

SHELTER ISLAND MARINA INC.

6911 Graybar Road, Richmond, B.C. V6W 1H3 Marina Tel: 604-270-6272 Fax: 604-273-6282 Toll Free: 877-270-6272

DRY STORAGE CONTRACT

GST 104830385

(Not Transferable)

The undersigned (the "Owner") hereby applies for permission to use the dry storage facilities (the "Storage Facilities") located at Shelter Island Marina (the "Marina") to store the vessel (the "Vessel") described below from _____ to _____.

The Owner hereby agrees to the provisions of this Contract as set out on this page and appearing on the succeeding pages of this Contract (collectively, the "Terms") including without limitation the Marina Rules and Regulations (as defined below) and to pay to Shelter Island Marina Inc. (the "Company") for the use of the Storage Facilities the following fees:

<input type="checkbox"/> Daily	Storage Fees:	\$ _____
<input type="checkbox"/> Monthly	Utility Fees:	\$ _____
<input type="checkbox"/> Semi Annual (6 months)	GST:	\$ _____
	Plus Security Deposit	\$ _____
	Total (payable in advance):	\$ _____

and the Owner will pay to the Company such increased fees for the use of the Storage Facilities as the Company shall from time to time charge. **THE COMPANY MAY CHANGE THE FEES AT ANY TIME IN ITS SOLE AND ABSOLUTE DISCRETION**, but shall provide written notice of material changes to fees. Posting an updated fee or rate schedule at the Marina office or at the Company's website (www.shelterislandmarina.com) shall constitute effective written notice to the Owner. The Owner shall pay the total set out in advance for the applicable time period, and shall promptly pay as billed or when requested by the Company the amounts which become owing by the Owner for use of the Storage Facilities. The Company agrees, subject to the observance by the Owner of the Terms, to allow the Owner to store the Vessel at the Storage Facilities for the period applied for.

VESSEL LIFT: *IF APPLICABLE, CHECK BOX*

The Owner hereby requests that the Company use its vessel lifting facilities (the "Lift Facilities") located at the Marina to lift the Vessel to or from the water or otherwise as directed by the Owner (the "Lift Services") on each occasion requested. The Owner hereby agrees to pay immediately the fee requested by the Company at the time of each use of the Lift Facilities to lift the Vessel.

ITEMS STORED IN STORAGE FACILITIES: *IF APPLICABLE, CHECK BOX*

The Owner hereby requests that the Company consent to the storing of the following containers, items and materials: _____

(if more space is required, list additional items in a schedule attached to this Contract)

The Owner HEREBY REPRESENTS AND WARRANTS that the information in this application is accurate and HEREBY AUTHORIZES the Company and its agents to obtain such credit reports or other information as required to complete a credit investigation. This consent is given pursuant to Section 7 of the B.C. *Personal Information Protection Act*, the relevant provisions under the B.C. *Business Practices and Consumer Protection Act*, and any amendments and replacements thereto from time to time.

PLEASE MAKE CHEQUES PAYABLE TO SHELTER ISLAND MARINA INC. THE OWNER IS REQUIRED TO CHECK THE VESSEL REGULARLY AND ENSURE IT IS PROPERLY STORED, MAINTAINED, AND CARED FOR. ANY VESSEL STORED WITHOUT A SIGNED CONTRACT MAY BE IMPOUNDED. ELECTRICITY AND GARBAGE DISPOSAL AND OTHER SERVICES ARE NOT INCLUDED IN THE STORAGE FEE. THE COMPANY ASSUMES NO RESPONSIBILITY FOR THE CARE, SECURITY OR PROTECTION OF THE VESSEL.

RENEWAL NOTICES MUST BE RECEIVED BY THE 5TH OF THE LAST MONTH UNDER CONTRACT. THE OWNER MAY TERMINATE THIS CONTRACT AND VACATE THE MARINA BY PROVIDING THE COMPANY WITH 45 DAYS' TERMINATION NOTICE.

THIS CONTRACT CONTAINS TERMS WHICH EXCLUDE LIABILITY OF THE COMPANY FOR DAMAGE AND PERSONAL INJURY AND WHICH PROVIDE AN INDEMNITY TO THE COMPANY. PLEASE READ THE FOLLOWING PAGES CAREFULLY.

