



# Lease Agreement Terms and Conditions [Exhibit 1]

## Belle Isle Marina Holdings, LLC

This Boat Slip/Storage Rental Agreement is made on the above referenced date (hereinafter, the "Execution Date") by and between Belle Isle Marina Holdings, LLC (hereinafter, "the Marina") and Lessee as defined above. The Marina provides vessel slips and dry storage for vessels, and Lessee desires to utilize the Marina's slips and/or dry storage.

NOW THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

- 1. Term.** This Agreement is subject to early termination by the Marina as described in Paragraph 15(B) of this Agreement. The term of this Agreement shall be from the Execution Date for a period of twelve (12) consecutive months (the "Initial Lease Term"). Upon expiration of the Initial Lease Term, this Agreement shall be automatically renewed for an additional twelve (12) month term at the same Rent, unless terminated by either party by written notice delivered to the other party more than thirty (30) days prior to the end of the Initial Lease Term. Any extensions of the Initial Lease Term shall become part of the Term as defined herein.
- 2. Rent.** Lessee shall pay Rent in advance to the Marina in the amount specified on the pricing agreement page. Such payment shall be due on the 1st day of the month of the rental period for which said Rent is paid.
- 3. Other Charges.** Lessee acknowledges that additional charges for electricity or other account charges may accrue due to Lessee's use of the Marina (hereinafter, referred to as "Other Charges"). In addition to Rent, Lessee shall pay all Other Charges. The Marina shall invoice Lessee on a monthly basis for any and all Other Charges incurred, and Lessee shall make payment for same within fifteen (15) days of the date of the invoice.
- 5. Method of Payment.** By credit card only.
- 6. Late Fee.** If Lessee is ever more than five (5) days late in the payment of Rent or Other Charges, Lessee shall pay an additional \$25.00 as a Late Fee for every month that Lessee's payment is not received. These Late Fees shall be added to any amount of delinquent Rent or Other Charges outstanding.
- 7. Grant of Lease.** The Marina hereby grants to Lessee the right to occupy and use, for or in connection with the berthing of Lessee's Craft as defined above (but no other maritime vessel) subject to the terms of this Agreement (a) the Designated Boat Slip or Dry Storage Space; (b) the dock appurtenant to such Designated Boat Slip or area provided for docking of vessels occupying dry storage; (c) the dock box, if any, appurtenant to such Designated Boat Slip. The grant of rights by the Marina to Lessee under this Section is sometimes herein referred to as the "Lease".
- 8. Insurance.** Lessee shall maintain in force, throughout the Term, and with carriers licensed to do business and in good standing in the State of South Carolina, Comprehensive General Liability insurance with minimum coverage amounts of \$300,000.00 per occurrence and in the aggregate, insuring against death or injury to any person and damage or loss of use of any property. Within ten (10) business days of the commencement of the Term, Lessee shall furnish to the Marina certificates of insurance evidencing such coverage. Upon the written request of the Marina at any time during the Term, Lessee shall, within ten (10)

business days of such request, furnish to Lessor certificates of insurance evidencing that all of the coverage remains in full force and effect.

**9. Lessee's Warranties and Related Obligations:** Lessee shall maintain Lessee's Craft and the Designated Boat Slip (if any and including any dock box and appurtenant utility connections) in a safe and clean condition and shall keep the dock free and clear of obstructions that could pose any danger to others using the dock. Without limiting the foregoing, Lessee shall secure and safely route all mooring lines, utility hoses, and cables so as not to pose any hazard across any area of the dock or along any fender. Lessee shall secure any dock box so as not to blow open during high winds and shall be solely responsible for any damage caused by an improperly secured dock box. All dock boxes must be approved by the Dockmaster or Committee. Lessee shall not discharge or otherwise dispose of sewage, trash, fuel, oil, or any other contaminant in or on the Marina property, or into the water surrounding the Marina property, except in a manner and at a time expressly approved by the Marina. Lessee shall comply with all applicable local, state, and federal environmental and other rules, regulations, and laws. Lessee shall promptly, at its sole cost and expense cause to be repaired in a good and workmanlike manner any damage caused by Lessee to the Designated Boat Slip, or the appurtenances thereto, or to the dock. Lessee shall not modify or alter any portion of the Designated Boat Slip or any of the dock or facilities appurtenant to the Designated Boat Slip without the prior written consent of the Marina, which consent may be withheld or denied in the Marina's sole discretion. Lessee warrants that Lessee is the owner of Lessee's Craft, free and clear of any adverse claims, save and except claims by any lender of a security therein arising prior to the date of this Agreement. Lessee warrants that Lessee's Craft will not be used for any illegal, immoral, or improper purposes and that Lessee shall not make or permit to be made any disturbance, noise, or annoyance whatsoever detrimental to the Marina and surrounding areas. At the end of the Term, Lessee shall surrender the Designated Boat Slip without demand and in as good order and condition as the beginning of the Term, ordinary wear and tear excepted.

