.

For vessels that use the Shipyard's sea berth, on which the work is performed by owners, subcontractors or third parties and the Shipyard appears only as a provider of infrastructure - sea berth, the owner or his authorized representative or other authorized user/possessor is obliged to provide one crew member during the entire period of the vessel's stay at the Shipyard for vessel supervision.

The Shipyard is only liable for the vessel on sea berth when the Shipyard appears as the holder of the work order. For vessels moored in the Shipyard, after opening the work order, at least one crew member must be provided on board for vessel supervision during the night and outside regular working hours of the Shipyard.

The Shipyard is not obliged to perform control, supervision and round check of each individual vessel, regardless of whether the vessel is on land or sea. The Customer fully overtakes the risk of any damage that may occur to the vessel during the vessel's stay in the Shipyard if the damage would be caused by the condition of the vessel or the actions of third parties who are not direct employees of the Shipyard.

By docking the vessel on the operational shore and/or the service berth or by contracting the service berth, the owner/customer declares that the vessel is technically correct in terms of buoyancy and overtakes the responsibility for any sea penetration inside the vessel and for any consequences that might arise.

The above also applies in cases where there could be a suspicion of a defect of the vessel in terms of buoyancy, either through a work order or in another way, and the owner / client did not request immediately after access to the Shipyard to lift the vessel on dry berth.

Users of the Shipyard's services, premises and equipment are obliged to adhere to the following:

- Comply with the General terms and conditions, Port regulations and Cooperative regulations of the Shipyard
- Equip the vessel with fire-fighting equipment that will work effectively on the vessel itself.
- To use the Shipyard facilities with due diligence. Otherwise the Shipyard shall undertake measures to protect its facilities at the expense of the contracting party.
- Connection to the power switchboard is only allowed with a proper cable and a safety fuse for the max. Allowed socket power. Connection is only allowed when at least one crew member is on board.
- Disconnect all power and water supply systems after leaving the vessel; otherwise the Shipyard personnel shall have the right to do so without prior notice.
- Ensure the disconnection of the battery clip from the batteries during the entire stay of the vessel in the closed area (hall)
- Connection to the water supply system is only allowed with a proper hose and a closing valve at the end.
- The vessel shall be equipped with quality and appropriate ropes. Otherwise the shipyard shall have the right to eliminate the defaults at the owner's expense without prior notice.
- Mooring of the vessel shall be carried out safely and correction shall be made upon instruction of Shipyard's personnel. Otherwise the Shipyard shall undertake the mooring at the expense of the contracting party.
- If the contracting party neglects or does not take care of the vessel, the Shipyard shall have the right to undertake action to protect the asset at the expense of the contracting party.
- The Shipyard takes no responsibility for tenders for which a work order has not been opened.

In case of failure of the owner/user of the vessel or the customer in relation to the above stated obligations, the Shipyard does not assume any responsibility or conduct checks in fulfilling these obligations.

**2. Hazards**

Hazards in the Shipyard:

- Risk of internal transport vehicles;
- Risk of deterioration and fall;
- Risk of hanging loads;
- Risk of falling objects from a height;
- as well as other hazards that exist in the regular course within the business of the Shipyard

**3. MOVEMENT OF PERSONS**

The Shipyard is not a pedestrian zone. Parents are responsible for their children.

Minor children must be under parental supervision.

Movement in the Shipyard area is only allowed between the dedicated travel lines and at your own risk.

The owner of the vessel guarantees and bears responsibility for all those persons who stay or will come on the vessel while it is in the Shipyard. Moving on the surfaces of vessels while the vessel is ashore is at own risk.

The Shipyard's employees are excluded.

**4. MOVEMENT OF VEHICLES**

Parking and leaving the vehicle is forbidden in the Shipyard area. The speed limit for vehicles is 10 km/h.

Entrance of delivery vehicles for loading or unloading is allowed.

By allowing the entry of vehicles for loading or unloading and delivery, the Shipyard does not take responsibility for any damage to the vehicles.

**5. VIDEO SURVEILLANCE**

The Shipyard is under constant video surveillance from 0-24 h. The shipyard does not undertake the obligation to keep recordings or provide video surveillance services for customers, but conducts video surveillance for the purpose of monitoring its business.

