

MANAGEMENT AGREEMENT

THIS MARINA MANAGEMENT AGREEMENT (“this **Agreement**”) is made and entered into as of the _____ day of _____, 20____ (the “**Effective Date**”), by and among _____ (the “**Owner**”), and *Coastal Marina Management, LLC* (the “**Manager**”), with reference to the following facts and intentions of the parties.

- A. Manager is in the business of managing and operating marina properties similar to the Marina and Manager possess the personnel, skills and experience necessary for the efficient management services to Owner, upon and subject to the term and conditions set forth below.
- B. Owner desires to engage Manager to manage and operate the Marina, and to render such management services to Owner, upon and subject to the term and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, Owner and Manager agree as follows:

1. ENGAGEMENT OF MANAGER

1.1 Exclusive Manager. Owner engages Manager as, and Manager agrees to serve as, the sole and exclusive manager in connection with the Marina for the period of time and upon the term and conditions hereinafter set forth below.

1.2 Experience of Manager. Manager represents and warrants that it is experienced and capable in the managing of properties similar in quality, size and type to the Marina.

2. DUTIES OF MANAGER

Performance of Duties. During the Term (as defined in Section 8) of this Agreement, Manager agrees, for and in consideration of the compensation set forth below, to supervise and direct the management and operation of the Marina on behalf of Owner and for the account of Owner, in an efficient and satisfactory manner and maintain an organization, systems and personnel sufficient to enable it to carry out all its duties, obligations and functions under this Agreement. Manager represents and warrants that it will perform its duties under this Agreement in accordance with reasonable professional standards and all known applicable laws, codes and regulations.

2.2 Budget Manager and Owner have agreed to a budget (the “**Initial Budget**”) for a twelve (12) month period commencing in the month in which the Effective Date occurs, a copy of which is attached hereto as **Exhibit “B”**. If this Agreement remains in effect

beyond the date that is six (6) months after the end of the Initial Term, then Manager shall promptly submit to Owner a new budget (as amended, modified, restated or replaced from time to time, the “**Adjusted Budget**”, the Initial Budget and the Adjusted Budget each a “**Budget**”) respecting the operation and management of the Marina during the remaining Term of this Agreement. Owner, in its sole discretion, shall accept or reject the proposed Adjusted Budget within five (5) days after its receipt thereof. If Owner shall reject the Adjusted Budget submitted by the Manager as provided above, Owner will provide to Manager a written list of objections to the Adjusted Budget, and Manager shall prepare, within five (5) days after the receipt of Owner’s rejection, a revised Adjusted Budget satisfying Owner’s objections and submit to Owner for Owner’s approval of a revised Adjusted Budget. Each revised Adjusted Budget shall be subject to review and approval by Owner in the same manner as the original proposed Adjusted Budget until Owner has approved the Adjusted Budget. Approval of any Budget shall not be approval of the form of any contract or agreement in connection with the expenditure authorized, and except as herein provided, all such contracts and agreements shall be submitted to Owner, for approval and execution.

During the period covered by each particular Budget, Manager in the performance for its duties as provided in the Agreement shall operate within that Budget as approved by Owner. Manager shall not materially deviate from the Budget, incur any expenses other than as provided in the Budget, or change the manner of operation of the Marina, except for Emergency Expenditures (as defined in Section 2.6).

2.3 Contracts with Third Parties. Manager shall negotiate and execute contracts with independent contractors for services required in the ordinary course of business in operating the Marina; provided that such contracts are for a Term of one (1) year or less, are Terminable by Owner without cause on no more than thirty (30) days’ notice, and the nature and cost of the services contracted for are included in the then-current Budget approved by Owner. In connection with its selection and supervision of contractors, suppliers and other entities, Manager, among its other duties, will select only such parties to perform work or to provide labor, goods, utilities or services to or at the Marina having the reputation of being fully capable and reliable in efficiently and fully performing their respective obligations at the standards required by this Agreement and Manager shall divulge to Owner any existing or potential relationship between Manager and any potential independent contractor. Manager will supervise and inspect the performance under all contracts and agreements, including without limitation, the supervision, inspection and observation of all servicing, cleaning, maintenance, repair or alteration work at the Marina during the progress thereof, and the final inspection of the completed work at the Marina during the progress thereof, and the final inspection of the completed work and the approval or disapproval (as appropriate) of all bills submitted for payment. In connection with the foregoing, Manager shall obtain all necessary receipts, releases, waivers, discharges and assurances necessary to keep the Marina free from mechanics’ and materialmen’s liens and other claims, all of which documentation shall be in such format as is required by Owner.

Manager shall have in its employ or cause its independent contractors to have in their employ at all times a sufficient number of employees to enable Manager to properly, adequately, safely, and economically manage, operate, and maintain the Marina. All

matters pertaining to the employment and compensation of these employees shall be the responsibility of Manager, which represents and covenants that these employees will be either the employees of Manager or the employees of its independent contractors; provided, however, that Manager shall pay the compensation, workers compensation insurance, and fringe benefits (or the pro rata portion thereof fairly allocable to the Marina as set forth in the then current Budget or as otherwise approved by the Owner in writing) for these employees from the Operating Account (as defined in Article 4) or otherwise from funds provided by Owner.

2.4 Accounting Records. At its own expense, Manager shall maintain, supervise and direct the maintenance of complete accounting record relation to the operation of the Marina pursuant to Article 7 below. The Owner agrees to purchase, at its sole cost and expense, the on-site slip management software (_____ already in place) disclosed in Schedule 2.4 of this Agreement. All such on-site software is and shall remain the property of Owner. Owner agrees that any other software maintained by Manager at its corporate headquarters and used in connection with the management of the Marina is and shall remain the property of the Manager.

