



LEASE AGREEMENT

THIS INDENTURE OF LEASE, made and executed as of 8th day of June 2009, by and between the Town of Jamestown, a Rhode Island municipal corporation, hereinafter called the "Lessor" and Fort Wetherill Boat Owners' & Operators' Association, a Rhode Island non-profit corporation, hereinafter called the "Lessee".

WITNESSETH

That in consideration of the rent and covenants herein reserved and contained, and subject to the conditions hereinafter set forth, the Lessor does hereby demise and lease unto the Lessee the following described premises:

Those parcels of land situated in the Town of Jamestown, County of Newport, State of Rhode Island, more particularly delineated on Exhibit A, attached hereto and made a party hereof.

~~TO HAVE AND TO HOLD the same unto said Lessee, for its use as a recreational marine facility, for and during the term of seven (7) years, said term to commence on the 1st day of December, 2008 and to terminate on the 30th day of September, 2015, at an initial annual rental of Twenty-Two Thousand Dollars (\$22,000), payable in advance on the 1st day of December, 2008. For the second lease year beginning on the 1st day of December, 2009 the annual rental shall be Twenty-Five Thousand Dollars (\$25,000) and for each year thereafter the rental shall increase by Five Hundred Dollars (\$500) annually.~~

1. TERM AND RENT

- a. That Lessee shall not permit or allow the storage of equipment on State property or property of Lessee without specific authorization from Lessee's Harbor Management Commission.
- b. That parking and winter storage of Lessee's dock floats will be limited to designated areas as depicted in diagram of leased premises (see Exhibit A).
- c. That no boat launching or hauling shall be permitted with the exception of emergency haulings required due to severe storm threat.
- d. That Lessee shall not violate the terms of the Memorandum of Understanding between Lessor and RIDEM, a copy of which is attached as Exhibit B.

- e. The Lessor shall make available to Lessee suitable area for storage of Lessee's dock floats consistent with paragraph "g" above or in the alternative, an equally suitable site.
 - f. The Lessee's vehicle access to the main pier for the purpose of loading and unloading various items between member's boats and vehicles shall be consistent with Exhibit B.
 - g. The Lessee agrees to maintain two (2) portable restroom facilities (a.k.a. "Porta Johns") for the exclusive use by members and guests of the Fort Wetherill Boat Owners and Operators Association.
 - h. The Lessee agrees to offer membership to the owner of the house lot on the west side of Ft Wetherill Road that may be created through subdivision of plat 10 lot 145 (i.e the 3.6 acre old Highway Barn parcel). Further, membership shall also place the house lot owner in first position of the waiting list.
 - i. The Lessee shall agree to cooperate with both the Town and any new owner or lessee of plat 10 lot 145. However, cooperation shall not be construed in any way to cause the Association to forfeit or relinquish any rights and privileges provided by this lease agreement.
-

2. OBLIGATIONS AND OPERATIONS OF LESSEE

The Lessee covenants and agrees that during the term hereof, and for any further time as it shall hold said premises, or any part thereof:

- a. That it shall operate the Marina located on the premises pursuant to CRMC Permit No. B00-11-73 under the jurisdiction of the Lessor's Harbor Management Commission and Harbormaster.
- b. That its membership shall be restricted to residents of the Town of Jamestown, Rhode Island.
- c. That it shall maintain a current membership roster, boat registrations for current annual dock assignments (it is understood that temporary dock assignments may take place from time to time) and a waiting list at Lessor's Town Hall and Harbor Office.
- d. That of the 42 boat slips, 38 slips are to be occupied by boats of 26 feet in length and under, with the remaining 4 slips to be occupied by member boats over 26 feet in length.
- e. That in the event of severe inclement weather, Lessee agrees to allow the Town of Jamestown to seek safe harbor for two (2) town boats during the duration of any such storm(s).