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I have read all the pages of this Contract and I agree with all the Terms and Conditions.

Accepted by **Shelter Island Marina Inc.**

Per:

Owner/Authorized Representative of the Owner

Authorized Representative

Name of Vessel _____

VESSEL INFORMATION (Please print)

Length _____

Insured By _____

Vessel Type _____

Policy No. _____

OWNER INFORMATION (Please print)

Full Legal Name _____

Address _____

Authorized Representative _____

City _____

Phone No. (Cellphone) _____

Postal Code _____

*Email _____

Person to contact in case of emergency _____

valid email address required

Phone No. _____

PLEASE READ THE FOLLOWING PAGES CAREFULLY

DRY STORAGE CONTRACT TERMS

1. **Consideration.** For good and valuable consideration received by each party, the receipt and sufficiency of which are hereby acknowledged by the parties, the Company and the Owner agree as set out herein.
2. **Storage of Vessel.** The Company may at any time and from time to time require that the Vessel be stored at a different location or bay at the Storage Facilities. **This Contract is not a lease nor does it create a bailment.** Neither the bay nor the Vessel when stored at the bay may be used as living quarters or a residence or otherwise for residential accommodation. The Owner shall have no proprietary rights whatsoever to any bay. The Company shall have the right at any time and from time to time, without any notice to the Owner and at the sole risk of the Owner, to rearrange the position or orientation, or change the location, of the Vessel and the Owner hereby appoints the Company as its agent for such purposes.
3. **Vessel Maintenance and Protection.** The Owner hereby acknowledges and agrees that the Owner bears **SOLE RESPONSIBILITY** for the adequacy of any blocking or bracing of the Vessel, whether performed by the employees of the Company or otherwise, and for the maintenance, storage conditions/materials, weather protection, and covering of the Vessel, and the Owner shall regularly inspect the Vessel (including its power hook up) and ensure the integrity and safety of the blocking and bracing and the general condition of the Vessel and any structures or materials used to store same, and ensure that the Vessel is stored properly to the satisfaction of the Owner. The Owner further agrees that the Vessel shall, at all times, be properly stored, maintained, and cared for, including but not limited to weatherproofing and winterization.
4. **Description of Vessel.** The Owner represents and warrants that the description of the Vessel on the first page of this Contract is accurate and complete. If, in the sole and absolute discretion of the Company, the description of the Vessel is inaccurate or incomplete in any respect, whether material or not, the Company may refuse to allow the Vessel to be stored at the Marina or, if the Vessel is already stored at the Marina, the Company may exercise its right of termination pursuant to Section 17 of this Contract. In the event that any containers, items or materials are listed in the box on the first page of this Contract, or in the event that the Owner is storing any containers, items, materials or other personal property, other than a vessel, at the Storage Facilities (all such stored items, collectively, the **"Items"**), then the provisions of this Contract shall apply to the Items and be read as though, in each use of the word "Vessel", the word "Items" were used instead. If and when requested by the Company from time to time, the Owner shall promptly provide the Company with a list of all Items stored at the Storage Facility. No petroleum products, organic or inorganic waste, pollutants, contaminants, deleterious substances, asbestos materials, hazardous, corrosive, or toxic substances, special waste or waste of any kind shall be stored in the Storage Facilities.
5. **Ownership.** The Owner further represents and warrants that they are the sole legal and beneficial owner of the Vessel and have authority to enter into this Contract.
6. **Lift Services.** The time of the providing of any Lift Services shall be entirely at the discretion of the Company, and without limitation, the Company shall not be required to provide Lift Services in any circumstances that it considers dangerous or unsafe, in its sole and absolute discretion. The Company may, at its sole and absolute discretion, refuse to lift or launch the Vessel if any fees are owed by the Owner in connection with this Contract or any other contract between the Owner and the Company (collectively, the **"Outstanding Fees"**) and the Company's accounting shall be conclusive evidence of whether there are any Outstanding Fees.
7. **Utility Fees.** The Owner shall immediately pay, as an additional fee, all fees charged by the Company in respect of electricity, garbage disposal and other utilities and services, as the Company shall in its sole and absolute discretion consider reasonable (collectively, the **"Utility Fees"**). If the Owner fails to pay any Utility Fees, the Company may at any time thereafter and without any notice, immediately or after such period of time as the Company determines in its sole and absolute discretion, terminate some or all of the utilities and services provided, without limiting any other remedies available to the Company as a result of the Owner's failure to pay. The Company is entitled to change these fees, in its sole and absolute discretion, at any time, but shall provide written notice of any material changes to the Owner. Posting an updated fee or rate schedule