2.5 Enforcement of Leaseholder Agreements. Manager shall take all proper and necessary actions to enforce the terms of all agreements with users of boat slips at the Marina (each an “Agreement” and collectively, the “Agreements”) and to collect on behalf of Owner all rentals, late charges and all other charges and income due from or payable by licensees and others derived from the authorized use of the Marina during the Term of this Agreement. Manager shall be responsible for the billing of all charges or other income due with respect to the Marina. Manager shall have the right to utilize whatever reasonable collection procedures Manager deems appropriate in order to collect any past-due rentals or other charges or income from the Marina, excluding the right to institute and prosecute litigation with respect to collection activities, which shall require to the written consent of Owner. Owner shall pay or reimburse Manager as appropriate for attorneys’ fees and costs incurred in connection with any such collection activities. Manager will keep Owner informed, from time to time but not less frequently than monthly, of Manager’s collection activities under this Agreement. Owner will cooperate with Manager in any proceedings instituted by the other to recover monies due Owner with respect to the Marina or to recover possession of any portion of the Marina, provided that all such proceedings shall be at Owner’s expense. All collection activities shall be conducted in compliance with Owner’s policies and procedures, as communicated from time to time to Manager.

2.6 Marina Management. Manager shall maintain or cause to be maintained the Marina, including, without limitation, all boat slips, in good order, repair and condition. Manager shall operate, manage, maintain, repair and improve the Marina in order to keep the same in a safe, sound and attractive condition. Manager shall negotiate and execute contracts with independent contractors for any work of maintenance, repair, alteration, or improvement that Manager deems necessary or desirable with respect to the Marina, provided that such contracts are for a term of one (1) year or less, are Terminable by Owner without cause on no more than thirty (30) days’ notice, the nature and cost of the work to be contracted for are

included in the then-current Budget approved by Owner, and any such contract is competitively priced. Notwithstanding the foregoing, Manager may make expenditures or enter into contracts whose costs are not included in the then-current Budget for repairs to the Marina which, in Manager's opinion, using reasonable business judgment, are immediately required to be made for the preservation and safety of the Marina, to avoid the suspension of any essential service to or for the Marina, or to avoid danger to life or property at the Marina ("**Emergency Expenditures**"). Emergency Expenditures shall be made by Manager at Owner's cost. Manager shall promptly, but in no event later than twenty-four (24) hours from the time Manager learns of such emergency, notify Owner by telephone, facsimile or email (with a required follow up by telephone) of any such emergency. Immediately thereafter, Manager shall send Owner a written notice setting forth the nature of the emergency and any action taken in connection therewith. Except as set forth above with regard to Emergency Expenditures, extraordinary or unusual expenses shall not be made without Owner's prior written consent.

2.7 Compliance with License Agreements. To the extent Manager is duly empowered under this Agreement to do so, Manager shall, on Owner's behalf, duly and punctually comply with all obligations to the Owner under all License Agreements with licensees occupying boat slips in the Marina.

2.8 Slip Leaseholders.

2.8.1 Manager shall use its best efforts to obtain and retain desirable Leaseholders for the Marina. Manager shall negotiate License Agreements and extensions, renewals and modifications, in accordance with the guidelines set forth on **Exhibit "C"**.

2.8.2 Manager is generally authorized to negotiate, approve and execute as "Agent for Owner" any license for the Marina, provided that (i) such license is on form approved in writing by Owner and (ii) such license (and the licensee under such license) otherwise complies with the Licensing Guidelines. Owner reserves the right in its sole discretion to modify, limit or revoke the authority delegated to Manager in this paragraph by providing written notice thereof to Manager. Any License Agreements that are outside of the authority delegated to Manager hereunder must be approved in writing by Owner.

2.9 Statutory Compliance. Manager shall perform its obligations hereunder in a manner which shall comply with and cause the Marina to comply in all respects with and shall abide by all statutes, laws, rules, regulations, requirements, orders, notices, determinations, and ordinances of any federal, state, or local government and appropriate departments, commissions, or boards with jurisdiction over the Marina, or any portion of the Marina, the requirements of any insurance companies covering any of the risks against which the Marina is insured, and of which Manager has prior notice, and the requirements of any agreements relating to the Marina of which Manager has notice (collectively, the "**Requirements**"). Manager shall provide regular and systematic inspections of the Marina in order to comply with all Requirements and assure proper maintenance of the Marina. Manager agrees to, at Owner's expense; promptly remedy any violation of a Requirement which comes to its attention, provided such expense in any one instance does not exceed the sum of \$500. If the

cost of remedying such violation exceeds \$500, Manager shall promptly notify Owner in writing of the violation and shall obtain Owner's prior written approval before authorizing any expenditure to correct such violations, unless in Manager's opinion an Emergency Expenditure is necessary.

2.10 Permits and Authorizations. Manager shall obtain and keep in full force and effect all licenses, permits, consents and authorizations as may be necessary for the maintenance, operation, management, promotion, repair, servicing, occupancy or leasing of the Marina or for the proper performance by Manager of its duties and obligations under this Agreement or as may be required under any license covering any portion of the Marina. The cost of keeping in full force and effect all necessary licenses, permits, consents and authorizations for the benefit of the Marina shall be at Owner's expense. All licenses, permits, consents and authorizations shall be in the name of Owner, or its designee if required by Owner.

2.11 Complaints. Manager shall handle all complaints and requests from licensees, concessionaires, licensees or other third parties. Manager shall promptly notify Owner of any material complaint made by any tenant, concessionaire, licensee, or other third party, of which Manager has actual knowledge, and Manager shall promptly notify Owner of any defective condition in the Marina which is known to Manager or any breach, default or violation of any lease, license, contract or agreement relating to the Marina. Manager shall notify Owner and Owner's general liability carrier promptly after Manager receives notice or knowledge of any personal injury or Marina damage occurring at the Marina which gives rise to a claim by any licensee or third party and shall promptly forward to Owner and, if directed by Owner, the insurance carrier, any summons, subpoena, or other legal document served upon Manager relating to actual or alleged potential liability of Owner.

2.12 Utility Contracts. Manager shall negotiate and execute for the account of Owner (and for the benefit of the Marina), as appropriate, contracts for electricity, gas, fuel, water, sewer, telephone, rubbish removal, janitorial service, security and other like utility services or such of them for the Marina as Manager, in its reasonable business judgment, deems prudent for the care, operation and maintenance of the Marina provided that the nature and cost of such utility services to be contracted for are included in the then-current Budget approved by Owner, the contracts are for a term no longer than one (1) year, and are Terminable by Owner without cause on no more than (30) days' notice. The Owner will be billed directly for utilities.