3. ALTERATIONS BY LESSEE

Other than the docks, ramps and pilings, which are considered the sole property of the Lessee, the Lessee shall make no structural alterations to the Lessor's leased premises without the written consent of the Lessor. The Lessee shall save the Lessor harmless on account of any claim of mechanics or material men, or any liens in connection with any alterations, additions or improvements, and at the termination or expiration of this Lease will peaceably yield said premises and all additions thereto to the Lessor, and leave the same clean and in such repair, order and condition as the same are in at the commencement of the lease term.

4. MAINTENANCE BY LESSEE

It is understood by the parties herein that the docks, ramps and piling are considered the sole property of the Lessee. Therefore, Lessee shall, at its sole cost and expense, keep and maintain the subject docks, ramps, and pilings as owned by the Lessee in good order during the term of this Lease, except for reasonable wear and tear and damages by or negligence of the Lessor, or any person or persons for which it is legally responsible. In addition, Lessee shall be responsible for maintaining any and all changes to the demised premises and equipment installed as leasehold improvements. Lessee agrees that in the event it should vacate the demised premises and/or decline to renew its Lease with the Lessor, that it shall remove any and all docks, ramps and piling located within the demised premises. Lessee shall otherwise, not be obligated to maintain or repair any and all other property deemed to be owned by Lessor.

5. GOVERNMENTAL REGULATIONS

The Lessee shall not use or occupy, or permit the leased premises to be used or occupied, in any unlawful manner, for any illegal purpose, in such manner as to constitute a nuisance, or for any use which is incompatible with Lessor's present adjacent business operations and, further, comply with the covenants and conditions attached hereto and made a part hereof. The lessee shall comply with all municipal, state or federal regulations concerning the conduct of its business, shall procure, at its own expense, all permits, licenses, etc., required by it, and shall hold harmless the Lessor from penalties and fines imposed upon the Lessor pursuant to any law, ordinance or governmental requirement by reason of the conduct by the Lessee of its business in the demised premises.

6. PUBLIC LIABILITY INSURANCE

The Lessee shall, at its own cost and expense, obtain and maintain, in continuous effect during the term of this Lease, a policy or policies of insurance with such company or companies satisfactory to Lessor, insuring against public liability on the demised premises, in amounts of not less than Two Million Dollars (\$2,000,000) per accident. The Lessor shall be named as an insured in such insurance and the certificate or certificates of such insurance shall be delivered to Lessor. Said insurance

shall not be cancelable, except upon ten (10) days written notice to the Lessor.

7. INDEMNIFICATION BY LESSEE

The Lessee agrees to indemnify and defend the Lessor against, and to save it harmless from, any and all claims of whatever nature, for injury or damage to persons or property, in or about the demised premises, or arising from any accident, injury, or damage arising within the parking area as deemed leased to Lessee, resulting from any act, default or omission on the part of the Lessee, its employees, agents, contractors, invitees, or licensees. However, Lessee shall not indemnify and defend the Lessor against, and to save it harmless from, any and all claims of whatever nature, for injury or damage to persons or property arising from the use by a non-member or non-business invitee of any common areas shared between Lessee, Lessor or any third party, where the Lessee is not at fault.

8. INSPECTION BY LESSOR

Lessee agrees to permit Lessor, its agents or contractors, to inspect the demised premises at any reasonable time, upon providing reasonable notice thereof and to permit Lessor to make such repairs to the demised premises which Lessor may deem desirable or necessary, and which Lessee has not covenanted herein to do, or has failed so to do.

9. RISK OF LOSS

All personal property, of every kind and description, which Lessee causes to be placed upon the demised premises, or upon other premises of the Lessor, shall be the sole risk of the Lessee, and Lessee hereby indemnifies and holds harmless the Lessor, its agents, servants and employees, from any loss or damage to said property, including loss of use.

10. DAMAGE BY FIRE OR OTHER CASUALTY

In the event that at any time the demised premises are damaged or destroyed, or otherwise rendered unfit for accustomed use and occupation to an extent which exceeds fifty (50%) percent of the sound insurable value thereof, then the Lessor or the Lessee may, by written notice to the other party given thirty (30) days after the occurrence of such casualty, cancel this Lease; but if this Lease is not cancelled, the Lessor shall, with reasonable diligence, repair, rebuild and restore the premises and make the same fit and available for Lessee's use and occupancy.

