MARINA MANAGEMENT AGREEMENT

Between

NAVTOURS, USA, Inc.

And

The CITY OF PLATTSBURGH, NEW YORK

MARINA MANAGEMENT AGREEMENT

THIS MARINA MANAGEMENT AGREEMENT ("Agreement"), dated January 02, 2015, is between Navtours USA, Inc., ("Navtours") a domestic corporation with an address of 201 Champlain Drive, Plattsburgh, NY, 12901, and the City of Plattsburgh, ("City") a municipal corporation, with an address of 41 City Hall Place, Plattsburgh, NY 12901.

RECITALS

A. The City owns a waterfront parcel on Lake Champlain that it intends to develop into a municipal marina located at 2 Dock Street in the City of Plattsburgh (hereinafter "the Marina").
B. The City intends to purchase wet slips and moorings to be installed at the Marina and the City owns a utility, office and bathroom structure ("Office"), as well as a parking lot on the Marina property.
C. It is the intention of the City that the wet slips and moorings will be rented to third parties for use as a temporary boat storage facilities—on a seasonal and transient basis—and that the bathrooms and showers in the Office will be available for use by Marina patrons, as well as the public.
D. It is also the intention of the City to increase the public's use and accessibility of Lake Champlain and to increase the commerce for the businesses located in the downtown areas of the City.
E. Navtours is in the business of charting sailboats, international marketing, customer service, and marina management and is familiar with Lake Champlain and its international clientele.
F. The City wants Navtours to manage the Marina and Navtours wants to manage the Marina in accordance with the terms and conditions of this Agreement as hereinafter set forth.
G. The City's intent in contracting with Navtours is to have a vital, financially successful and self-supporting first class Marina which will increase the public's use and accessibility of Lake Champlain, and increase commerce for the businesses located in the City.
H. The City finds that this Agreement serves both a public purpose and a municipal purpose.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, terms, conditions, privileges and obligations herein contained, and intending to be legally bound, the City and Navtours agree as follows:

1. DOCUMENTS COMPRISING CONTRACT

The contract shall include this Agreement as well as the following documents which are incorporated herein by reference:

1. The Professional Services Procurement for the City Marina, dated December 22, 2014.
2. Plattsburgh City Marina, Managed by Navtours USA submitted December 2014.
3. Navtours' certificate of insurance, worker's compensation insurance, unemployment insurance, and other documentation required by this Agreement.
4. Architectural rendering of Phase 1 of Plattsburgh City Marina.

2. GENERAL CONTRACT TERMS

(a) Non-Exclusive Contract

Award of this contract shall impose no obligation on the City to utilize Navtours for all work of the type which may develop during the contract period. This is not an exclusive contract.

(b) Additional Services

The City reserves the right to request additional services relating to this Agreement from Navtours, when approved by the parties. The City reserves the right to unilaterally add or delete locations or services at its sole option as it may deem necessary or in the best interests of the City. In such case, Navtours will be required to provide services pursuant to this Agreement in accordance with the terms, conditions and specifications, and as set forth in an amendment approved by the Parties.

(c) Entirety of Agreement

Parties hereto agree that this Agreement sets forth the entire agreement between the parties and there are no promises or understandings other than those stated herein. None of the provisions, terms or conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except as may be specifically authorized herein or by written instrument executed by the parties hereto. This Agreement and the exhibits and attachments hereto and other documents and agreements specifically referred to herein constitute the entire fully integrated Agreement between the parties with respect to the subject matter hereof and supersede all prior or contemporaneous verbal or written communication or agreements between the parties with respect hereto excepting any past or contemporaneous written or verbal agreements expressly and clearly incorporated by reference within the four corners of this Agreement. This Agreement may only be amended by written documents, properly authorized, executed and delivered by both parties hereto. For the City, appropriate authorization shall be construed to mean formal action by the elected officials of the City, except where specified within this Agreement that the Mayor or his or her designee shall have approval or authority. This Agreement shall be interpreted as a whole unit. This Agreement shall not be construed in favor of one party or the other. All matters involving this Agreement shall be governed by the laws of the State of New York and the proper venue for any litigation arising hereunder will be a state or federal court located in New York with venue within Clinton County, New York.

(d) Headings

Headings of various paragraphs and sections of this Agreement are for convenience and use of reference only and shall not be construed to define, limit, augment or describe the scope, context or intent of this Agreement or any part or parts of this Agreement.