2.13 Liens. After giving prompt notice to Owner, Manager shall take all necessary steps authorized in writing by Owner to prevent the creation of, and to remove, any claim for lien, encumbrance, or security interest (collectively, a "**Lien**") which attaches to the Marina or any other portion of the Property if the Lien has been asserted without Owner's consent, unless Owner shall notify Manager that Owner does not intend to contest the Lien.

2.14 Payment of Taxes and Assessments. Owner shall pay all taxes assessments, rents and other impositions applicable to the Marina. The Owner will be billed directly for taxes.

2.15 Contest. Prior to the payment made pursuant to section 2.14, Manager shall advise and recommend to Owner whether the amount of any such taxes, assessments, rents and other impositions should be challenged as inequitable or improper under law, and Manager, at Owner's expense, shall assist, when approved in writing by Owner, in the prosecution of any action or proceedings seeking to reduce such taxes, assessments, rents or other impositions. Any such action or proceeding shall, at the sole discretion of Owner, be undertaken by appropriate legal proceedings in the name of Owner. Manager shall receive no compensation for its services in connection with this Section, provided, however, that Owner shall reimburse Manager for all direct and indirect costs it incurs in connection with any litigation pursuant to this Section.

2.16 Payment of Expenses. Manager shall disburse and pay from the Operating Account:

2.16.1 All costs and expenses of maintaining and operating the Marina and all direct travel related expenses.

2.16.2 Any other charge or item of expense that Owner directs Manager in writing to pay.

2.17 Notice to Owner. Without affecting the other provisions of this Agreement which require Manager to provide information or notices to Owner, Manager shall promptly notify Owner:

2.17.1 Of the receipt by Manager of any notice that the condition of the Marina or any part of the Marina fails to meet the standards of, or is in violation of, any Requirement;

2.17.2 Of the receipt by Manager of any notice, demand, or similar communication with respect to any material obligation of Owner under any agreement involving Owner or the Marina.

2.17.3 Of the receipt by Manager of any summons, notice, demand, or similar communication regarding any action at law or in equity or before any regulatory body in connection with or involving Marina.

2.17.4 Of the receipt by Manager of notice of any Lien in connection with the Marina or the other portions of the Property.

2.17.5 Of any Emergency Expenditures by Manager to protect or preserve the Marina.

2.18 Advertising. At Owner's request and expense, Manager shall prepare advertising plans and promotional materials to be used for leasing and re-leasing purposes. Such plans and materials shall only be used if approved in connection with the then current Budget or approved in advance in writing by Owner, and in conformance with such

approval. Manager shall not use Owner's name in any advertising or promotional material without Owner's express prior written approval in each instance. Advertising and promotional materials shall be prepared in full compliance with all applicable federal, state, county, municipal and other governmental laws, ordinances, regulations and orders.

2.19 Purchase of Supplies and Materials. Manager shall purchase, on behalf of Owner and at Owner's expense, in accordance with the then current Budget, all equipment, tools, appliances, materials, and supplies reasonably necessary or desirable for the care, maintenance and operation of the Marina. Manager shall divulge to Owner any existing or potential relationship between Manager and any supplier. All such purchases shall be subject to the prior review and written approval of Owner if such purchases are not included in the then current Budget. Such purchases shall be used solely in connection with the operation and maintenance of the Marina. In connection with the performance of its duties pursuant to this Section, Manager shall use its best efforts to qualify for any cash and trade discounts, refunds, credits, concessions or other incentives and any such discounts, refunds, credits, concessions, or other incentives received by Manager shall inure to and belong to Owner and shall be deposited into the operating account.

2.20 Sale of Marina; Non-Interference with Development Activities. Manager shall fully cooperate with Owner in the event Owner shall decide to assign, sell, hypothecate or otherwise transfer part or all of its interest in the Marina (including, without limitation, the furnishing of certified rent rolls and other data, the preparation and obtaining of estoppel certificates, and similar activities) or any other portion of the Property. Manager shall cooperate with Owner in connection with the development of the Project and shall take all reasonable necessary measures to ensure that licensees and other users of the Marina do not interfere with such development activities.

2.21 Payment of Insurance. Manager, at Owner's request and expense, shall timely pay all insurance premiums for insurance on the Marina which Owner, in its sole discretion, may obtain and for which payment has been approved by Owner.

2.22 Limitation of Authority. Notwithstanding any provision of this Agreement to the contrary, Manager shall not without the prior written approval by Owner:

2.22.1 Make any expenditure, whether from the Operating Account or otherwise, or incur any obligation on behalf of Owner, except for (i) expenditures or obligations approved in writing by Owner, (ii) expenditures made and obligations incurred directly pursuant to the then-current Budget and (iii) Emergency Expenditures;

2.22.2 Convey or otherwise transfer, pledge or encumber any Marina or other asset of Owner.

2.22.3 Retain architects, engineers, attorneys, accountants or other professionals on behalf of Owner without Owner's written approval.

2.22.4 Institute or defend lawsuits or other legal proceedings on behalf of Owner without Owner's written approval.

2.22.5 Terminate Leaseholder Agreements (except in accordance with any guidelines approved by Owner for the enforcement of Leaseholder Agreements);

2.22.6 Pledge the credit of Owner except for purchases made in the ordinary course of operating the Marina or as otherwise contemplated pursuant to this Agreement;

2.22.7 Obligate Owner for the payment of any fee or commissions to any real estate agent or broker;

2.22.8 Borrow money or execute any promissory note or other obligation or mortgage, deed of trust, security agreement or other encumbrance in the name of or on behalf of Owner; or

2.22.9 Permit any officer or employee of Manager or any third party to handle, have access to or be responsible for monies or personal Marina of Owner or bank accounts related to the Marina (including the Operating Account), unless each such party is bonded or insured. Manager shall provide Owner with written evidence of such bonding or insurance in form and content satisfactory to Owner. Without limiting the foregoing, such bonds shall specify that (1) any loss involving funds of Owner shall be payable to both Manager and Owner, and (2) no cancellation of the bonds will be effective unless thirty (30) days prior written notice of such cancellation has been given to Owner.