11. ABATEMENT OF RENT

In the event that the demised premises or any part thereof shall be taken for any purpose, or should access be denied or restricted in any manner by the Lessor or the interior of the premises shall be destroyed or damaged by fire or other cause beyond the control of the Lessor, or the exterior of the demised premises shall be damaged or out of repair during the term of this Lease, or any extension thereof, a just proportion of the rent reserved according to the nature, location and extent of the injuries sustained by the demised premises, or their lack of repair, shall be abated until the Lessor shall have repaired and restored the premises and put them in proper condition and made available for the Lessee's use and occupation, and in case of a taking as aforesaid, a just proportion of said rent, according to the size, location and use of the space taken, shall be abated during the remainder of the term of this Lease.

12. ASSIGNMENT AND SUBLEASE

Notwithstanding any other provisions contained herein, the Lessee may not assign this Lease, nor sublet the whole or any part of the demised premises. It is understood that Lessee may from time to time assign temporary dock space to its temporary members and that such an assignment shall not be considered a sublease under this Lease in accordance with Paragraph 2 (c) above.

13. LESSOR'S REMEDIES IN CASE OF DEFAULT

If Lessee shall neglect to perform or observe any of the covenants or agreements contained in this Lease, or failed to make a good faith effort to cure such default, for a period of (30) days after notice of default (except for payment of rent or other charges, in which case ten (10) days notice shall be required; provided, however, that such written notice shall not be required more than twice in any 12-month period), or if the estate hereby created shall be taken on execution or by other process of law, or if Lessee shall be declared bankrupt or insolvent, or if any assignment shall be made of the property of Lessee for the benefit of creditors, or if a receiver, trustee in bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Lessee's property, then Lessor may, without demand or notice, take such action as may be lawful and appropriate under the applicable laws of the State of Rhode Island to repossess the Demised Premises as its former estate, and expel Lessee and those claiming through or under Lessee therefrom. Lessor shall do so without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and this Lease shall terminate, and Lessee agrees to indemnify Lessor against all reasonable expenses and damages including reasonable attorney's fees incurred by Lessor in exercise of its rights hereunder and/or incurred by Lessor in connection with any reletting of the Demised Premises and Lessee agrees to pay and be liable for on the days originally fixed herein for the payment of the amounts equal to the several installments of rent or other charges reserved hereunder as they would, under the terms of this Lease, become due if this Lease had not been terminated and whether the Demised Premises be relet by Lessor, Lessee shall be entitled to a credit in the net

amount of rent received by Lessor in reletting, after deduction of all reasonable expenses incurred in reletting the Demised Premises and in collecting the rent in connection therewith. As an alternative, at the election of Lessor, as damages, such a sum as at the time of such termination represents the amount of the excess, if any, of the then value of the total rent and other benefits which would have accrued to Lessor under this Lease for the remainder of the Lease term if the Lease terms had been fully complied with by Lessee over and above the then cash rental value (in advance) of the premises for the balance of the term.

14. HOLDING OVER

If Lessee holds over or continues in possession of the premises after the expiration of this Lease and without the execution of a new lease, the tenancy thus created shall be one from month to month. All covenants, obligations, conditions, and agreements herein contained shall so far as applicable, apply to all extensions of the terms hereof and to all holding over by the Lessee as Lessee by will.

15. RENEWAL

- a. Provided the Lessee is not in default of any terms or conditions of this Lease, Lessee, no earlier than April 1, 2015 and no later than July 31, 2015, may make a written request to the Lessor that the term of this Lease be extended for an additional five (5) year period on such terms and conditions as may be contained in the written request.
- b. If the terms and conditions proposed by the Lessee for the renewal period are not acceptable to Lessor, the Lessor shall, within thirty (30) days of the Lessor's receipt of the written request, give written notice to Lessee of the terms and conditions which would be acceptable to Lessor for the renewal term. Failure of the Lessor to give such written notice shall constitute renewal on the terms and conditions set forth in the Lessee's written request.
- c. If Lessor gives Lessee written notice as aforesaid and if the terms and conditions set forth in such written notice are not acceptable to the Lessee, Lessee must give written notice of that fact to the Lessor within (30) days of its receipt of the written notice from the Lessor. Failure of the Lessee to give such written notice shall constitute renewal on the terms and conditions set forth in Lessor's written notice.
- d. If the Lessee gives notice in accordance with subparagraph hereof, Lessor and Lessee shall, within thirty (30) days of Lessor's receipt of such written notice, meet and engage in good faith negotiations for the purpose of arriving at mutually acceptable terms and conditions for the renewal agreed upon by Lessor and Lessee.

