PONTOON BOAT RENTAL AGREEMENT

RECITALS

WHEREAS, Lessor is engaged in the business of short term recreational pontoon boat rentals; and

WHEREAS, Renter desires to rent a pontoon boat for short term recreational use.

NOW, THEREFORE, intending to be legally bound, Lessor and Renter agree as follows:

1. RENTAL PROPERTY.

("Equipment").

2. RENTAL PERIOD. ______ am/pm (Start Date/Time) to ______ am/pm (End Date/Time).

3. RENTAL RATE. §_____. Total with Deposit: \$_____.

4. **DELIVERY OF EQUIPMENT.** Lessor can only provide the Equipment reserved under this Agreement if the prior renter returns the Equipment in a timely fashion. Lessor shall incur no liability if it cannot provide the reserved Equipment in a timely fashion. Lessor shall incur no liability if it cannot provide the reserved Equipment due to a prior renter failing to return the Equipment on time or due to events beyond Lessor's control.

5. SECURITY DEPOSIT. Deposits are returned within one (1) week of the End Date/Time of the rental period provided no damage to the Equipment is found.

6. CANCELLATION POLICY. If you must cancel your reservation, Renter's deposit will only be refunded if Renter gives Lessor at least 10 days' notice before Rental Start Date/Time.

7. NO SHOW/REFUND POLICY. The Lessor is not responsible for Renter's inability to arrive or if Renter chooses to depart early for any reason or if a member of Renter's party does not show up. As a result, NO REFUNDS OR REBATES will be offered. Cancellations and refunds due to poor weather shall be in the sole discretion of Lessor.

8. TAX AND FUEL. At the start of the rental period the Equipment will be provided to Renter with a full tank of gasoline. The Renter acknowledges and agrees that he/she is responsible for all fuel used in the boat. The Renter acknowledges and agrees that he/she is responsible for returning the Equipment with a FULL tank of gas at the end of the rental period. Upon return of the Equipment, Lessor shall top off the gas tank and Renter agrees that this cost will be deducted from his/her deposit. A _____% North Carolina sales tax will be collected for all rentals.

9. INSPECTION OF EQUIPMENT. Lessor certifies that the boat and motor are in good mechanical and physical condition. Any known damage or problems will be listed on the "Boat Check-Out Sheet." The Renter will inspect said Equipment and leases the same without any representations by Lessor. If Equipment has damage or problems not listed on the "Boat Check-Out Sheet", Renter must notify the Lessor before use of the boat begins and on the first day of rental.

10. DAMAGES TO EQUIPMENT. The Renter acknowledges and understands that Equipment is to be left in clean, undamaged condition, in the same condition at commencement of the rental period. If the rental Equipment is not left in suitable condition, Renter acknowledges and understands that Lessor reserves the right to charge Renter for any repairs or special cleaning. Additionally, Renter understands and agrees that Lessor reserves the right to charge Renter for any damaged or lost real or personal property. The Renter acknowledges, understands, and agrees that by signing this Boat Rental Agreement, he/she is authorizing Lessor to charge Renter for any damages sustained. Such charges will be removed from Renter's security deposit. If such charges exceed the deposit amount, then Renter will pay to the Lessor within seven (7) days' notice the additional amount due.

11. THEFT OR LOSS. In case of theft or loss, Renter is responsible for the replacement value of the Equipment. In case of abuse or damage, Renter will be charged for the repair or replacement of the Equipment.

12. BOAT OPERATION. The Renter acknowledges and agrees that the Equipment will ONLY be operated by the Renter named above and to always keep a copy of this Agreement in his/her possession that he/she is in custody and/or operation of the Equipment pursuant to Chapter 75A (Boating and Water Safety) of the North Carolina General Statutes including but not limited to § 75A-16.2, as amended. The Renter warrants that the Renter is listed as the authorized operator of said Equipment; that the Renter will not allow any other persons to operate the boat. The Renter will be responsible for all such operations. The Renter will not operate the Equipment impaired by or under the influence of alcohol, narcotics, intoxicants, or drugs, whether used with or without a prescription. The Renter will not operate the Equipment in an unsafe or careless or negligent or illegal manner. The Renter will be responsible for the operation of the boat within all federal, state, and local laws and regulations. The Renter must be at least 25 years of age with a valid driver's license.

13. **BOAT USE.** The Renter agrees not to permit the use of or to use the Equipment for transportation of persons or property for hire and not to allow more than ______ persons or the maximum listed weight (marked on the boat) upon the boat at any one time. The Equipment cannot be used in a reckless, abusive, or negligent manner. The Equipment cannot carry any type of hazardous or explosive substance. The Equipment can NOT be operated beyond 20 miles from the Port City Marina, Wilmington, North Carolina.