The limitations set forth in this Section shall be in addition to all other restrictions on the authority of Manager set forth in this Agreement.

2.23 Compliance with Laws. In addition to and without limiting the provisions of Section 2.9, Manager shall during the Term of this Agreement, (i) fully comply with all known applicable statutes, laws, ordinances, rules, regulations and policies respecting the use and operation of the Marina, including, without limitation, all federal, state and local environmental laws respecting the protection of fish and wildlife and the maintenance and disposal of hazardous substance and (ii) all rules regulations and policies as Owner may establish from time to time in writing, or as may be required by governmental authorities having jurisdiction over such matters. Manager shall cause each of its staff members and employees to comply with such statutes, laws, ordinances, rules, regulations and policies. Without limiting the generality of the foregoing, Manager represents warrants and covenants that if at any time Manager is authorized by Owner to engage in real estate leasing activities at the Property, all persons engaged in such activities on behalf of Manager shall be licensed real estate brokers in good standing under the laws of the state of **Florida**.

2.24 Other Interests. Owner acknowledges that Manager is currently Marina manager for properties other than the Marina. Owner agrees that Manager shall be permitted to operate other properties in the locality of the Marina so long as Manager shall

demonstrate that such arrangements would either enhance or not affect the market position of Owner and that such arrangements would not interfere with Manager's faithful performance of this Agreement. The foregoing to the contrary notwithstanding, Manager shall not act or fail to act in any way which would be against Owner's best interest under this Agreement.

2.25 Owner's Policies and Procedures. Manager shall comply with the Marina management policies and procedures set forth in Schedule 2.25 to this Agreement. Manager reserves the right, subject to Owner's approval (such approval to not be unreasonably withheld, conditioned or delayed) to modify, amend, replace, supplement or restate such policies and procedures from time to time.

3. EXPENSES TO BE BORNE BY MANAGER

All expenses of Manager's performance under this Agreement shall be borne by Manager unless specifically set forth in this Agreement as Owner's expenses or specifically set forth in the then-current Budget, or specifically authorized in writing by Owner. Without limiting the foregoing, Manager shall bear all of Manager's overhead costs and expenses

4. OPERATING ACCOUNT AND DISBURSEMENTS OF FUNDS.

4.1 Rental Income and Accounts. Manager will utilize a bank account at a local bank designated by owner ("**Bank**") for collecting rent and other receipts. On a daily Basis, rent and all other type receipts will be deposited into that account (the "**Operating Account**").

4.2 Disbursements. Manager is authorized to make withdrawals from the Operating Account in accordance with this Agreement. Manager shall pay all expenses authorized to be paid under this Agreement out of the Operating Account and, unless approved by Owner in writing, from no other account. All expenditures which Manager is authorized to make by the term of this Agreement or by any other authorization may be made upon the signature of the duly authorized and bonded officers of Manager. Individuals designated by Owner shall be an authorized signatory on the Operating Account and may make withdrawals from the Operating Account solely upon such signature.

4.3 Remittances to Owner. On or before the twentieth (20th) day of each calendar month during the Term, Manager shall remit to Owner any funds held in the Operating Account which are in excess of the Minimum Balance (as defined in Section 9.2). Manager shall report to Owner with respect to all activities affecting the Operating Account pursuant to and in accordance with Section 7.2 of this Agreement.

5. INSURANCE

5.1 Manager's Responsibility for Coverage and Amounts. Manager, shall at all times during the term of this Agreement and at the sole cost and expense of Owner, obtain and keep in force the insurance coverage and amounts set forth as follows:

- a) Manager shall maintain commercial general liability insurance including, contractual liability, broad form property damage liability, premises and completed operations, personal injury and advertising liability for limits not less than \$1,000,000 per occurrence/\$2,000,000 general aggregate insuring against claims for bodily injury and property damage arising from the use, occupancy, or maintenance of (property name) and/or any other portion of the (property name) that Manager is granted any right to use under this Agreement. Such insurance shall provide fire legal liability insurance protection for not less than \$300,000 limit and medical payments insurance for not less than \$5,000 per occurrence.

Such policy shall contain an exception to any pollution exclusion which insures damage or injury arising out of heat, smoke or fumes from a hostile fire.

Any General Aggregate limit shall apply on a per location basis.

- b) Manager shall maintain Marina Operators Liability Insurance protection for limits not less than \$ 1,000,000 per occurrence with deductibles acceptable to owner.
- c) Manager shall maintain Protection & Indemnity Insurance Protection for limits not less than \$1,000,000 per occurrence with deductibles acceptable to owner. Such insurance shall provide maritime employers liability insurance protection (if marina is located on navigable waters of United States) on an incidental basis.
- d) Manager shall maintain Business Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence covering owned, hired, and non-owned vehicles used by Manager in fulfillment of this Agreement.
- e) Manager shall maintain bumbershoot umbrella insurance on a broad form basis in excess of required commercial general liability, marina operator's legal liability, protection & indemnity and employers liability insurance with limits of not less than \$ 5,000,000 per occurrence and in the aggregate.
- f) Manager shall maintain worker's compensation insurance for all its employees as required in the State of operation with Employer's Liability insurance limits of not less than \$500,000 for each line of coverage protection.
- g) If necessary, Manager shall procure and maintain any and all environmental and/or pollution liability insurance as required by law for (Property name). Such insurance to provide underground storage (UST) protection, sudden & accidental spill insurance protection for spills occurring both on land and in the water.
- h) Manager shall maintain employee dishonesty coverage on a "blanket" basis for limits of not less than \$300,000. Such insurance shall provide protection for all employees having access to or with the authority to handle rents or income of (Property name).

5.2 Owner's Responsibility for Coverage and Amounts

- a) Owner shall be responsible for insuring their own business real and business personal property and will provide Manager with evidence of such insurance at least 10 days before the date of commencement of the coverage and renewals at least 15 days before the expiration of each policy.

Owner may request Manager to obtain this insurance on their behalf and at their expense as part of the overall insurance protection Manager places on behalf of Owner for the Property.