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at the Marina office or at the Company’s website (www.shelterislandmarina.com) shall constitute effective written notice to the Owner.

8. **Payments Due Upon Signing.** All storage fees are payable in advance and subject to applicable taxes. Storage fees for the applicable period set out on the first page of this Contract must be paid in full immediately upon execution of this Contract by cash, credit card or cheque, or the daily rate (as may be set out in the fee or rate schedule posted at the Marina office or at the Company’s website [www.shelterislandmarina.com] from time to time, hereinafter referred to as the “Daily Rate”) shall apply. All accounts are due immediately upon being issued by the Company. The Owner shall pay interest on all overdue accounts at a rate of two percent per month (twenty-four percent per year), compounded monthly. In the event an account is still unpaid by the 15th of the month, the Company in its sole and absolute discretion may elect to charge or continue charging interest as aforesaid or to place the Vessel and storage on the Daily Rate. The Owner shall reimburse the Company on demand for all losses, costs and expenses incurred by the Company to collect overdue accounts, whether by legal action or otherwise, including legal fees on a full indemnification basis.

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9. **Marina Use and Safety.**

- a) The Owner and the Owner’s agents, guests, employees, invitees, licensees, contractors, and any other person at the Marina in connection with the Vessel or the Owner’s use of the Marina, or for whom the Owner is responsible at law (collectively, with the Owner, referred to as the “Owner Parties”) shall not carry on any business activity at the Marina without the prior written consent of the Company, which consent may be withheld or withdrawn by the Company in its sole and absolute discretion.
- b) The Owner Parties shall not carry on any activity at the Marina or on the Vessel while it is stored at the Marina that may be deemed by the Company, in the Company’s sole and absolute discretion, to be a nuisance or unsafe.
- c) The Owner Parties shall not permit any garbage, bilge contents, petroleum products or other organic or inorganic wastes, contaminants, hazardous substances or pollutants to be emptied overboard or escape from the Vessel or be deposited anywhere within the Marina except into receptacles provided for that purpose, if any. The Owner Parties shall strictly and fully comply with all environmental laws. Without the express written consent of the Company, the Owner Parties shall not bring any contaminants, hazardous substances or pollutants onto the Marina excepting only fuel and lubricants in the fuel tanks, engine and operating parts of the Vessel. **The Owner shall notify the Company promptly of any breach or suspected breach of this Section and shall indemnify the Company against all losses and expenses arising therefrom.**
- d) No litter or debris shall be left on the Marina, except that non-toxic refuse may be placed in the containers provided for that purpose.
- e) If the Vessel is a hazard to other vessels or the Marina, as determined by the Company in its sole and absolute discretion, the Owner at the Owner’s expense must remove the Vessel from the Marina. **The Company may, but is not obligated to, arrange for the removal from the Marina of any vessel or other item which, in the Company’s opinion, in its sole and absolute discretion, appears to be a hazard to other vessels or the Marina, in which case the Owner shall indemnify the Company for the costs of such removal plus an administration fee of 10%. The Company shall not be liable for any loss suffered by the Owner Parties or damage to the Vessel by reason of removing the Vessel from the Marina.**