14. UNSAFE USE. The Lessor or its Employee(s) and/or Agent(s) reserves the right to: (a) authorize the use of the Equipment, and (b) revoke the use of the Equipment. Decisions on the part of Lessor or its Employee(s) and/or Agents(s) regarding the use of the equipment by **RENTER** are made for safety reasons, including, but not limited to, the following: Unsafe operation of the equipment, lack of sobriety of the **RENTER**, and unsafe weather conditions.

15. DOCKING. Any damage to the Equipment, dock, or boats nearby that occurs due to Renter's incorrect securing the Equipment is Renter's responsibility. The Renter is responsible for ALL damages during the period of this Agreement. Do not leave the Equipment unattended.

16. **REPAIRS – SERVICE CALLS.** The Renter acknowledges and understands that Lessor cannot guarantee against mechanical failures of the Equipment. The Renter agrees to immediately notify Lessor of any defective or non-working part(s). Lessors will make every reasonable effort to repair or replace defective part(s) as quickly and efficiently as possible. Repair due to normal wear and tear on the Equipment will be made by the Lessor. Should a repair person make a call to repair or replace a part that is found to be in working order and the problem was due to Renter's oversight or neglect or misuse, Renter agrees that the repair call costs may be deducted from Renter's security deposit.

17. LOSS OF RENTER'S PROPERTY. It is expressly agreed that Lessor shall not be liable for loss of or damage to any property left or stored by Renter or any other person in or upon said Equipment after return thereof to Lessors. The Renter agrees to hold Lessors harmless from and against any such claims.

18. INSURANCE OF EQUIPMENT. No insurance is carried on the Equipment. The Renter is responsible for all damage up to replacement value of the Equipment including motor and propeller and for all accidents and injury to any person or property. Since boating and/or water sports have many inherent dangers, extreme care must be taken in the operation and use of Lessor's Equipment.

19. ACKNOWLEDGEMENT. By executing this Pontoon Boat Rental Agreement, the undersigned Renter acknowledges and agrees that:

A. Renter has read and fully understands the Rules for Use of the Equipment, attached hereto, and included herein as **Exhibit A**, and agrees to be bound thereby.

B. Renter has read and fully understands all the Warnings, Assumption of Risk, and the Waiver and Release of Liabilities included in this Agreement and agrees to be bound thereby.

C. Renter acknowledges and agrees that he or she has the requisite skills, physical abilities, and mental abilities, including swimming skills, necessary for the proper and safe use of the Equipment.

D. Renter is personally liable for any injury or damage caused to the Equipment and to all others and +their property while operating the Equipment.

E. Renter agrees that everyone will wear a properly fitted and fastened U.S. Coast Guard approved floatation device (lifejacket) while aboard the Equipment or on or in the water.

F. Renter understands that he or she is responsible for refueling the Equipment upon return.

G. Cape Fear Boat Rental, LLC provides the Equipment "AS IS". Renter has been given an adequate opportunity to inspect the Equipment. Cape Fear Boat Rental, LLC makes no warranties, either express or implied, with respect to Equipment, including any implied warranty of merchantability or fitness for a particular purpose.

H. Cape Fear Boat Rental, LLC is not liable for the loss or damage to the personal property of the Renter.

CAUTION!!! READ BEFORE SIGNING.

20. **WARNINGS.** In consideration of the use of the Equipment, the undersigned Renter acknowledges the following warning. WARNING: There are significant elements of risk in any adventure sport or activity on the water or associated with the use or presence of watercraft, including but not limited to the Equipment. These risks are inherent in boating and may be present even if the Equipment is used properly and even in still water. The Renter understands and acknowledges that the operation of the Equipment involve risks such as, but not limited to, the following: (a) changing water flow, conditions or currents; (b) collision with other participants, any portion of the interior of the craft, other watercraft, manmade or natural objects, including overhanging, submerged and/or semi-submerged trees, branches, rocks and boulders; (c) cold weather and heat related injuries and illnesses including hyperthermia, frostbite, heat exhaustion, sun stroke, and dehydration; (d) inclement weather, variances and extremes of wind, weather and temperature, the presence of insects and animals; (e) sense of balance, physical coordination, ability to swim, and/or ability to follow directions; (f) loss of control of the craft, collision, capsizing, and sinking of the craft which can result in wetness, injury, exposure to the elements, hypothermia and drowning; (g) injury while getting in and out of the craft; (h) the presence of wild animals, including marine life forms, and (i) unavailability of emergency aid services and emergency medical care. The listing of these risks is not intended, and shall not be construed as, all the possible risks associated with the use of the Equipment.

CAUTION !!! READ BEFORE SIGNING.