- b) Owner may, at its option, obtain business interruption and extra expense insurance at amounts it deems appropriate. Owner may request Manager to obtain this insurance on their behalf in amounts mutually agreed upon.
- c) If requested by Owner, Manager shall maintain federal flood insurance in an amount satisfactory to Owner and any of its lenders.

5.3 Deductibles – Any deductible agreed to by Owner and Manager shall be the sole responsibility of the Owner.

5.4 Insurance Companies – all insurance and renewals therefore shall be issued by companies with a rating of at least A- or better in the current edition of Best's Insurance Reports and be licensed to do and doing business in the State of Operation.

5.5 Notice of Cancellation – Each policy shall expressly provide that the policy shall not be cancelled or materially altered without 30 days prior written notice to Owner (except for non-payment of premium whereby State regulations shall apply) and shall remain in effect notwithstanding any such cancellation or alteration until such notice shall have been given to Owner and such period of 30 days shall have expired. In the event Management Agreement is terminated by Owner, insurance policy will be terminated simultaneously.

5.6 Named Insured – All liability insurance (except Employer's Liability insurance) shall name Owner and any other parties designated by Owner as an additional insured, shall be primary and non-contributing with any insurance which may be carried by Owner, shall afford coverage for all based on any act, omission, event or condition that occurred or arose (or the onset of which occurred or arose) during the policy period, and shall expressly provide that Owner, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to (Property Name). All property insurance shall name Owner or its designee as loss payee as respects its interest in any improvements and betterments.

5.7 Certificates of Insurance - Manager shall deliver to Owner Certificates of Insurance acceptable to Owner at least 10 days before the date of commencement of the term and renewals therefore at least 15 days before the expiration of each policy.

5.8 Mutual Waiver of Subrogation Rights – Whenever (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Agreement, or anyone claiming by, through or under it in connection with (Property Name) and (ii) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense or required under this Agreement to be so insured, then the parties so insured (or so required) hereby release the

other party from any liability such other party may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof; provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof : and provided further that in the case of increase cost, the other party shall have the right, within 30 days following written notice, to pay such increase cost thereupon keeping such release and waiver in full force and effect.

5.9 Cooperation with Insurers. Owner and Manager shall each cooperate with and provide reasonable access to the Marina to representatives of insurance companies and insurance brokers or agents with respect to insurance which is in effect or for which application has been made by the other party. Owner and Manager shall each use their best efforts to comply with all requirements of insurers.

5.10 Accidents and Claims. Manager shall promptly investigate and shall report in detail to Owner all accidents, claims for damage relating to the ownership, operation or maintenance of the Marina, and any damage or destruction to the Marina and the estimated costs of repair, and shall prepare for approval by Owner all reports required by any insurance company in connection with any such accident, claim, damage, or destruction. These reports shall be given to Owner promptly and in any case within ten (10) days after the occurrence of any such accident, claim, damage or destruction. Manager shall take no action with respect to settlement of any Marina damage claim without the written approval of Owner. Manager shall cooperate with Owner with respect to any claim which may arise under any insurance policy. Manager shall take no action (such as admission of liability) that might operate to bar Owner from obtaining any protection afforded by any policy, or that might prejudice Owner and its defense to any claim based on such loss, damage or injury. Manager agrees that Owner shall have the exclusive right, at its option, to conduct the defense to any claim, demand or suit within the limits prescribed by the policy or policies of insurance.

6. MANAGER'S COMPENSATION

6.1 Fees. Manager is entitled to the following fees for services to be provided under this Agreement:

6.1.1 In consideration for the management services to be rendered by Manager pursuant to Article 2, Manager shall receive as compensation a monthly sum equal to the greater of (a) N/A (%) of **Annual Gross Receipts** (as defined in Section 6.3) collected during each month during the term of this Agreement and

(b) \$ **Seven Thousand Five Hundred Dollars and no cents (\$7,500.00)** (Minimum Management Fee). Management Fees will be billed directly to the Owner and paid from Operating Account. The Minimum Management Fee shall be paid on the 1st of each month.

The actual fee for each month shall be calculated by the 20th of the following month and shall be based upon the previous month's results as reported to Owner. If the actual fee calculates to be greater than the Minimum (\$____N/A_____) the balance will be payable within 5 days of Owner's receipt of monthly statements.

6.1.2 Manager shall receive a one-time setup fee in an amount equal to **\$ Ten Thousand Dollars and no cents (\$10,000.00)**, to be paid at the same time as the first month's Management Fee.

6.1.3 Manager shall receive a monthly accounting fee in the amount of \$ N/A , to be paid at the same time as the monthly Management Fee.

6.1.4 If Owner terminates this Agreement pursuant to Section 8.2 and Owner subsequently hires the Marina's on-site dockmaster, then Owner shall promptly pay to Manager, within 30 days of demand therefore, an amount equal to 150% of such on-site dockmaster's monthly net salary.

6.2 Payment of Fees Manager shall be entitled to withdraw the fees set forth in Section 6.1 from the Operating Account. The monthly income and net cash flow statements required under Article 7, below, shall reflect the amount of the fees paid to Manager with respect to the period covered by the statement.

6.3 Annual Gross Receipts Also referred to as "Annual Gross Income or Revenue", defined as a company's total income from all operations less cost of goods sold, but excluding labor expense. Gross Receipts shall be determined on an accrual basis.

6.4 No Leasing Commission. Except as expressly set forth in Section 6.1 of this Agreement, Manager shall not be entitled to receive any commission or other fee in connection with the leasing of any boat slips or other space in the Marina.

7. BOOKS, RECORDS AND STATEMENTS

7.1 Maintenance and Access. Manager agrees to maintain, at its sole cost and expense, adequate accounting records (which records shall be and remain the Marina of Owner) in connection with all matters contemplated by this Agreement in accordance with the provisions of the Agreement and Owner's policies and procedures as communicated from time to time by Owner to Manager. Manager agrees to allow an authorized representative of Owner to examine such records or any correspondence pertaining to transactions arising out of this Agreement. No disclosure of financial data concerning the Marina shall be made by Manager to any other persons unless specifically authorized in writing by Owner.