16. LESSEE'S RISK

The Lessee acknowledges that the Lessor does not enjoy any title, legal or equitable, or any rights or privileges of possession or occupancy with respect to the property described in Exhibit B attached hereto. Pursuant thereto, the Lessee acknowledges that it has assumed all risks associated with its use and/or improvement of said property and agrees to hereby remise, release and forever quitclaim unto said Lessor, its successors and assigns, all and all manner of actions, causes of action, debts, due, claims and demands, both in law and equity, arising from its use or improvement of said property. Notwithstanding anything to the contrary contained herein, the Lessor and Lessee agree that, should the Lessee be disturbed in its use or enjoyment of the premises described in Exhibit B, the Lessee's sole remedy shall be that provided for in Paragraph 10 hereof.

17. NOTICES

All notices that may be given hereunder by Lessee or Lessor shall be by registered or certified mail, addressed in the case of the Lessor to Town Administrator, Town of Jamestown, Rhode Island; and, in the case of the Lessee, to c/o Joseph Medeiros, 65 Frigate Street, Jamestown, Rhode Island 02835; or to such other address as the parties may, from time to time, designate by written notice previously sent.

18. ATTORNEY'S FEES

Both parties further covenant and agree that, in the event of either party to adhere to any one of more of the terms, conditions, or provisions, and in the event it becomes necessary for either party to enforce its rights under the terms of this Lease, the defaulting party shall be liable for any and all legal fees, court costs, and other expenses incurred by the prevailing party as a result of its breach.

19. SUCCESSORS AND ASSIGNS

All the covenants, conditions and provisions of this Lease shall apply to and inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the said Lessor and the said Lessee, both as to rights and as to duties and liabilities.

20. JURISDICTION

The parties agree that this Lease shall be deemed a Rhode Island contract and shall be governed by the laws of the State of Rhode Island.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed, in duplicate, by their respective officers thereunto duly authorized, on the day and year first above written.

TOWN OF JAMESTOWN

FORT WETHERILL
BOAT OWNERS' ASSOCIATION

By: [Signature]
Julio J. DiGiando, President
Town Council

By: [Signature]
Joseph Medeiros, President
FWBOA

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Jamestown in said County, on this 22 day of June 2009,
before me personally appeared the above-named Julio J. DiGiando, executing the
foregoing instrument for and in behalf of said Town of Jamestown; to me known and
known by me to be the party described in and who executed the foregoing
instrument; and he acknowledged the same, by him so executed, to be his free act as
Town Administrator, as aforesaid, and his free act and deed individually as well.