**6. RESTRICTIONS**

**Without excluding other hazards, it is especially forbidden:**

- to perform work where there is an increased risk of damage to neighboring vessels and/or property of the Shipyard and/or property of third parties: washing with HP pump, varnishing with a compressor (spray painting), grinding, welding, etc. without prior consent of the Shipyard and taken appropriate protection measures
- *to perform work on fuel and gas systems or system parts (equipment), as manipulation with fuel and gas (refueling, pumping out, decanting and etc.) except for companies registered for work and service of the systems/parts and which have an authorization and permission to work in the Shipyard.*
- moving and replacing the supports set by the Shipyard, when the vessel is ashore.
- using open flames.
- keeping the vessel connected to the electrical network during the night period. The night period is defined with turning on and off of the public lighting.
- borrowing and/or renting personal tools and equipment
- boat speeding, swimming, surfing and fishing in area closer than 200 m from the Shipyard's shore and installations.
- modifications and further leasing of the Shipyard's assets;
- use of private scaffolding.
- spillage of any liquids that are not biodegradable.
- in the period outside the working hours of the Shipyard, to perform works that produce noise greater than 55dB

**7. SERVICES**

The work in the Shipyard is only permitted to the owner and/ or registered crew of the ship and the registered subcontractors. Registered subcontractors are persons or companies, which have an authorization and permission to work in the Shipyard.

The Shipyard may prohibit unauthorized persons from entering the Shipyard. The Shipyard is only responsible for the contracted work performed through its employees or subcontractors, and is not responsible for the independent actions of third parties, including subcontractors.

The Shipyard shall determine the berth for the vessel and accommodation on land and may move the vessel as necessary without prior notice.

**8. FACILITY USE**

The Shipyard's facilities and equipment shall be used at own risk.

**9. USE OF OWN EQUIPMENT AND TOOLS**

The Shipyard's customers shall use only proper and certified own devices, tools and equipment in the Shipyard area.

The Shipyard is not responsible for possible violation of this obligation.

**10. ENVIRONMENTAL PROTECTION**

In order to protect the environment, the users of the Shipyard premises are obliged to adhere to the following:

- Use only biodegradable detergents;
- Use a grinding machine with a vacuum cleaner;
- Undertake protection measurements for avoiding contamination of surrounding vessels and/or shipyard and third person assets.
- In the bilge system an oil and grease absorbent shall be placed.
- It is not permitted to use the toilet facility without having a black tank.
- It is not permitted to use the galley and sanitary facility without having a grey tank.
- Waste oil, grease, detergents, batteries, cans of paint and thinner and all other dangerous waste shall be deposited into appropriate waste containers and foreseen spaces.
- Drainage on the service area and into the sea is strictly prohibited and the shipyard shall notify the harbor master.
- The customer shall keep the working area in appropriate condition and thoroughly clean the place before leaving. Otherwise the Shipyard shall charge the party for the cleaning costs.

**11. OFFER / WORK ORDER / CONTRACT**

The offer, work order or Contract must be in a written form. The customer must be authorized for ordering work and the Shipyard has the right to request confirmation of such authority, i.e. proof of ownership or power of attorney.

By signing the offer, work order or contract the customers confirms that he has read, understood and accepted these business regulations. If there is no contract, the accepted offer or work order in writing is considered a contract.

When ordering vessel manipulation services: lifting, lowering, underwater hull cleaning, vessel transport by land and/or accommodation on land, the customer is obliged to submit:

- credible technical documentation for safe performance of the ordered services, in particular data from which the position of the lifting straps is visible and data on the positions where the supports are located – DOCKING PLAN
- information if foil is applied on the vessels
- information on equipment on the underwater hull and exact position of the equipment.
- Information on a possible deficiency or anomaly of the vessels which could lead to damage on the vessel and/or equipment.

Otherwise the Shipyard shall not be liable for possible damage to the vessel and/or its equipment which may occur during the vessels manipulation.

For performing service manipulation of vessels built in wood or its variants, all responsibility for the damage, regardless of the delivery of the necessary documentation, rests with the customer/vessel owner.

The Shipyard is also not responsible for deformations of the hull or underwater parts of the equipment, regardless of any type of hull and equipment material when performing the vessel handling operation (lifting, lowering and transport), unless the damage is an obvious consequence of the Shipyard's gross negligence.

For performing the requested service on the vessel the customer shall provide technical documentation from which it can be accurately observed the manner of solving the technical task.

By submitting a written order for vessel lowering and/or vessel towing, the customer confirms that the vessel is technically correct in terms of buoyancy, and overtakes all responsibility for any possible sea penetration into the vessel and all consequences this may cause.

The Customer is informed that the collected personal data is necessary for processing of the order and providing of the requested service and that the service cannot be provided without the collection of the necessary personal data.

The shipyard undertakes to process personal data in accordance with the General Data Protection Regulation EU 2016/679 (hereinafter: the Regulation), and all other regulations governing the matter of personal data protection.