(e) Severability

The terms and conditions of this Agreement shall be deemed to be severable; consequently, if any clause, term or condition hereof shall be held to be illegal or void, such determination

shall not affect the validity or legality of the remaining terms and conditions and notwithstanding such determination, this Agreement shall continue in a full force and effect unless the particular clause, term or condition held to be illegal or void renders the balance of the Agreement to be impossible of performance.

(f) No Waiver of Right to Enforce

The waiver of any breach or any term covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term, or condition shall be deemed to have been waived, unless such waiver be in writing. Nor shall there be any accord and satisfaction unless expressed in writing and signed by both the City and Navtours.

(g) Performance

Services shall be performed in a timely manner. The Parties expressly agree that time is of the essence in the performance of this Agreement and the failure to complete the performance within the time specified, or within a reasonable time if no time is specified herein, shall relieve the Parties of any obligation to accept such performance.

(h) Notices

Any notice required or permitted herein is to be given in writing and shall be personally delivered or mailed, first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth below their signatures on the signature page hereof, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given and received when personally served or one (1) day after delivery to an overnight delivery service or five (5) days after deposit in the first class mail.

To the City: 41 City Hall Place, Plattsburgh, New York 12901, Attn: Mayor

With a Copy to: Corporation Counsel Dean Schneller, 121 Bridge Street, Plattsburgh, New York, 12901

To Navtours: 201 Champlain Drive, Plattsburgh, New York, 12901, Attn: Elizabeth White

(i) Remedies

Each party shall have full remedies available under existing laws.

(j) Assignment or Subcontract

Navtours shall perform this Agreement. No assignment or subcontracting of this Agreement shall be allowed without the prior written consent of the City.

(k) Miscellaneous

If it shall become necessary for either party hereto to engage attorneys to institute legal action for the purpose of enforcing its rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation

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shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals). This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. No representative of Navtours is authorized to make any representations, warranties or agreements other than as expressly set forth herein. Any consent required by this Agreement to be given by City to Navtours shall be given in writing. Navtours and the City hereby disclaim any implied or express warranties, guarantees or representations of any kind other than as expressly set forth in this Agreement.

(I) Force Majeure
A Party will be excused for the period of any delay and will not be deemed to be in default with respect to the performance of any of the non-monetary obligations hereunder, when prevented from performing by causes beyond that Party's control, excluding filing of bankruptcy, but including labor disputes, governmental regulations that prohibit compliance with the provisions of this Agreement, fire or other casualty, and acts of God.

3. DESCRIPTION OF PREMISES TO BE MANAGED
The premises to be managed includes the Office, ramps to the docks, the wet slips, and the moorings. The premises are further described on Exhibit A, which is an architectural rendering of the site plan for the Marina, attached hereto and incorporated herein by reference. Pursuant to this Agreement, Navtours will have a license to occupy a portion of the Office, for use as office space by Navtour's employees in relation to the services to be provided in this Agreement and for customer service for Marina customers. This license conveys no property interest in the Marina to Navtours, and will automatically end when this Agreement terminates.

4. NAVTOURS' DUTIES AS MARINA MANAGER
Navtours will manage and operate the Marina as a first class public marina and recreation facility offering dockage, moorings, concierge services, and other marina related services for the use of and by the general public. Navtours will perform all duties assigned in a careful, diligent, efficient, prudent, and vigilant manner. Navtours will perform the services described herein at Navtour's expense.

Required services include the following:

(A) General Management Services: Navtours will act as management agent for the City. These services will include the following:
   1. Executing and managing slip space leases on behalf of the City for docking and mooring of boats, including transient slips and moorings. Management responsibilities include receipt of rental and other payments due, responding to tenant concerns, enforcing and monitoring tenant compliance with lease provisions and applicable City ordinances, rules, and regulations. Navtours' enforcement responsibilities include making reasonable attempts to secure rent and tenant compliance, providing notices of breach in the event of continued non-compliance,

promptly notifying the City where eviction or suit is warranted, contacting police or code enforcement when needed. Navtours will use only those slip space leases that are provided or approved by the City.