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10. **Terms, Rules, and Regulations.** The Owner Parties shall comply with the Terms, and with such additional or changed terms, rules or regulations as are from time to time made by the Company, in its sole and absolute discretion. The Terms include, without limitation, the provisions set out in this Contract and on the first page, the Marina’s rules and regulations from time to time (the “**Marina Rules and Regulations**”), the Marina’s boat yard rules and regulations from time to time (the “**Boat Yard Rules and Regulations**”), the Marina’s contractors’ rules and regulations from time to time (the “**Contractors’ Rules and Regulations**”), and any additional or changed terms, rules or regulations, and all of the foregoing are hereby incorporated as provisions of this Contract and shall form a part of this Contract as if repeated herein. **The Owner shall ensure that the Owner Parties comply with the Terms and the Owner agrees to indemnify the Company for any failure of any of the Owner Parties to comply with the Terms.** The Company is entitled to change the Marina Rules and Regulations, the Boat Yard Rules and Regulations and the Contractors’ Rules and Regulations, in its sole and absolute discretion, at any time and from time to time, but shall provide written notice of any material changes. Posting the updated or changed Marina Rules and Regulations, Boat Yard Rules and Regulations and Contractors’ Rules and Regulations, as the case may be, at the Marina office or at the Company’s website (www.shelterislandmarina.com) shall constitute effective written notice to the Owner. The Owner hereby acknowledges receipt of a true copy of the Marina Rules and Regulations, the Boat Yard Rules and Regulations and the Contractors’ Rules and Regulations in force on the date of this Contract.
11. **Insurance.** For the duration of this Contract, the Owner shall obtain and maintain insurance coverage for the full value of the Vessel, its contents and any personal property moored or stored at the Marina, including without limitation any Items, which insurance shall include without limitation **a minimum of \$1,000,000.00 third party liability coverage** and name the Company as an additional insured. The Owner shall promptly provide evidence of the insurance policy to the Company upon request. The parties agree that this clause does not operate as any limitation or exclusion of the Owner's liability but does operate to limit and exclude the Company’s liability in respect of the Vessel.
12. **Registry Transfer.** If the Vessel is federally registered, the Company may, in its sole and absolute discretion, require the Owner to provide the Company with an executed Registry Transfer in advance of, and for the duration or any portion thereof, of the moorage and/or storage of the Vessel at the Marina, and the Owner covenants to provide the Company with the same upon demand. The Company covenants to make no use of the Registry Transfer except in accordance with a sale or disposition hereunder; and, provided that the Owner pays in full to the Company all fees under this Contract, the Company covenants to return the Registry Transfer to the Owner unused when the Owner removes the Vessel from the Marina, or, if applicable, claims the Vessel from any impoundment facilities.
13. **Default.** The Owner will be in default under this Contract if any of the following events occur (each, an “**Event of Default**”):
- (a) any of the Owner Parties breaches any of the terms of this Contract or fails to abide by any of the Terms at any time;
 - (b) the Owner fails to pay any Fees or any Outstanding Fees;
 - (c) the conduct of any of the Owner Parties or the Owner Parties’ use of the Marina is, in the sole and absolute discretion of the Company, prejudicial to the orderly and safe operation of the Marina, the safety of other persons or their property, or constitutes a nuisance or annoyance to the Company or its customers;
 - (d) the Owner is insolvent, or commits or threatens to commit an act of bankruptcy, or if proceedings are taken by or against the Owner under the *Bankruptcy and Insolvency Act* or any other law regarding arrangements with creditors or if a receiver is appointed to administer, manage or proceed with the liquidation of all or part of the Owner’s assets or if actual proceedings are taken by or against the Owner in order to obtain liquidation or winding-up;
 - (e) a notice of disposition is issued for the Vessel by a lien holder under the *Commercial Liens Act* [SBC 2022] c. 9 (“*CLA*”), or a secured party under the *Personal Property Securities Act* [RSBC 1996] c. 359

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- (“PPSA”), as those laws may be amended or replaced from time to time;
- (f) the Vessel is arrested or detained; or
- (g) if the Owner dies (if the Owner is an individual), or if the Owner cease to exist (if the Owner is not an individual).