[Signature]
NOTARY PUBLIC
Comm Exp 8/6/09

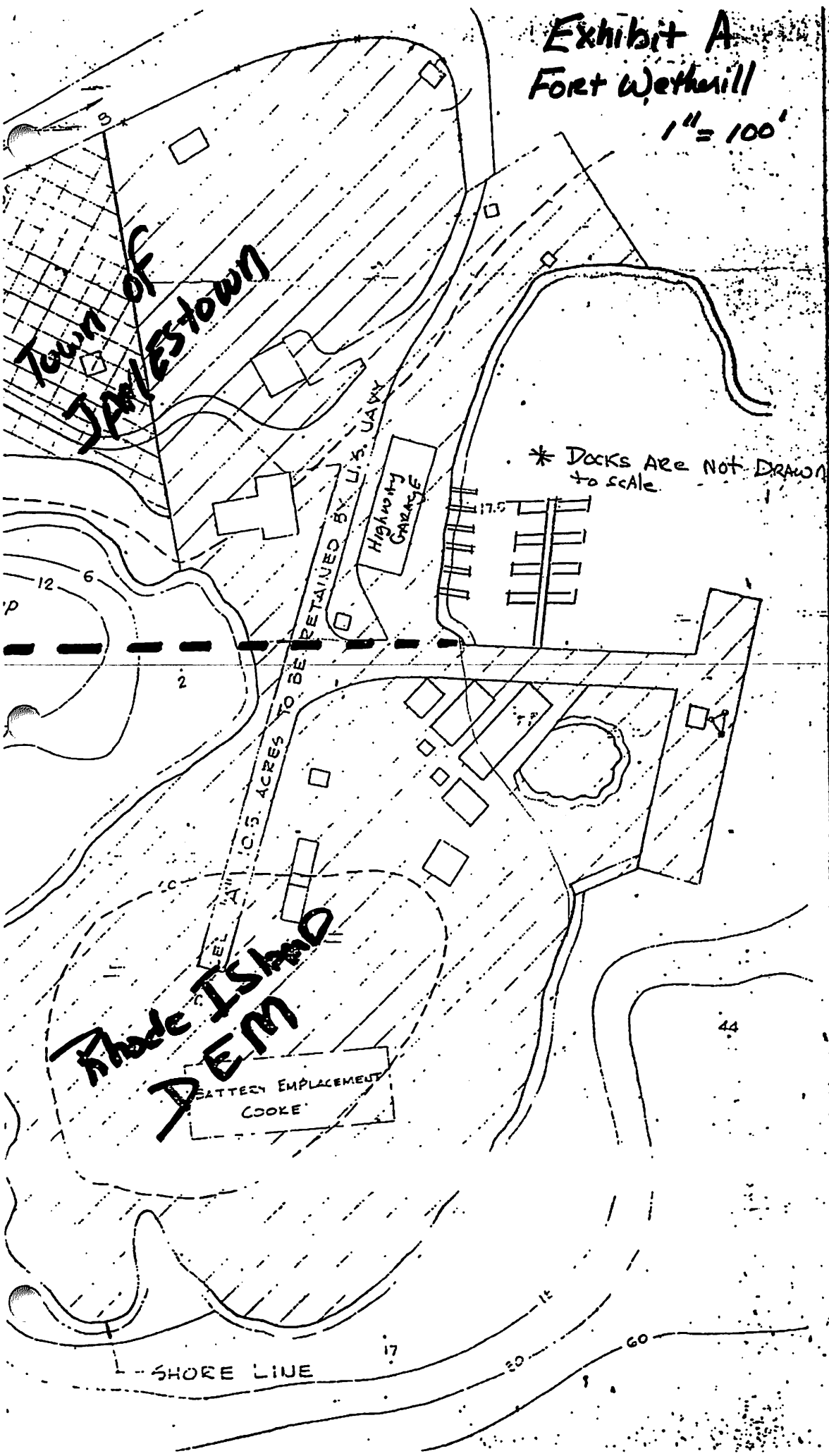
STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Jamestown in said County, on this 22 day
of June 2009, before me personally appeared the above-named Joseph Medeiros,
executing the foregoing instrument for and in behalf of the said Fort Wetherill
Boat Owners' & Boat Operators' Association; to me known and known by me to
be the party described in and who executed the foregoing instrument; and he
acknowledged the same, by him so executed, to be his free act as President of the
Town Council, as aforesaid, and his free act and deed individually as well.

[Signature]
NOTARY PUBLIC
Comm Exp 8/6/09

Exhibit A Fort Wethuill

1" = 100'



Town of
JAMESTOWN

RETAINED BY U.S. NAVY

Highway
GARAGE

* DOCKS ARE NOT DRAWN
to scale.