2. Maintenance of the recreational walkways, wet slips, and moorings in a manner that ensures the public full and free access, except those walkways where boats are docked; and operation of designated fishing areas and other Marina oriented attractions.
3. Providing on-site staffing at the Marina, per a schedule set forth below, for all hours of operation, with personnel who are skilled in boat and dock safety. All staffing is at the expense of Navtours. At all times there shall be at least one staff member on-site during operational hours who is bi-lingual in French and English.
4. Conduct periodic and thorough dock-safety checks and mooring safety checks.
5. Maintaining a list of appropriately insured boat and marine equipment maintenance and repair technicians for referral on a non-exclusive basis, for general minor repairs and servicing of boats while docked or moored in the water only. No boats or craft will be removed from the water at the facility for repairs or maintenance on the premises.
6. Managing any cable, Wi-Fi, telephone, electrical, and other utility services provided through the City. Responsibilities include monitoring tenant usage and responding to service complaints, including by contacting the utility provider.
7. Operating an Information Center and telephone, e-mail, mail, and messages services. Also includes operation and monitoring of a VHF radio communication system utilized by boaters.
8. Managing and maintaining the shower, restroom, and laundry facilities in the Office for the use of persons docking at the Marina.
9. Employing a Harbor Master/Dock Master; employing a Marina Manager; employing other competent personnel as necessary to fulfill its obligations under this Agreement.
10. Achieving and maintaining a "clean marina" status.
11. Executing and managing temporary leases for bicycles, stand-up paddleboards, kayaks, small crafts, or any other property provided by the City, for purposes of renting to the general public. The City Recreation Department shall be responsible for the purchase and maintenance of this equipment.

(B) Rates and Fees: All rates and fees for rental of wet slips, moorings, and other property of the City will be set by the City; however, consideration will be provided to recommendations from Navtours.

(C) Rules and Regulations: Navtours will oversee compliance with the City's rules and regulations regarding the conduct of vessel owners and others using the Marina. Navtours will ensure that current rules are furnished to each and every user, tenant, and concessionaire; and that the rules are prominently displayed in the Marina office. Navtours may from time to time make recommendations for revising the rules and regulations.

Additionally, Navtours may develop for the City's consideration additional policies with respect to the installation of new features and profit centers for approval by the City.

(D) Advertising and Marketing: City will approve funds for a marketing/advertising program in order to stimulate the general business of the Marina. In addition to the City's independent marketing/advertising program, Navtours agrees to undertake an aggressive program to inform the public, including international clientele, of the availability of services of the Marina, and the City agrees to use its best efforts to assist Navtours in promoting the public use and enhancement of the Marina.
Navtours agrees to develop policies with respect to advertising and publicity of the Marina for the purpose of creating the greatest possible net income, consistent with the operation of the Marina as a first class public marina and recreational facility.

Navtours agrees to work with area merchants and businesses located within the City to develop an integrated program of auxiliary services, such as restaurant reservations, hotel accommodations, City-sponsored attractions, and other services for Marina uses.

(E) Cleaning, Maintenance and Repairs: Navtours will provide cleaning, maintenance and repairs as follows:

Cleaning and maintenance, including janitorial services, will be provided so as to maintain the Marina in good, clean, and sanitary condition, free from hazardous conditions and deterioration. This will include at a minimum regularly scheduled cleaning and maintenance.

Navtours' routine cleaning and maintenance activities will include visual inspections in order to keep reasonably informed of the potential need for repair or replacement of City facilities and any potentially hazardous conditions on the premises.

Navtours will immediately apprise the City if hazardous conditions exist on the premises, or if there is an imminent need for repairs or replacement.

(F) Legal Requirements: Navtours will comply with all federal, state, and local laws, regulations, and permits. Navtours will also all use reasonable efforts to secure full compliance by all tenants, guests, and invitees of the premises with all Legal Requirements.
Navtours further covenants and agrees that it will not discriminate as to race, color, creed, sex, age, national origin, or any other type of discriminatory practice in the use of premises or in the employment of its personnel.
The City will obtain all permits necessary for the development and continued operation of the Marina, and will be responsible for renewing the above-referenced permits.

(G) Security Services: Navtours will provide reasonable security services during the Marina's normal business hours and at such other times as may be provided through written agreement. Navtours will notify the City of any security issues that Navtours becomes aware of.

(H) Public Records: To the extent Navtours is operating on behalf of the City, it will generate, retain and transmit to the City any public records, private records, or financial statements which are necessary and ordinary in the course of business.

(I) Notices: Navtours will promptly furnish to the City (i) all notices with respect to the Marina received from any governmental or quasi-governmental agency or authority, or (ii) those notices received from any person, party or entity, which notices, in Navtours' reasonable judgment, may have a material and adverse impact on the value or use of the Premises.

5. CITY'S DUTIES AS MARINA OWNER

City shall cooperate with Navtours in the performance of its duties under this Agreement and City agrees to provide reasonably secured office space for Navtours employees on the premises of the Marina, and to execute all documents and instruments as Navtours in its reasonable judgment, deems necessary or advisable to enable it to carry out its management of the Marina. Except where indicated otherwise, the City will provide the goods and services described below at the City's expense.