14. Remedies after Default.

- (a) If an Event of Default occurs, the Company may, in its sole and absolute discretion:
 - (i) terminate this Contract by providing the Owner 48 hours’ notice of termination, provided however that the Company’s other remedies herein shall survive any such termination, and
 - (ii) exercise any of the following remedies:
 - (A) arrest and pursue a judicial sale of the Vessel;
 - (B) sell and absolutely dispose of the Vessel in any manner whatsoever (including, without limitation a disposition by way of destruction, or sale for scrap); or
 - (C) effect a sale or disposition of the Vessel in accordance with the provisions of the *CLA* to realize any Outstanding Fees owing for 30 days or longer.
- (b) If the Owner has any Outstanding Fees, the parties agree that the Company has:
 - (i) a maritime lien;
 - (ii) a statutory right *in rem* to arrest and pursue the judicial sale of the vessel;
 - (iii) a charging lien;
 - (iv) a security interest under the provisions of the PPSA; and
 - (v) a commercial lien pursuant to the provisions of the *CLA*,
 over the Vessel in respect of such Outstanding Fees. The Owner and the Company agree that the Company has all the rights and remedies under the *CLA* available to a “lien holder” as defined in the *CLA*.
- (c) If any Outstanding Fees are owing for 30 days or more, the Company shall have a lien for any Outstanding Fees against the Vessel. While the Company may not have possession of the Vessel during the term of this Contract and it is understood by the Owner that he/she/it bears the sole responsibility of the maintenance of the Vessel in accordance with Section 3, the Owner and the Company agree that the Company shall be deemed to have possession of the Vessel under the *CLA*, and all the rights and remedies under the *CLA* are available to the Company as the “lien holder”.
- (d) If the Company exercises any of the remedies under Section 14(a)(ii):
 - (i) the Owner irrevocably authorizes the Company to lift and move the Vessel to any facilities the Company determines to be appropriate in its sole and absolute discretion, and appoints the Company as its agent to do all things and sign all documents necessary for any sale or disposition of the Vessel;
 - (ii) without limiting the foregoing, the Owner shall cooperate with the Company and provide the Company, upon demand, with all documents of title for the Vessel, registry papers, “blue book” and the like, together with an executed bill of sale and, if applicable, an executed bill of sale/transfer form in the form required by and registrable at the Ship’s Registry/Transport Canada and signed by the registered owner (the “**Registry Transfer**”), in order to effect such sale or disposition as contemplated hereunder;
 - (iii) the Company shall be entitled to deduct from the proceeds of any sale or disposition hereunder, in addition to the Outstanding Fees, all costs and expenses of every nature whatsoever incurred by the Company in connection with such sale or disposition (including without limitation legal fees on a solicitor and own client basis and any costs or expenses incurred by the Company in connection with obtaining a declaration in any court regarding the rights of the Company under this section or the validity of a sale or proposed sale of the Vessel pursuant to this Contract), and in the event that such costs and expenses are incurred in connection with an uncompleted sale, the Company shall be entitled to recover from the Owner the costs and expenses incurred by the Company in connection with such uncompleted sale; and

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(iv) the Owner agrees that all Storage Fees and Utility Fees payable hereunder (collectively, the “Fees”) shall continue to accrue irrespective of the Company seizing and impounding the Vessel.

(e) **If the Vessel is arrested or detained by a third party, the Owner covenants, represents, and warrants that it shall take all steps necessary, including without limitation, promptly posting sufficient security or bail and making all necessary court application, to lift the arrest or detention at the Owner’s own expense, failing which, the Company is hereby authorized by the Owner to take such steps in its own name or that of the Owner at the Owner’s sole expense.**

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15. **Other Interests in the Vessel.** The Owner represents and warrants that there are no parties entitled to a notice of disposition under *CLA*, including, without limitation, creditors, persons with a secured interest over the Vessel or persons holding a lien over the Vessel as of the date the Vessel is stored in the Storage Facilities. The Owner further undertakes to promptly notify the Company, without delay, should any party arise who may be entitled to such notice.