More information about personal data and your rights in processing the data is available at [www.brodogradiliste-punat.hr](http://www.brodogradiliste-punat.hr).

**12. PAYMENT**

Payment shall be carried out according to the valid price list, work order or written offer, after work handover, upon receipt of the invoice, but prior to vessel launching into the sea (in case the vessel was on land), or placing on the transporter (if the vessels is leaving the shipyard by land).

Exceptionally by offer or contract the payment may be differently arranged.

The payment shall be carried out at the Yacht service reception or by bank transfer to the Shipyard bank account.

The customer assumes the obligation to pay.

If the work is ordered on behalf of the owner by an authorized person, the same assumes the obligation to settle the invoice in case the owner of the vessel does not settle the invoice for the performed work within the specified period.

For the work within the warranty period of the engine and/or equipment manufacturer, the customer by ordering the work accepts costs that are not covered by the manufacturer's warranty.

**13. LATE PAYMENTS**

The customer shall observe the payment deadlines. For all late payments official default interest shall be charged.

**14. COMPLAINTS**

Complaints to the work carried out shall be submitted exclusively in writing.

In the event of an accepted complaint by the Shipyard, the Shipyard is not obliged to compensate the customer for lost profits, or time, or provide a replacement vessel.

Complaints can only be resolved at the Shipyard. In case of resolving a complaint elsewhere, the customer is obliged to bear all the associated costs of handling and accommodation of the vessel and the costs of arrival of the service workers at the required service destination.

**15. WARRANTY**

Warranty is given on works on the engines (propulsion or auxiliary) and the propulsion elements, unless otherwise agreed, for 6 months or 100 engine working hours (whichever occurs first).

The warranty for all other works, unless otherwise agreed, is 6 months.

The warranty on the installed materials, parts and equipment is given according to the manufacturer's conditions.

The Shipyard shall not guarantee for work which has not been agreed upon.

The Shipyard shall not guarantee for work performed with the customer's material.

**16. DAMAGES**

The Shipyard shall only be liable for damage on the basis of legal liability, i.e. for damages caused by the Shipyard employees, for which, according to the court ruling, the Shipyard would be liable.

The Shipyard shall be liable for damage, if it occurred as a result of gross negligence on the part of the Shipyard or the Shipyard's employees.

The Shipyard shall not be liable for damage that could not have been foreseen, prevented, eliminated or reduced in the ordinary course of the Shipyard's operations.

The user is solely responsible for the condition of the electrical installations on the vessel and the damage that could possibly be caused by the cable connected to the electrical installation of the Shipyard.

The Shipyard is in possession of an insurance policy for Ship repair liabilities and upon third parties.

The person or company that causes damage to the vessels, cars and equipment of the Shipyard or third parties, is obliged to compensate the Shipyard or a third party for all damage.

The Shipyard does not take responsibility for damage based on protocols by competent authorities, expert findings, claims of the insurer or the injured party, but only in the case when the Shipyard admits damage or liability for damage is determined by the court.

The owner of the vessel is obliged to compensate the Shipyard or a third party for all damages incurred from his vessel which occurred as a result of non-compliance with these terms of Business regulation, poor maintenance of the vessel or equipment or performance of work caused by the crew and/or persons/companies engaged by the crew.

The Shipyard is not responsible for the work or actions of third parties, owners or users of the vessel or crew members.

In case of act of the Shipyard or its employees during a harmful event in order to reduce the consequences of the harmful event, the Shipyard or its employees will take measures to prevent the harmful event within objective possibilities and skills at their own judgment without risk to health and life of persons involved. The Shipyard does not warrant in any way that it will be able to prevent either the occurrence or spread of the harmful event.

In case of fire or sinking of the vessel, the Shipyard has no obligation or possibility to determine the presence of persons on the endangered vessels.

**17. FINAL CLAUSES**

The shipyard has the right of retention and the legal right of mortgage on the vessel and equipment for all outstanding claims.

In order to exercise the right of retention of the vessel, the Shipyard has the right to keep the vessel at the sea berth at the Shipyard or to lift the vessel ashore if the vessel is on a sea berth in Marina Punat or Shipyard Punat, without the consent of the owner or user of the vessel.

All disputes shall be submitted to the competent court in the Shipyard headquarters. In case of disputes, the Croatian version of this document shall be relevant.

These Regulations take effect on 09.03.2023. and are valid until a new change. By entering in force the former Regulations cease to be valid.

Punat, 09.03.2023.

BRODOGRADILIŠTE PUNAT d.o.o.