(A) Utilities. The City will provide all electrical, water and sewer utilities to the Marina. Each wet slip will be provided with reasonable access to electrical services and will contain appropriate dock lights. Water and sewer utilities, including a pump-out station connected to the City sewer main, will be located at or near the Office.

(B) Office. The City will provide a securable office space with appropriate computer equipment for exclusive use by Navtours. The Office building will also include wifi, bathrooms, showers, storage areas, and a welcome center to be constructed by the City but maintained by Navtours.

(C) Land Maintenance. The City will maintain all outdoor land areas and parking lots on the Marina property.

(D) Slips. Navtours will be provided with guaranteed access to 12 wet slips for purposes of storing boats and operating their charter business. The City will install the slips and moorings before the start of each operational season and will remove and store the slips and moorings at the conclusion of each operational season.

(E) Advertising and Marketing. The City will approve funds for a marketing/advertising program in order to stimulate the general business of the Marina.

(F) Rates and Fees. All rates and fees for rental of wet slips, moorings and other property of the City will be set by the City; however, consideration will be provided to recommendations from Navtours.

6. COMPENSATION TO NAVTOURS

Navtours agrees to operate and maintain the Marina and associated property on a negotiated fixed credit and an incentive fee basis. Any and all monies received by Navtours based on the rental of slips—seasonal and transient—and moorings, and any other proceeds derived from Marina operations, exclusive of Navtours' chartering operations, shall be remitted to the City per the procedures set forth in the paragraph entitled "Remittance of Funds" below.

(A) Negotiated Fixed Credit. The City shall pay Navtours, in the form of an annual credit, a Fixed Credit Component of Nineteen Thousand Dollars ($19,000) annually. It is the intention of the Parties that the City will not physically remit this $19,000 to Navtours but rather Navtours will receive an annual credit in the amount of $19,000 to be applied to a discounted slip fee for exactly 12 slips. Navtours will be allocated 12 slips for their charter operations to be paid at a fixed length of 40 feet, regardless of the length of the boat. 2015 seasonal boat slip rates are set by the City at $82 per lineal foot of boat length. Future rates will be set by the City. NavTours will be invoiced $20,360 and must remit payment by March 1, 2015 (12 slips x 40 feet per boat x $82 per foot = $39,360 - $19,000 = $20,360).

(B) Incentive Fee Basis
The City will pay Navtours an Incentive Fee annually, in arrears, thirty days after the close of each operational season. The Incentive Fee will be established and agreed upon prior to April 1, 2015 and will become an addendum to this contract.

(C) In addition to the Negotiated Fixed Credit, in the event Navtours secures marina operator's liability insurance for the Marina, the total premiums for said policy will be paid for by the City in the form of an additional fixed credit.

(D) It is the intention of the parties that Navtours shall not incur additional costs to complete Navtours duties as marina manager, beyond that which is contemplated by the Negotiated Fixed Credit or the additional insurance credit as set forth above, and it is the intention of Navtours to not exceed the negotiated fixed credit in marina operations expense. Therefore, a review of Navtours' marina personnel-related expenses as well as the City's operating hours and staffing expectations will take place on or before August 15th of each year in which this agreement is in place. Should reasonable evidence indicate that a modification in the Negotiated Fixed Credit or minimum staffing requirements is necessary, the parties will engage in good faith efforts to enter into an addendum to this contract.

7. TERM OF CONTRACT WITH OPTION TO EXTEND TWO YEARS
The Initial Term of this Agreement will commence on April 1, 2015 and end on October 5, 2018. Within 30 days prior to the expiration of the initial term, upon providing written notice, Navtours has the option to extend the terms of this Agreement an additional two years. If Navtours fails to extend this Agreement after the initial term, this Agreement will be terminated, however in this event, the City agrees to reserve 12 wet slips for Navtours for an additional two year period to be leased by Navtours at the then current lease rate as set by the City.

8. PERSONNEL

(A) Quality of Personnel: Navtours warrants that Navtours will provide competent, skillful, personnel to fulfill Navtours' obligations under this Contract. At all times while on the premises, Navtours' personnel will act courteously and in accordance with the highest professional standards; and will be well-groomed in appearance.
The City will have the right to require Navtours to remove from the premises any personnel who do not meet these requirements.