16. **Security Interest.** As a general and continuing security for the due payment of Outstanding Fees under this Contract, and in consideration of the Company allowing the Owner to store its vessel at the Storage Facilities and providing such services as set out herein, and for other good and valuable consideration, the receipt and sufficiency of which the Owner hereby acknowledges, the Owner hereby grants to the Company a security interest in the Vessel, including without limitation a security interest in the Items and including without limitation a security interest in any and all present and after-acquired inventory, furnishings, tools, supplies, equipment and other personal property on board the Vessel or located at the Marina during the term of this Contract (collectively, the “**Collateral**”). The Owner represents and warrants that the Collateral is, and the Owner will ensure that the Collateral will at all times be, free of any encumbrances, mortgages, charges, liens, security interests or trusts except the security interest granted hereby or pursuant to this Contract (collectively the “**Security Interest**”) in favour of the Company or any encumbrances, mortgage, charge, liens, security interests or trusts created with the Company’s prior written consent which will be given only if the holder of the charge subordinates its charge to the Security Interest. The Owner shall immediately pay and satisfy the amount secured by any other encumbrance, mortgage, charge, lien, security interest or trust upon the Collateral or any part thereof that is not so approved.

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17. **Termination by Company.** The Company may at any time and for any reason terminate this Contract by giving the Owner 30 days’ notice of termination. Subject to the Company’s rights under Section 14 herein, upon receiving a notice of termination, the Owner shall, at the Owner’s expense, vacate the Storage Facilities on or before the date specified in the notice. Any Outstanding Fees accruing due or to become due for the balance of the term of this Contract shall thereupon become payable immediately.

18. **Termination by Owner.** If the Owner wishes to vacate the Marina, the Owner must give the Company 45 days’ written notice of intention to vacate and the effective date that the Owner vacates must be the last day of a calendar month.

19. **No Refund.** No refund shall be made of any paid Fees in any circumstances.

20. **Copy of Contract:** The Owner hereby acknowledges having received an executed copy of this Contract, and waives all rights to receive from the Company a copy of any financing statement, financing statement (transition), financing change statement or verification statement filed at any time in respect of the Vessel.

21. **Survival.** Notwithstanding anything in this Contract to the contrary, this Contract shall survive the vacating of the Marina by the Owner or Vessel, and the issuance of a notice to vacate for cause or otherwise by either party to this Contract in no way terminates or rescinds any of the terms, conditions, releases, indemnities or exclusions agreed to herein.

22. **Renewal.** The Owner may apply to renew this Contract by sending a written renewal notice to the Company. All renewal notices shall be delivered to the Company by the 5th day of the last month in which this Contract

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expires. The decision to renew is at the sole and absolute discretion of the Company. As a condition of renewal, the Company may at its sole and absolute discretion vary the provisions of this Contract.

23. **Overholding.** If the Vessel continues to be stored at the Storage Facilities after the period applied for on the first page of this Contract or otherwise after the termination of the right of the Owner to store the Vessel at the Storage Facilities, the Owner shall promptly pay to the Company for such unauthorized storage 150% of the highest Daily Rate charged by the Company in respect of vessels having the similar specifications as the Vessel. The provisions of this Contract shall apply to such unauthorized storage, except that the Company shall not be deemed to have consented to or permitted such storage, and such storage shall be month-to-month.

24. **Limitation of Liability and Indemnification.** The Owner acknowledges that operation, lifting, storage and the maintenance of marine vessels involve many inherent risks, dangers and hazards and hereby agrees and acknowledges that:

a) **THE OWNER FULLY ASSUMES AND ACCEPTS ALL SUCH RISKS, DANGERS AND HAZARDS, INCLUDING WITHOUT LIMITATION THE POSSIBILITY OF PERSONAL INJURY, DEATH, AND LOSS OR THEFT OF THE VESSEL, ITS CONTENTS, AND PERSONAL PROPERTY. THE VESSEL, ITS CONTENTS AND ANY PERSONAL PROPERTY MOORED OR STORED AT THE MARINA ARE DONE SO AT THE OWNER’S SOLE AND EXCLUSIVE RISK;**

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b) The Owner understands the Company shall **NOT BE LIABLE FOR ANY LOSS OR DAMAGE OF OR DETERIORATION TO THE VESSEL BY ANY REASON WHATSOEVER**, including the seizing, lifting, impounding of the Vessel in accordance herewith, or otherwise enforcing any rights or remedies of the Company;