7.2 Statements Throughout the continuation of this Agreement, Manager shall furnish Owner with the following statements concerning the operation of the Marina at all times and in the manner specified:

7.2.1 Monthly operational statements shall be furnished by Manager to Owner within twenty (20) business days after the end of each calendar month. Such monthly statements shall show all receipts, expenses and other financial results from the operation of the Marina for the preceding month (including, without limitation, all deposits into and expenditures from the Depository and Operating Accounts) and shall include copies of bank account statements (which may be up to thirty (30) day in arrears) and backup documentation in support of reimbursements for payroll expenditures, and all other information reasonably requested by Owner.

7.2.2 Annual operational statements shall be furnished by Manager to Owner within thirty (30) days after the end of each calendar year. Annual operational statements shall contain the same information as required pursuant to Section 7.2.1 with respect to the monthly operational statements.

7.2.3 Promptly upon obtaining knowledge thereof, a statement describing all significant occurrences and circumstances affecting the Marina or its operation, and all occurrences and circumstances affecting in any manner Owner's interest in and to the Marina. Without limiting the above, Manager shall promptly notify Owner in writing of the commencement of any legal actions or proceedings affecting, or relating to, the Marina.

7.2.4 Upon the expiration of the Term, an inventory of the personal property (including, without limitation, office equipment, boats and motor vehicles, office supplies and other expendable items, if any) owned or leased in connection with the Marina.

7.2.5 Intentionally Omitted.

7.3 Format. The format for the statements provided for in Section 7.2 shall be in a format reasonably approved by Owner. The operational statements provided for in Section 7.2 shall be prepared in accordance with the accounting method prescribed by Owner and conform to generally accepted accounting principles.

7.4 Delivery Upon Termination. Any books and records prepared or maintained by Manager in connection with the Marina shall at all times be strictly confidential, shall be Owner's sole Marina and shall not be removed from Manager's on-site or main corporate office without Owner's prior written consent. On the date of termination of the Agreement, Manager shall deliver to Owner copies of Manager's records related in any way to the Marina.

8. TERM

8.1 Initial Term. The Term of this Agreement shall be for two (3) years, commencing on the Effective Date (the "**Initial Term**"). Unless written notice to terminate is given by either party to the other at least ninety (90) days prior to the end of the initial Term, this Agreement shall be automatically renewed, upon and subject to the term and conditions set forth in this Agreement. In the event of any such automatic renewal, this

Agreement may be Terminated without cause by either Owner or Manager upon not less than ninety (90) days' prior written notice to the other party. The Initial Term, as automatically renewed from time to time pursuant to this Section 8.1 is referred to as the "**Term**".

8.2 Termination. Owner may terminate this Agreement with or without any reason whatsoever beyond the minimum term of the Agreement upon ninety day (90) notice to Manager. Owner may also terminate this Agreement prior to expiration of Agreement by giving ninety day (90) notice and paying Manager the Minimum Monthly Management Fee for the balance of the Agreement term as calculated from the end of the ninety day (90) notice period, or for twelve (12) months, whichever is less.

8.2.1 Termination for Cause by Owner. Upon the occurrence of any of the following events, Owner shall have the right to immediately terminate this Agreement by 90 day prior written notice to Manager.

(i) Dissolution or termination of the corporate, partnership or limited liability company existence of Manager (or Manager's general partner or managing member, as the case may be) by merger, consolidation or otherwise or an action having as its purpose a merger of Manager;

(ii) If at any time during the Term of this Agreement, Manager is engaged in activities at the Marina which require it or its agents and employees to maintain a real estate brokerage license, the termination or suspension of such real estate brokerage license;

(iii) Cessation on Manager's part to continue to do business;

(iv) Failure of Manager to properly deal with and account for trust funds;

(v) The bankruptcy, insolvency, or assignment for the benefit of the creditors of Manager (or Manager's general partner, managing member, or majority shareholder as the case may be); or appointment of a receiver, liquidator or trustee of Manager (or Manager's general partner, managing member, or majority shareholder, as the case may be) by court order;

(vi) Gross negligence, intentional misconduct or fraud in the performance of Manager's duties and obligations under this Agreement;

(vii) Manager's failure to cure a breach of this Agreement within fifteen (15) days after written notice from Owner; or

(viii) Any default by Manager or any affiliates under any other agreement entered into from time to time between or among Manager or any of its affiliates and Owner or any of its affiliates respecting the Property.

8.2.2 Termination on Sales. This Agreement shall terminate automatically and immediately upon sale of the Marina by Owner.

8.2.3. Termination for Cause by Manager. Manager may terminate this Agreement for cause upon Owner's failure to cure (i) any monetary breach of this Agreement within ten (10) days after Owner's receipt of written notice of such monetary breach from Manager and (ii) any non-monetary breach of this Agreement within thirty (30) days after Owner's receipt of written notice of such non-monetary breach from Manager.

8.2.4 Casualty and Condemnation. Notwithstanding anything to the contrary contained in this Agreement, Owner may terminate this Agreement pursuant to the provisions of Section 11.1 and 11.2 of this Agreement.

8.3 Obligations Upon Termination.

8.3.1 Upon any termination of this Agreement by either party, Manager shall forthwith surrender and deliver to Owner any space in the Marina occupied by Manager, all monies of Owner held by Manager, if any, and/or in any bank account and any and all monies due Owner which are received by Manager after termination. Manager shall also assign all contracts, licenses, permits and other agreements, if any, to Owner which Manager has entered into or obtained for the benefit of Owner or the Marina. Further, Manager shall deliver to Owner all such contracts, documents, papers, and records pertaining to the Marina or to this Agreement as Owner may reasonably request, and furnish all such information and take all such action as Owner shall require in order to effectuate an orderly and systematic termination of Manager's duties and activities under this Agreement. Manager shall provide Owner with a final accounting of all records relating to this Agreement no later than thirty (30) days after termination. Manager shall, for a period of thirty days (30) after the termination of this Agreement make itself available to advise Owner regarding management and operation of Marina for a fee equal to \$175.00 per hour (Minimum billing amount shall be \$100.00).