(B) Uniform Requirements: Navtours will ensure that all such personnel have badges, logoed shirts, or uniforms with the name of the Marina and identifying them as personnel of the

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Marina. No product or service advertisements will be included on such materials, although the Navtours' name or logo may be included.

(C) Bi-Lingual Requirements: Navtours will ensure that during all hours of operation there will be at least one personnel who is bi-lingual in English and French.

(D) Hiring/Payment Practices: Navtours will be responsible for hiring, firing, payment, disciplining, and discharging its own employees. Navtours will establish and implement a hiring plan which does not discriminate on the basis of race, creed, color, sex, age, national original, or on the basis of any other type of prohibited discrimination.

(E) Payments of Wages/Benefits: Navtours will be will be responsible for establishing compensation rates and benefits for all employees, for paying its employees, and for withholding any appropriate government prescribed deductions and taxes and remitting the same to the government in a timely manner.
Under no circumstances will Navtours' employees be deemed to be City employees.

9. STAFFING/HOURS OF OPERATION/SEASON OF OPERATION
Each season will run from May 15th through October 4th of each year during which times Navtours will ensure the Marina is staffed and operated. Within this season, there will be a "peak season", requiring the highest staffing levels, and an "off-peak season" requiring reduced staffing levels. Reductions in the staffing levels and hours of operation can be granted with prior approval from the Recreation Department during periods of inclement weather or low usage.

(A) Peak Season. Navtours will ensure that the Marina is fully staffed and operated, at a minimum, from 9:00 a.m. through 9:00 p.m., from June 1st through September 14th of each year. Navtours will ensure that during this peak season, there will be a Harbor Master or Assistant Harbor Master on site from at least 12 p.m. to 9 p.m. during this period.

(B) Off-Peak Season. Navtours will ensure that the Marina is sufficiently staffed and operated from 9:00 a.m. through 6:00 p.m. from May 15th through May 31st and September 15th through October 4th of each year.

10. INSURANCE RESTRICTIONS ON USE
Navtours will not knowingly use or suffer the use of the Marina for any illegal or otherwise prohibited purpose or for any purpose that: (i) could void or render voidable any policy of insurance held by the City or Navtours; (ii) could prohibit the procurement of required insurance from companies acceptable to the City; (ii) could render uncollectible any loss insured under any insurance policy held by City or Navtours; (iii) would materially reduce the value of the Premises; or (iv) would otherwise be in violation of any Legal Requirements as defined herein; and Navtours will not commit or allow to be committed, any action under its control which will cause a violation of the terms or conditions thereof. Navtours will use all reasonable efforts to secure full compliance by all tenants, guests, and invitees of the Marina with all such Legal Requirements and the Marina rules and regulations.

11. LIMITATIONS ON AUTHORITY
Except where specifically authorized under or pursuant to this Agreement, Navtours will not hold itself out as having any authority whatsoever to approve any contract or expenditure for or

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on behalf of City with respect to the Marina or any portion thereof, whether for maintenance, repair, restoration, or otherwise.

12. BOOKS AND RECORDS; AUDITS

(A) Duty to Keep and Maintain: Navtours will prepare and keep books and records regarding the management of the Marina in sufficient detail to meet generally acceptable accounting practices. For purposes herein "books and records" will include general ledgers, income statements, tax returns (if required by the City), and any other relevant bookkeeping documents the Operator uses in its business operations.
Navtours will continue to maintain such books and records for a period of three years after the termination of this Agreement; except that, if an audit is made in accordance with this Agreement within this three-year period and the City claims that errors or omissions have occurred, Navtours will maintain these books and records until the matter is resolved.

(B) Audits. At any time during the term of this Agreement and for a period of three years after termination, the City will have the right to audit Navtours' books and records, at the City's expense except as provided below. Navtours will make the books and records available for the City's representative to perform the audit either electronically or at a location no more than 50 miles from the City of Plattsburgh City limits, no more than three days after the City provides written demand.
If the audit shows that Navtours has underpaid to the City any consideration required to be provided to the City, Navtours will either (i) pay to the City the amount owed plus interest at the statutory rate, within 30 calendar days of the City's written demand, and in addition if the audit discloses an underpayment by an amount in excess of 10% of the consideration owed for the year audited, all actual and reasonable expenses incurred by the City in connection with the audit; or (ii) give the City written notice within the same 30-day period referred to above that Navtours disagrees with said findings. If Navtours fails to give written notice of dispute within the 30-day period, Navtours will be deemed to have accepted the findings of the audit report. If Navtours gives written notice that Navtours disputes any portion of the audit findings, Navtours will promptly pay the City for that portion of the findings that Navtours disputes, plus the cost of the original audit if the agreed-upon amount shows an underpayment of consideration in excess of 10% of the amount actually owed for the year audited.