**10. Disclaimers and Waivers.** Lessee acknowledges that: (a) the Marina has absolutely no obligation to provide any security to persons or property; (b) the Marina shall have absolutely no obligation to carry any insurance of any nature, for its own benefit or for the direct or indirect benefit of any other party, including Lessee; (c) Lessee shall have absolutely no liability to Lessee or to any of Lessee's invitees, agents, contractors, or subcontractors for any claim, liability or damage to person or property; (d) Lessee acknowledges that Lessee is not relying in any way upon the skill or intervention of the Marina to protect Lessee's Craft, including in the event of foul or dangerous weather; and Lessee accepts the Designated Boat Slip, the appurtenances thereto, and any and all other portions of the dock "as is, where is," with all faults and defects, whether latent or patent. Lessee waives any such claim it may have against the Marina arising out of any of the foregoing.

**11. Rules and Regulations.** Lessee acknowledges that the Marina is governed by Belle Isle Marina Rules and Regulations, and Lessee acknowledges receipt of a copy of the current version of same. Lessee agrees to abide by all rules and regulations contained therein and acknowledges that the Marina may amend the same without notice to Lessee. It is Lessee's obligation to remain educated as to the current version of any Rules and Regulations in

effect at the Marina at any given time. Lessee's failure to abide by the Rules and Regulations then in effect shall constitute default, which shall be grounds for immediate termination of this Agreement pursuant to Paragraph 16(a) herein in the Marina's sole discretion. Belle Isle Yacht Club By-Laws prohibit operating any commercial business within Belle Isle. No commercial operation will be allowed, no tour boats, commercial marine operations, fishing guides or boats for hire for any other purpose will be allowed on marina property. In addition, no advertisements are allowed to be displayed on vehicles, boats, or any other property. Live-a-boards are strictly prohibited in the Marina.

**12. Assignment and Subletting:** Lessee may not assign all or any part of its rights under this Agreement or otherwise sublet the Designated Boat Slip or Dry Storage Space, or any part thereof, without the prior written consent of the Marina, which consent may be withheld or denied in the Marina's sole discretion.

**13. Grant of Security Interest:** To secure all of Lessee's obligations hereunder, Lessee hereby grants to the Marina a security interest in and to (a) Lessee's Craft and (b) all of Lessee's personal property, fixtures, and equipment located on or used in connection with Lessee's Craft and/or the Designated Boat Slip (collectively, the "Secured Property"). Promptly at the Marina's request, Lessee shall execute and deliver to the Marina all UCC financing statements and other documents requested by the Marina to evidence and perfect the security interest granted herein. The Marina shall have the right to make all UCC filings it deems necessary or appropriate to evidence and perfect the security interest granted herein. Upon any default by Lessee, the Marina shall have all of the rights of a secured party under the South Carolina Uniform Commercial Code ("SCUCC") in instances where the debtor is in default, including without limitation the right to sell or cause to be sold, in any one or more public or private sales, or otherwise realize upon the value of any or all Secured Property, subject to the SCUCC. Unless otherwise provided by law, any requirement of reasonable notice of any such sale shall be satisfied if the Marina gives to Lessee such notice, in accordance with the notice provisions of this Agreement, ten days before any such sale. Upon notice by the Marina to Lessee that any default exists, and for so long as the default remains uncured, Lessee shall have no right to remove any of the Secured Property from the Designated Boat Slip and the Marina shall have the right to take possession of such Secured Property and take steps to hinder any attempt at its removal, without any liability to Lessee for trespass, conversion, or otherwise.

**14. Termination by Lessee:** Lessee shall be responsible for the entire Term of the Lease. The Marina Committee may release lessee's obligations in the event of death or loss of vessel by fire or other accidental event once the slip / storage space is free and clear to lease and the account through month end is paid in full. Transferring a lease is permitted with approval by the Marina Committee when a completed vessel bill of sale is provided to the Committee. No refund will be given by the Marina. Original lessee must negotiate payment from the new lessee for remaining period of the original lease. New lessee is not guaranteed the same space or another space in the same or another storage classification at the conclusion of the original lease period. Waiting list policy will be applied by the Marina Committee equitably and all lessees must meet pre-conditions according to the waiting list policy.