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c) Notwithstanding the rights granted to the Company under Section 14 of this Contract, the Company does not in any way take possession of, or undertake any duty to take care of, any vessel stored under this Contract or otherwise at the Marina;

d) The Owner hereby acknowledges that the Company will not at any time be in possession of the Vessel and therefore will owe no duty of care under section 24(1) of the *CLA*;

e) The Company does not represent that the bay or Storage Facilities are fit for any purpose. The Owner accepts the Marina premises on an “AS IS, WHERE IS” basis and acknowledges that, in its own judgment, the Storage Facilities and bay are suitable and appropriate for the Vessel;

f) **THE COMPANY IS NOT LIABLE OR RESPONSIBLE FOR, AND THE OWNER HEREBY WAIVES AND RELEASES THE COMPANY FROM, ANY LOSS, THEFT, DAMAGES OR EXPENSES, OF ANY NATURE WHATSOEVER (INCLUDING WITHOUT LIMITATION THOSE ARISING OR RESULTING FROM PERSONAL INJURY, DEATH, OR LOSS OR THEFT OF OR DAMAGE TO VESSELS, CONTENTS, OR PERSONAL PROPERTY, AND THOSE SUFFERED OR INCURRED BY ANY OF THE OWNER PARTIES), HOWEVER CAUSED, WHETHER BY NEGLIGENCE OF THE COMPANY OR THE ACTS OF THIRD PARTIES, INCLUDING WITHOUT LIMITATION CONTRACTORS OR VENDORS OPERATING ON MARINA PROPERTY, OR OTHERWISE;**

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g) the Owner agrees to indemnify the Company for any and all costs in connection with the Company enforcing its remedies including but not limited to impoundment fees, survey fees, towage costs, storage costs, bailiff fees, legal fees (on a full indemnity basis, including legal fees for proceedings initiated by the Owner against the Company in breach of this

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Contract or otherwise) and any costs or expenses incurred in respect of third parties (including but not limited to mortgagees of the Vessel);

- h) the Owner shall hold harmless and indemnify the Company, and each of its directors, officers, agents, contractors and employees, in respect of any and all claims, loss, risk, damage, demand, suit, judgment, costs or legal fees (including the Owner's own legal fees, on a full indemnity basis, incurred in defending such claims) and liability of whatever nature, including without limitation claims or liability for personal injury, death, or loss of or damage to vessels or contents, suffered by the Company, any of the Owner Parties, or third parties (including without limitation to any children or minors under the supervision of the Owner Parties), as a result of or in connection with the Owner Parties' attendance at the Marina or use of the Storage Facilities, or in connection with the Company providing the Storage Facilities or Lift Services, however caused, whether by negligence of the Company or the acts of third parties, including without limitation contractors or vendors operating on Marina property, or otherwise; and
- i) the Owner further agrees to be liable for any loss, damage or destruction caused to the Company's property, in whole or in part, by the Owner Parties or in connection with the Vessel or the Owner Parties' use of the Storage Facilities, and to pay the costs and expenses incurred by the Company in respect of restoring such loss, damage or destruction, within 30 days of receiving an account for the same.

25. **No Assignment by Owner.** This Contract is personal to the Owner. The Owner shall not assign this Contract or permit the bay to be occupied by any vessel other than the Vessel, in either case without the express prior written consent of the Company, which consent may be withheld in the Company's sole and absolute discretion. A person purchasing the Vessel shall not acquire any of the rights arising under this Contract, which rights will automatically terminate (notwithstanding that the Owner's obligations shall survive) upon any change in ownership of all or any part of the Vessel, unless the Company, in its sole and absolute discretion, agrees otherwise. Before selling the Vessel, the Owner shall bring this Section to the attention of the prospective purchaser and of any agents acting on behalf of either the Owner or the prospective purchaser, and shall advise the transferee to provide the Company with the Bill of Sale, and evidence of insurance for the Vessel, in connection with any request by the transferee to assume this Contract or enter into a new one with the Company.