(C) Additional Audit if Dispute Exists. Within 30 calendar days after Navtours' provision of timely written notice of its dispute under the preceding paragraph, Navtours will designate (subject to the City's reasonable approval) an independent public accounting firm, other than a firm which performed the City's audit, to audit the disputed records or calculation, If this audit shows that Navtours underpaid the consideration due, within 30 days of receipt of the audit report Navtours will pay the City the amount owed plus interest as provided herein.

The costs of this audit will be borne as follows:

(I) If the audit shows that the City's calculations under this Section with respect to the disputed amounts were correct, then Navtours will bear the entire cost;

(2) If the audit shows that Navtours 'calculations and payment of the consideration were correct, the City will bear the entire cost; and

(3) If the audit shows that neither the City's nor Navtours' calculations with respect to the disputed amounts were entirely correct, then Navtours will pay the portion of the cost of the audit determined by multiplying said cost by a fraction, the numerator of which is the total amount not paid to the City when due and the denominator of which is the disputed amount, and City will pay any remaining portion of such cost.

(D) Additional Rights: The City reserves the right to access and inspect the premises at all times, including for the purpose of performing unannounced cash audits and inventory reviews. Navtours will make all areas of the premises available for such inspections at any time. If requested by the City, an employee of Navtours will accompany on such inspections.

11. REMITTANCE OF FUNDS

Funds will be deposited daily into an on-site safe in accordance with recreation department procedures, which procedures will be provided to Navtours. An accounting of said funds shall accompany the funds or proceeds in accordance with recreation department procedures.

12. OWNERSHIP OF PROPERTY

All improvements and fixtures located at the Marina, and all equipment, supplies, and other items of personal property constructed, installed or located at the Marina or purchased with City funds, will be the property of the City. Upon expiration or termination of this Agreement, possession and title to all such property will be peacefully surrendered and delivered to the City.

13. DAMAGE OR LOSS TO NAVTOURS' PROPERTY

Navtours assumes all risk of damage or loss to its own property for any cause whatsoever, which will include any damage or loss that may occur to its merchandise, goods, boats, or equipment, covered under this Agreement, if lost, damaged or destroyed by fire, theft, rain, water or leaking of any pipes or wastewater in or about the premises, or from hurricane, storm, or any act of God, or any act of negligence of any user of the facilities, or occupants of the premises, or any person whomsoever.

14. DAMAGE TO AND DESTRUCTION OF PREMISES

A. In General. Except as provided below, if fire, storm, hurricane, decay, or any other Casualty Event renders the premises inoperable in whole or in part, the City will make all repairs reasonably necessary within 90 days of the conclusion of such event, or if repairs cannot reasonably be made within this period, within such period as the City may determine. During any period of reconstruction the Marina will be operated under an interim budget and management regime, proposed by Navtours and adopted by the City, that reflects the most probable forecast of income and expenses; and, if the nature of the damage is such that it renders a portion of the premises reasonably unavailable for leasing to boaters.

B. Exception. If a Casualty Event substantially destroys or causes substantial damage to the premises, the City may thereafter terminate this Agreement if the City determines that it would not be feasible or prudent to restore the premises to the condition they were in prior to the Event, provided that the City gives Navtours timely notice of termination. Such notice will be timely if provided by the

City no more than 90 days after the Event, or within such other period of time that the City and Navtours may mutually agree to in writing.

C. Application of Insurance Proceeds. Navtours will not be entitled to any portion of the proceeds received by the City on insurance policies covering damage to the premises.

15. INDEMNIFICATION OF THE CITY BY NAVTOURS

Navtours will indemnify and hold harmless the City and the City's officers, employees and other agents, from and against all claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from any work, act or other occurrence, provided that the claim, damage, loss, or expense is caused in whole or in part by any negligent act or omission of the City, Navtours, any subcontractor, anyone directly or indirectly employed by any one of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

Navtours' obligation to indemnify and hold the City harmless herein is independent and not limited by Navtours' obligation to obtain insurance required herein.