**15. Termination by the Marina:**

**A. For Cause:** If Lessee violates any of the Rules and Regulations of the Marina (immediate termination allowed), fails to make payment of any Monthly Rent within five (5) days of delivery by the Marina of notice of any Monthly Rental that is past due, or fails to cure any other default under this Agreement within ten (10) days of delivery by the Marina of notice of such default, then the Marina shall have the following remedies, which shall be cumulative rather than exclusive:

- i. The right to terminate this Agreement, and the grant of the Lease hereunder, which termination right may be exercised by written notice by the Marina to Lessee, and which termination shall be effective as of the date of such notice.
- ii. The right to immediately enter upon and repossess the Designated Boat Slip and all appurtenances thereto, by forcible entry and detainer suit, or otherwise.
- iii. The right to remove Lessee's Craft (and any personal property therein) and to store Lessee's Craft (and such personal property)), with all risk of loss belonging solely to Lessee, and with no liability whatsoever to the Marina, and with all costs of storage being deemed to be included among the past due Rent.
- iv. The right to make any required repairs to the Designated Boat Slip or to expend any other sums required to cure Lessee's defaults, with all such sums expended being deemed to be included in past due Rent.
- v. The right to terminate Lessee's possession with regard to the Designated Boat Slip and all appurtenances thereto, without demand or notice of any kind and without terminating this Agreement, in which event the Marina may, but shall under no obligation to, re-let all or any part of the Designated Boat Slip for credit to Lessee's account, on such terms and conditions as Lessor in its sole discretion shall deem appropriate; and
- vi. All rights and remedies available under the SCUCC with regard to the security interest granted to the Marina in the Secured Property. In the event of Lessee's default, the Marina shall have the right to recover from Lessee, whether by way of sale of the Secured Property, or by means of execution and levy on a judgment, or by means of voluntary payment by Lessee, or by some combination thereof: (i) all Rent that is past due, including any late payment fees or NSF Fees in connection therewith; (ii) all Rent that is to come due during the remainder of the Term (assuming that the Marina has not terminated this Agreement and the Lease hereunder), (iii) the Marina's reasonable attorneys' fees and court costs; (iv) prejudgment interest at the lessor of 10% per annum or the maximum allowed by law, and (v) post-judgment interest at the lesser of 10% per annum or the maximum amount allowed by law.

**B. Not for Cause:** The Marina retains the right to terminate this Agreement without cause, at any time, upon ten (10) days written notice to Lessee. In such cases,

any prepaid Rent or Other Charges shall be prorated and any surplus shall be returned to Lessee. Lessee shall remove Lessee's Craft by the termination date so noticed. Nothing in this Paragraph shall waive any other right of the Marina under this Agreement, at law, or in equity or admiralty.

**C. Removal:** If Lessee fails to remove Lessee's Craft and equipment from the Marina before the termination or expiration of this Agreement after proper notice of such termination or expiration, the Marina shall be entitled to: (i) remove Lessee's Craft and store or re-dock the vessel at any location in any commercially reasonable manner, all at the expense and on the account of Lessee, until all of Lessee's fees and charges are brought current; (ii) Charge Lessee at the then-current rate of Rent for an additional time period in the discretion of the Marina; or (iii) Locking Lessee's Craft in place until all Lessee's fees and charges are brought current; (iv) any other rights the Marina has in law, admiralty, or equity; or (v) any combination of the rights set forth herein.

**16. Notice:** Any notice required or permitted to be given to the Marina shall be given by certified or registered United States mail, postage prepaid, sent to the Marina's address as set forth on the first page of this Agreement, or to any other address which the Marina has provided to Lessee in writing for purposes of notice. Such notice to the Marina shall be deemed to have been given on the postmark date or, if any such notice is not postmarked within the State of South Carolina, five (5) days after the postmark date. Any notice required or permitted to be given to the Lessee may be given either by (a) certified or registered United States mail, postage prepaid, to the address of Lessee set forth on the first page of this Agreement, or to any revised address of which Lessee may from time to time notify the Marina in writing, or (ii) via e-mail to the e-mail address of Lessee set forth on the first page of this Agreement. Any notice mailed by the Marina shall be deemed to have been given on the postmark date, and any notice e-mailed by the Marina shall be deemed to have been given at the time the e-mail is sent and shall be deemed to have been properly given and received if sent to Lessee's e-mail address as reflected on the first page of this Agreement, or as updated in writing by Lessee to Marina, regardless of whether it is actually received by Lessee.

**17. Entire Agreement:** This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended except in writing signed by both parties hereto.

**18. Choice of Law and Forum:** Any dispute arising hereunder shall be governed by the laws of the State of South Carolina as supplemented by Federal Admiralty law, and any action to enforce this Agreement must be brought exclusively in the Courts of the Fifteenth Judicial Circuit, Georgetown County, South Carolina.

**19. Severability:** In the event that any provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining positions hereof shall remain in full force and effect.

**20. Binding Nature:** This agreement is binding upon and shall inure to the benefit of all parties hereto and their respective heirs, successors, and assigns.