Rhode Island
DEM

SEVENTEEN EMPLACEMENT
COOKE

SHORE LINE

12 6

2

17.5

44

17

20

60

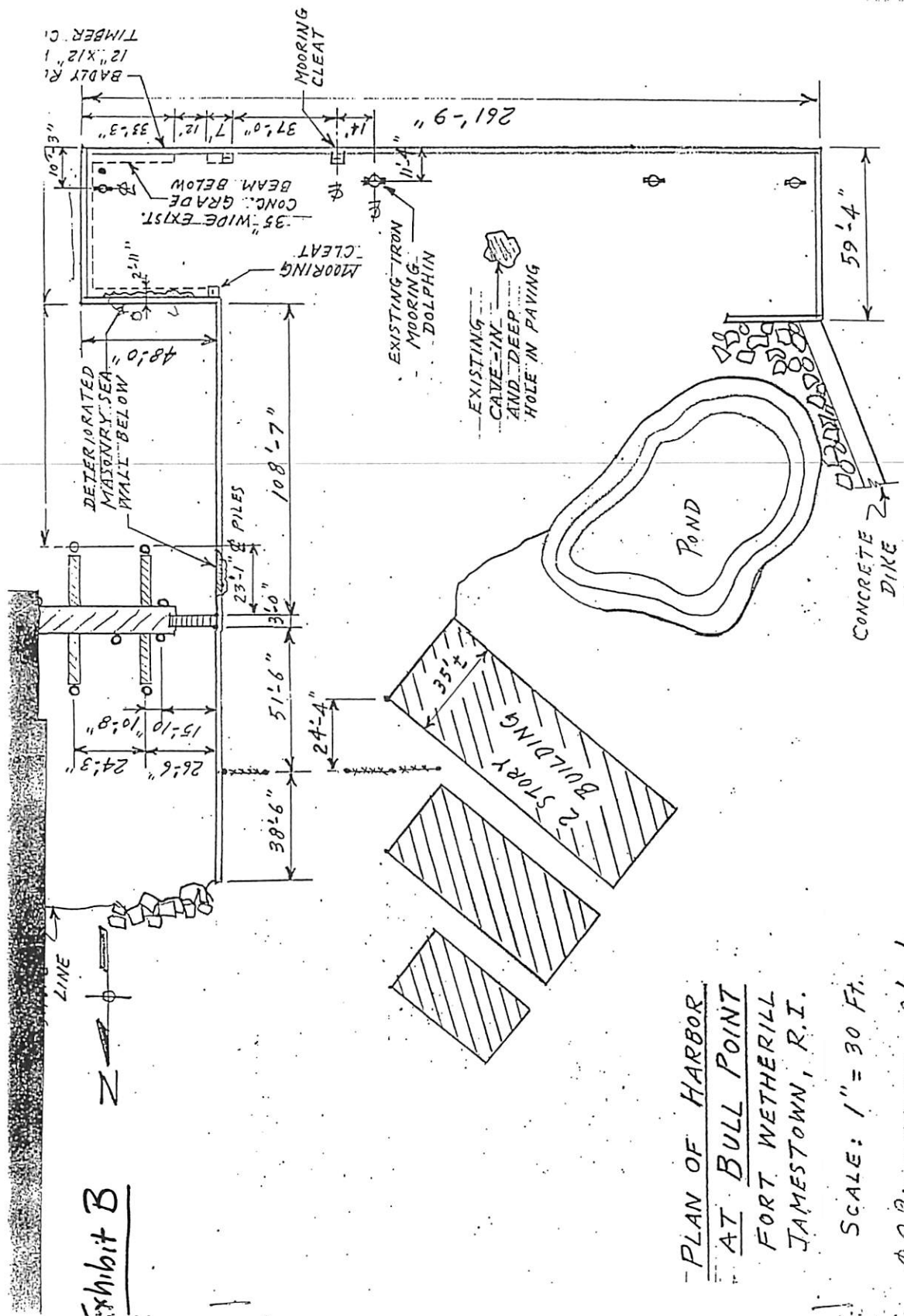


Exhibit B

PLAN OF HARBOR
 AT BULL POINT
 FORT WETHERILL
 JAMESTOWN, R.I.

SCALE: 1" = 30 Ft.

R. B. Binneman. 7/10/00