16. DEFAULT BY NAVTOURS; SUSPENSION and TERMINATION

A. Breach and Default. The following each constitute an immediate default by Navtours.

1. Navtours failure to comply with any provision of this Agreement, where such failure creates an imminent threat to public health or safety or an imminent risk of injury to persons or loss of property, or is irreparable.
2. Navtours submits falsified documents or fraudulent billings, intentionally withholds payments due to the City, or diverts funds provided by the City to a use not approved under this Agreement.
3. Navtours failure to account for funds belonging to the City or Navtours refusal or failure to deposit consideration from the operation of the Marina to the credit of the City, all as provided in this Agreement.
4. Navtours abandonment or discontinuation of operation for more than a twenty-four hour period, unless as permitted herein, without prior written approval from the City.

B. Except as provided in paragraph (A) above, a Party will be in default if the Party fails to meet any material obligation under this Agreement, and such failure continues beyond the Cure Period. The Cure Period is 30 days from the date that the non-breaching Party provides notice of breach and a demand for cure to the breaching Party; provided that where the nature of the breach is such that it cannot be reasonably cured within this period, the Cure Period will be extended by one day for each day that the breaching Party is diligently working toward effecting a cure, up to a maximum of 60 days.

C. Termination.

1. Upon Navtours' default the City may immediately terminate this Agreement; and additionally or alternatively, may pursue all other remedies that the City may have under local, state or federal law.
2. Upon the City's default, Navtours may terminate this Agreement, and in such instance, Navtours' sole remedy will be payment of prorated maximum credit of $15,000 reduced by $120 per day of operation in each operation season.

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3. Upon termination by either party, or upon expiration of this Agreement, Navtours will return all of the City's property to the City, remove all signs that Navtours placed on the Premises indicating its management of the Marina, and fully restore any damage resulting from such removal; and promptly deliver notice of such termination to all tenants, guests, and invitees of the Marina, and thereafter use its best efforts to cooperate with the City to accomplish an orderly transfer of management of the Marina to the City or to a new manager selected by the City.

17. INSURANCE BY NAVTOURS

The provisions of this section on Insurance will be monitored by the City Chamberlain.

A. Types and Amounts Required. Navtours will purchase and maintain, at its own expense, the following types and amounts of insurance, in form and companies satisfactory to the City:

1. Workers' Compensation Insurance - As required by New York law, Workers' Compensation Insurance, for all employees of Navtours, employed at the Marina or in any way required to fulfill or connected to the fulfillment of the terms of this Agreement.

   The insurance required by this provision will comply fully with New York's Workers' Compensation Law and include Employers' Liability Insurance with limits of not less than $1,000,000 per occurrence. Any associated or subsidiary company involved in the service must be named in the Workers' Compensation coverage. No class of employee, if an individual, will be excluded from the Workers' Compensation coverage.

2. Liability Insurance - Commercial General Liability Insurance, including coverage for operations, independent contractors, products-completed operations, broad form property damage, and personal injury on an "occurrence" basis insuring Navtours and any other interests, including but not limited to any associated or subsidiary companies involved in the performance of the Agreement.

   Automobile or Boat Liability Insurance which will insure claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle, or boat, owned or used by Navtours at the Marina or in any way connected with the work which is the subject of this Agreement.

   The limit of liability will be a combined single limit for bodily injury and property damage of no less than $1,000,000 per occurrence. If insurance is provided with a general aggregate, then the aggregate will be in an amount of no less than $2,000,000 with a $6,000,000 umbrella policy.

3. Marina Operators Legal Liability and Protection and Indemnity Insurance coverage in the amount of not less than $6,000,000 insuring Navtours. As set forth in Section 6 "Compensation to Navtours", (c), above, the City agrees to compensate Navtours, in the form of an additional fixed credit, for the annual premium costs to maintain this marina operators legal liability and protection and indemnity insurance coverage.

4. Pollution Coverage - in an amount of no less than $1,000,000, to include coverage on boats and other equipment located at the Marina and providing coverage for

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taking corrective action and/or compensating third parties for bodily injury and property damage caused by either sudden accidental releases or non sudden accidental releases or accidental releases arising from operations at the Marina.

5. Unemployment Insurance- As required by New York law, Unemployment Insurance for all employees of Navtours, employed at the Marina or in any way required to fulfill or connected to the fulfillment of the terms of this Agreement.

B. Waiver of Subrogation. Unless specifically waived hereafter in writing by the City Chamberlain, Navtours agrees that the insurer will waive its rights of subrogation, if any, against the City on each of the foregoing types of required insurance coverage.

C. Loss Deductible Clause. The City will be exempt from, and in no way liable for, any sums of money that may represent a deductible in any insurance policy. The payment of such deductible will be the sole responsibility of Navtours or sub-contractor providing such insurance.