9. RESPONSIBILITIES OF OWNER: In consideration of the management services to be rendered by Manager under this Agreement, Owner agrees as follows:

9.1 Owner shall promptly furnish Manager with all documents and records required for the management of the Marina, including but not limited to all License Agreements, amendments and correspondence related thereto; all equipment warranties, building plans, specifications, certificates of occupancy, permits and similar documents relating to the construction and operation of the building, the status of rental payment, mortgage loan information and payment instructions; copies of service contracts in effect; and all applicable insurance policies.

9.2 Owner shall at all time maintain sufficient funds in the Operating Account to enable Manager to pay all obligations of the Marina in a timely manner, which are reasonably sufficient to pay for anticipated expenses (after taking into account projected revenues) at the Marina for a period of approximately six (6) weeks (which amount Owner and

Manager agree shall initially be in an amount equal to \$ **Fifty Thousand Dollars and no cents** (\$50,000.00); provided that Owner will not unreasonably withhold its consent to any request by Manager to adjust such amount as reasonably necessary to address seasonal changes in anticipated revenues at the Marina) (the “**Minimum Balance**”). If collections are projected to be insufficient or will not be received in time to satisfy these requirements, Owner shall promptly provide Manager with the necessary funds, in advance. If Owner has not provided said funds within seven (7) days after Manager’s request for them, Manager may, at Manager’s sole option, terminate this Agreement in accordance with Section 8.2.3. Manager shall not be required to advance funds for Owner’s account; provided, however, that should Manager make a payment for Owner’s account and should a deficit occur therein, upon notification by Manager, Owner shall immediately remit to Manager sufficient funds to remove the deficit.

10. **AFFILIATE TRANSACTIONS.** Notwithstanding anything to the contrary contained in this Agreement, any contract license or lease of any kind whatsoever between Manager and any subsidiaries or affiliates of Manager, if any, or any persons, corporations or other entities, if any, controlling Manager or any persons, corporations or other entities, if any, owned or controlled by such persons, corporations or other entities, if any, which control Manager, shall be subject to the prior written approval of Owner which approval may be withheld in Owner’s sole discretion.

11. **CASUALTY AND CONDEMNATION.**

11.1 **Casualty.** If the Marina or any portion thereof is damaged or destroyed by any casualty (a “**Casualty**”) and Owner elects to restore such Casualty, this Agreement shall remain in full force and effect. If Owner does not elect to restore any Casualty, this Agreement, at Owner’s option, shall terminate on the fifteenth (15th) day following receipt by Manager of Owner’s notice of Owner’s election not to so restore. Manager shall not be entitled to damages (whether direct, indirect, special, incidental, consequential, or otherwise) by virtue of termination of this Agreement pursuant to this Section 11.1 nor shall Manager be entitled to the payment of any insurance proceeds resulting from such Casualty, which proceeds shall be and become the sole Marina of Owner.

11.2 **Eminent Domain.** If the Marina or any portion thereof shall be taken or condemned in any eminent domain, condemnation, compulsory acquisition or like proceeding by or to any governmental authority, Owner shall have the right, at Owner’s option, to terminate this Agreement effective fifteen (15) days after original notice to Manager of such termination. Any award for such taking or condemnation shall be and become sole Marina of Owner, and Manager shall not be entitled to any damages (whether direct, indirect, special, incidental, consequential, or otherwise) from Owner by virtue of such taking or condemnation.

12. **OWNERSHIP OF PROJECT; ACCESS.**

12.1 **Right of Entry.** Owner hereby grants to Manager the right to enter into and upon the Marina (subject to the rights of licensees and other occupants) at any and all times during the Term of this Agreement for the purpose of performing its obligation under this Agreement with respect to operating or managing the Marina; provided, however; that (i) the

aforesaid right of Manager is not the grant of an interest or estate in real property (whether fee, leasehold or otherwise), but rather constitutes a mere license, and (ii) Owner has and retains all rights incidental to the fee ownership of the Marina, including, without limitation, all rights to possession of the Marina.

12.2 Reservation of Right. Owner specifically reserves the right to enter into and upon the Marina at any and all times during the Term of this Agreement for any purpose including, without limitation, examining and inspecting the Marina and the machinery, equipment, wires, connections, fittings, facilities and other property contained therein or affixed thereto and for the purpose of determining whether Manager shall have complied with his obligations under this Agreement.

13. SUBORDINATION.

13.1 Subordination. This Agreement shall not constitute an interest in real estate but in all events shall be subordinate to any mortgage, ground lease or underlying lease now or hereafter encumbering the Marina or the improvements thereon or any portion thereof. In confirmation of such subordination, the Manager shall execute and deliver to the holder of such mortgage, ground lease or underlying lease such subordination instruments as the holder may reasonably request. The parties hereto also agree to such modifications to this Agreement as may be reasonably requested by the holder or holders of any such mortgages, ground leases, or underlying leases.

13.2 Estoppel Certificate. Manager agrees at any time and from time to time, to execute, acknowledge and deliver to Owner a statement in writing (i) certifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications), (ii) stating whether or not Owner is in default of any covenant, agreement or condition contained in this Agreement, and if so, specifying each such default of which Manager may have knowledge, (iii) stating the address to which notices to Manager shall be sent and (iv) such other information as may be reasonably requested by Owner.

14. INDEMNIFICATION.

14.1 Manager shall indemnify, protect, defend and hold harmless Owner, and each shareholder, partner, member or other person who holds a direct or indirect ownership interest in Owner and its and their respective members, partners, shareholders, directors, officers, employees, successors and assigns (each and “**Owner Indemnified Party**”) from and against any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including attorney’s fees and court costs (collectively, “**Losses**”) sustained or incurred by or asserted against any Owner Indemnified Party by reason of or arising out of (i) Manager’s breach of the duties and obligations required to be performed by Manager pursuant to this Agreement, (ii) acts by Manager outside the scope of Manager’s authority under this Agreement, or (iii) the gross negligence or intentional misconduct of Manager or its agents or employees.

14.2 Owner shall indemnify, protect, defend and hold harmless Manager, and each shareholder, partner, member or other person who holds a direct or indirect ownership interest in Manager and its and their respective members, partners, shareholders, directors, officers, employees, successors and assigns (each a “**Manager Indemnified Party**”) from and against any and all Losses sustained or incurred by or asserted against any Manager Indemnified Party by reason of or arising out of the gross negligence or intentional misconduct of Owner or its agents (other than Manager) or employees.