26. **Notices.** Any notices to be given by the Owner in connection with this Contract shall be in writing and delivered to the Company's office at the address on the face of this Contract. Any notices, billings or other communications to be given to the Owner by the Company may be given in writing to the Owner by electronic mail to the Owner at the email address listed on the first page of this Contract, or by mailing it to the address on the face of this Contract, or by posting it on the Vessel. Notice given by mail or posting on the Vessel shall be deemed effectively given three days after being so posted on the Vessel or mailed to the Owner in accordance herewith. Notice given by electronic mail shall be deemed effectively given on the day of sending, if sent before 5:00 p.m. Pacific Time, and the next day, if sent after 5:00 p.m. Pacific Time, unless the Company receives an electronic notice of non-receipt or "bounceback". The Owner shall provide a valid email address. Notice may also be effectively given by posting publicly at the Marina office, as and where indicated in this Contract.

27. **Deposit.** Owner must deposit, in advance, the sum specified for a security deposit on the first page of this Contract (the "**Deposit**"). The Deposit will be held by the Company, without liability for interest, as security for the faithful performance by the Owner of all of the terms of this Contract, subject to the following terms and conditions:

- a) If at any time Outstanding Fees are overdue and unpaid, or if the Owner fails to observe or perform any of the terms of this Contract, then the Company at its option may, in addition to any and all other rights and remedies provided for in this Contract or by law, appropriate and apply the entire Deposit,

or so much thereof as is necessary to compensate the Company for loss or damage sustained or suffered due to such breach by the Owner.

- b) Should the entire Deposit, or any portion thereof be appropriated and applied by the Company in accordance herewith, then the Owner shall, upon demand, forthwith remit to the Company a sum sufficient in cash to restore the Deposit to the original sum deposited and the Owner’s failure to do so within five days after receipt of such demand shall constitute a breach of this Contract.
- c) If the Owner complies with all of the terms of this Contract and promptly pays all Fees to the Company as and when due, the Deposit shall be returned to the Owner at the expiry of this Contract upon removal of the Vessel from the Marina.
- d) The Company will not be required to keep the Deposit separate from its general accounts. No trust relationship is created herein between the Company and the Owner with respect to the Deposit.

In addition, the Company shall be entitled, in its sole and absolute discretion, to treat any advance or prepaid Storage Fees as a Deposit hereunder and apply same (i) to any Outstanding Fees, or (ii) as is necessary to compensate the Company for loss or damage sustained or suffered due to a breach by the Owner. The Owner shall be required to, upon demand, forthwith remit to the Company a sum equal to the funds so applied so as to restore the advance or prepaid Storage Fees to the original sum deposited and the Owner’s failure to do so within five days after receipt of such demand shall constitute a breach of this Contract. Section 27(d) also applies to advance or prepaid Storage Fees.

28. **Marina and Company.** The word “Marina” includes without limitation, the marina docks and berths, the Storage Facilities, and any property or waters owned or leased by the Company. **Where used in connection with an indemnity, or a release or waiver or limitation of liability, in each case in favour of the Company, the word “Company” shall include, and the indemnity, release or waiver or limitation of liability shall extend and apply to, the Company’s affiliates, and to all directors, officers, principals, shareholders, employees and agents of the Company and its affiliates.**

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29. **Criminal Interest Rate.** If any interest (including any fees, bonus, additional consideration or otherwise) stipulated herein, would, except for this clause, be or effectively be a criminal rate under the *Criminal Code* (Canada) or void for uncertainty, or unenforceable for any other reason, then the interest chargeable hereunder shall be two per cent less than the rate which would be a criminal rate (or a void or unenforceable rate), calculated in accordance with generally accepted actuarial practices and principles.

30. **No Contra Proferentum.** The language in this Contract shall in all cases be construed as a whole and neither strictly for nor strictly against any of the parties to this Contract.

31. **Governing Law.** This Contract shall be in all respects governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia. Each of the parties hereto hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia or the Federal Court of Canada, sitting in the Province of British Columbia.

32. **Entire Agreement.** This Contract is the entire agreement between the Company and the Owner in respect of the subject matter of this Contract and in respect of any circumstances or events surrounding or arising in connection with the subject matter of this Contract. This Contract cannot be added to or altered except by agreement in writing. There are no representations, warranties, conditions, covenants, agreements or promises of any nature (implied, collateral, statutory or otherwise) binding upon the Company in connection with this Contract or the subject matter of this Contract, or in connection with any circumstances or events surrounding or arising in connection with the subject matter of this Contract, except as expressly set out herein.

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