D. Required Changes in Types of Coverage and Amounts of Coverage. The City Chamberlain may at any time require Navtours to increase the amount of coverage, change the terms of coverage, and provide additional or different types of coverage, as the City Chamberlain may deem necessary; provided that the changes or increase in coverage are consistent with such requirements for similar operations and businesses then operating within Northern New York and Vermont area or are reasonable in light of prior claims made against Navtours' policies. Navtours must comply with such requirements within 30 days after the City's demand. Any increase in costs associated with such changes will be the responsibility of the City for only the remainder of an operational season, and will be the responsibility of Navtours at the start of the next operational season in which this Agreement is in effect.

E. Reasonable Deductible. Any insurance policy required by or pursuant to this Section may contain a reasonable deductible provision, provided advance notice of said deductible provision is given by Navtours to the City and approval from the City Chamberlain is given, which approval shall not be unreasonably withheld or delayed.

F. Proof of Insurance. Navtours will furnish proof of the required forms and coverages referenced above to the City Chamberlain prior to April 30th of each operational year. Navtours will not commence work until all proof of such insurance has been filed with and approved by the City Chamberlain. Navtours will furnish proof of any new or amended coverages to the City Chamberlain promptly upon being directed to do so. The City may require Navtours to halt operations until Navtours has provided such insurance.

G. Form of Evidence of Coverage. Navtours will furnish evidence of all required insurance in the form of certificate of insurance which will clearly outline all hazards covered as itemized above, the amounts of insurance applicable to each hazard, the expiration dates, and will contain the following language as to cancellation:

"In the event of cancellation of this policy by the insurer or any insured, this Company will give not less than 30 days advance written notice to:

City Chamberlain
City of Plattsburgh
4 Miller Street

Plattsburgh, NY 12901"

If requested by the City Chamberlain, Navtours will furnish copies of the insurance contracts to support the certificates of insurance and the copies of said insurance must be acceptable to the City Chamberlain.

H. Obligations Survive. The liabilities of Navtours under this Agreement will survive and not be terminated, reduced, or otherwise limited by any expiration or termination of insurance coverage. Neither approval nor failure to disapprove insurance furnished by Navtours will relieve Navtours or its sub-contractors from responsibility to provide insurance as required by this Agreement.

I. Termination of Insurance. Navtours may not cancel the insurance required by this Agreement until all services are completed, accepted by the City, and Navtours has received written notification from the City Chamberlain that Navtours may cancel the insurance required by this Agreement and the date upon which the insurance may be cancelled.

18. INVENTORY

Prior to May 14, 2015, a representative of both the City and Navtours will jointly perform a physical inventory count and observation of all fixtures, furnishings, furniture, and equipment, in or upon the premises and the inventory will immediately become attached hereto and made a part hereof. Navtours agrees that the fixtures, furnishings, and equipment are in the condition as stated in the inventory; that Navtours personally inspected and assisted in the taking of said inventory; that Navtours will maintain the fixtures, furnishings, furniture, and equipment, if any, during the term of this Agreement; and that said property will be deemed in its sole custody and care.

At the termination of this Agreement, a representative of the City and Navtours will jointly perform a physical inventory count and observation of all fixtures, furnishings, furniture and equipment.

If any of the aforementioned items are lost, stolen, or damaged, through the culpable negligence of Navtours, they will be replaced or repaired at the cost and expense of Navtours.

19. INDEPENDENT CONTRACTOR STATUS AND CONFORMANCE WITH IMMIGRATION REFORM AND CONTROL ACT of 1986

Navtours is and shall remain an independent contractor who is performing professional services by managing City owned property and is neither agent, employee, partner nor joint venturer of the City. Navtours acknowledges that it is responsible for complying with the provisions of the Immigration Reform and Control Act of 1986 located at 8 USC Section 1324 et seq. and regulations relating thereto as either may be amended from time to time. Failure to comply with the above provisions shall be considered a material breach and shall be grounds for immediate termination of the contract at the discretion of the City.

20. SUBSTANTIAL ENLARGEMENT OF MARINA.

If the City substantially enlarges the Marina during the term of this Agreement, specifically by building out additional phases of the Marina, the parties agree to conduct good faith negotiations to amend this Agreement, if necessary.

IN WITNESS WHEREOF, authorized representatives of the Parties have signed this Agreement on the dates indicated below.

CITY OF PLATTSBURGH
By: Mayor James Calnon

_____
Mayor James Calnon
Dated: January __, 2015

Navtours USA, Inc.
By: YANIK AUBE

Yanik Aube, General Manager
Dated: January 8, 2015