15. ASSIGNMENT.

15.1 Owner may assign this Agreement without the consent of Manager.

15.2 This Agreement is personal to Manager, and Manager shall have no right, power, or authority to assign all or any portion of this Agreement or any monies due or to become due hereunder, or to delegate any duties or obligations arising hereunder, either voluntarily or involuntarily or by operation of law, without the prior written consent of Owner. Notwithstanding any permitted assignment, Manager shall not be released from liability under this Agreement.

15.3 Subject to the foregoing and the provisions of Section 8.2.2, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

16. PUBLICITY. Manager agrees that the term of the transactions contemplated by this Agreement, the identities of Owner and all information made available by one party to the other or in any way relating to the other party’s interest in the transactions, shall be maintained in strict confidence and no disclosure of such information will be made, except to such prospective licensees, attorneys, accountants, investment advisors, brokers and others as are reasonably required to evaluate and consummate that transaction. Manager further agrees and covenants that Manager shall not disclose or authorize the disclosure of the term of this Agreement or any instruments, documents, or assignments delivered in connection with this Agreement, or the identity of the other party to this Agreement in any public statement, news release, or other announcement or publication, except as specifically authorized in writing by Owner.

17. CONFIDENTIALITY. To the extent that information regarding the Marina, its ownership, financing, policies, procedures and/or other matters is made available to Manager and would otherwise be held as confidential, Manager agrees to respect and to cause its employees and agents to respect said confidentiality. All documents, plans, drawings, correspondence or other materials furnished by Owner to Manager shall remain the Marina of Owner and, upon the termination of this Agreement or upon Owner’s earlier request, shall be returned to Owner.

18. THIRD PARTY BENEFICIARY. This Agreement shall not be deemed to confer any rights upon any individual or entity which is not a party hereto, and the parties hereto expressly disclaim any such third-party benefit.

19. STAFF AND NATURE OF RELATIONSHIP. The nature of the relationship between Owner and Manager is as set forth in this Agreement. Manager acknowledges and agrees that it is acting solely as an independent contractor and not as a partner, joint venture, employee or agent of Owner. Manager shall perform the services, or cause its officers and employees to perform the services, described in this Agreement. Neither Manager nor its officers, agents or employees are granted any power to act as a legal representative of Owner, to make a contract or legal commitment on behalf of Owner, to execute License Agreements on behalf of Owner or to make any representations or warranties on behalf of Owner, except as they may be authorized by this Agreement or by other written approval by Owner.

20. MISCELLANEOUS.

20.1 Legal Counsel. Where, in Manager's judgment, legal counsel is required in connection with the Marina or any other activities pursuant to this Agreement, such counsel shall be through attorney designated and directed by Owner.

20.2 Attorneys Fees. In the event either Owner or Manager fails to perform any of its obligations under this Agreement, or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its right hereunder, including, without limitation, court costs and reasonable attorneys' fees. In addition, the defaulting party of the party not prevailing in such dispute shall pay to the other party attorneys' fees incurred by that party in any post judgment proceedings to collect or enforce any judgment on this Agreement. This provision is separate and several and shall survive the merger of this provision into any judgment on this Agreement.

20.3 Notices. Any notice required by the term hereof shall be given in writing at the address set forth on **Exhibit "D"** respectively for the Owner and the Manager as designated therein by any of the following means: (a) personal service, (b) telecopy or (c) registered or certified mail, return receipt requested, or (d) overnight or next day delivery service. Such addresses may be changed by either party by notice to the other in the manner provided above. Any notice sent (i) pursuant to subsection (a) shall be deemed received upon personal service, (ii) pursuant to subsection (b) shall be deemed received upon dispatch by electronic means and (iii) pursuant to subsection (c) shall be deemed received three (3) days following deposit in the United States mail.

20.4 Captions. The captions of this Agreement are inserted only for the purpose of convenient reference and do not define, limit or prescribe the scope or intent of this Agreement or any part hereof.

20.5 Applicable Law. This Agreement shall be construed in accordance with the laws of the State in which the Marina is located.

20.6 Entire Agreement. This Agreement embodies the entire understanding of the parties and there are no further agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof.

20.7 No Waiver. No failure by Owner to insist upon the strict performance of any obligation, covenant, agreement, Term, or condition of this Agreement, or to exercise any right or remedy available upon a breach or any subsequent breach of such obligation, covenant, agreement, Term, or condition, shall act as a waiver of any rights or remedies under this Agreement. No obligation, covenant, agreement, Term, or conditions of this Agreement and no breach of this Agreement shall be waived, altered, or modified, except by written instrument. No waiver of any breach shall affect or alter this Agreement, but each and every obligation, covenant, agreement, Term, and condition of this Agreement shall continue in full force and effect with respect to any other then-existing or subsequent breach of this Agreement.

20.8 Severability. Each provision of this Agreement is intended to be severable. If any Term or provision of this Agreement shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, that provision shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement.

20.9 Time Is Of The Essence. Time is of the essence of this Agreement.

20.10 Further Assurances. The parties hereby agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement.

20.11 Ownership of Fixtures and Personal Property. Manager acknowledges that Owner owns all fixtures and personal property situated on or about the Marina as used in or necessary for the operation, maintenance and occupancy of the Marina, excluding only boats and other personal property owned by licensees under the License Agreements within the Marina.

20.12 Terminology. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural; and the plural shall include the singular.

20.13 Counterparts. This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single instrument.

20.14 Interpretation. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by any court or other

governmental or judicial authority by reason of such party having or being deemed to have structured or drafted such provision.

20.15 Intentionally Omitted.

20.16 Exhibits and Recitals. The exhibits and recitals to this Agreement are an integral part of this Agreement and are incorporated into this Agreement by reference and made a part of this Agreement.

SIGNATURES:

Marina Signature/Title for

COASTAL MARINA MANAGEMENT, LLC Signature/Title for

IN WITNESS HEREOF, the parties hereto have executed this Agreement on this the _____ day of _____, 2017

Witness: _____