21. ASSUMPTION OF RISK. Based upon the warnings above and Renter's acknowledgement of the inherent risks of using and operating the Equipment, and that some or all of those risks may be unavoidable even with reasonable care in the use and operation of the

Equipment, by executing this agreement, the Renter willingly and voluntarily decides to participate in the use and operation of the Equipment, and expressly assumes all risks that arise from the use and operation of the Equipment, including the risk of property damage, bodily injury and possibly death, including the acts of others, the unavailability of emergency care and any other foreseeable or unforeseeable factors or circumstances related to the use of the Equipment, even if arising from the negligence, act or omission (excluding conduct worse than negligence such as gross negligence) of Lessor, and assumes full responsibility of participation.

To explicitly acknowledge the Renter's ASSUMPTION OF RISK, Renter shall place their initials here: _____ (Renter must initial).

CAUTION!!! READ BEFORE SIGNING.

22. WAIVER AND RELEASE OF LIABILITY/COVENANT NOT TO SUE. The

undersigned Renter, based upon the warnings and understanding of risks, and predicated in part upon the acknowledgements and assumption of risks described above, does hereby waive, release, hold harmless, and discharge Cape Fear Boat Rental, LLC, its members, employees, representatives, agents, successors, assigns, and insurers, from any and all claims or liability arising from the use or operation of the Equipment and agrees that he or she and any minor children for whom Renter is a parent, legal guardian, or otherwise responsible, shall not sue them on account or in connection with any claims, causes of action, injuries, damage, cost of expenses arising therefrom, whether arising from the negligence or strict liability, and regardless of the participation of any other third party in the causation of any such injuries, damages, or liability, but excluding claims which arise from gross negligence or willful misconduct on the part of Cape Fear Boat Rental, LLC. Renter acknowledges that this waver and release includes the waiver of future and unknown claims.

To explicitly acknowledge the Renter's WAIVER AND RELEASE OF LIABILITY/COVENANT NOT TO SUE, Renter shall place their initials here: _______(Renter must initial).

CAUTION!!! READ BEFORE SIGNING.

23. INDEMNITY. The undersigned Renter agrees to indemnify, defend, and hold harmless Cape Fear Boat Rental, LLC from any and all claims made by or for the Renter, any minor children for whom Renter is a parent, legal guardian, or otherwise responsible, or any other third party, arising out of this Agreement and any and all activities related to the use or operation of the Equipment and that Renter shall hold Cape Fear Boat Rental, LLC and its members, employees, representatives, agents, successors, assigns, and insurers (each, an "Indemnitee") and hold them harmless from any or all claims, causes of action, damage judgments, costs or expenses, including attorney fees which in any way arise from the undersigned Renter's use or operation of the Equipment, which include but are not limited to damages to or destruction of any property of an Indemnitee, of any others, injury or death of the undersigned or anyone else; provided, however, the foregoing indemnity shall not apply to claims related solely to the gross negligence or willful misconduct of Cape Fear Boat Rental,

LLC. The undersigned agrees to pay for any or all damages to any property of Indemnitee caused by the undersigned either negligently, willfully, or otherwise.

To explicitly acknowledge the Renter's agreement of INDEMNITY, Renter shall place their initials here: _____ (Renter must initial).

24. INCORPORATED BY REFERENCE. All documents (including, without limitation, ______) delivered as part hereof or incident hereto are incorporated as a part of this Agreement.

25. MISCELLANEOUS.

25.1. <u>Notices</u>. Any notice required or permitted by or in connection with this Agreement (but without implying any duty or obligation to give a notice if not expressly required by the terms of this Agreement) shall be in writing and shall be deemed to be given if sent by certified mail, return receipt requested, or by recognized overnight delivery, to the applicable Party at the above address. Receipt of such notice shall be deemed complete on the day of actual delivery as shown by the addressee's certification receipt, or at the expiration of the fourth business day after the day of mailing if no date is shown on the receipt or if no receipt is returned to the sending Party. In addition to the foregoing, any written notice in fact received by the applicable Party shall be considered effective upon receipt.

25.2. <u>Entire Agreement</u>. This Agreement constitutes the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

25.3. <u>Successors and Assigns</u>. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, administrators, personal representatives, successors and permitted assigns. Neither this Agreement nor any of the rights of the Parties hereunder may be transferred or assigned by any Party hereto without the prior written consent of the other Party hereto, which may be withheld in the absolute discretion of such Party for any reason or no reason.

25.4. <u>No Third-Party Beneficiaries</u>. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.

25.5. <u>Number, Gender, Captions, Etc</u>. Whenever used herein, the singular number shall include the plural, the plural shall include the singular, and the use of the masculine, feminine or neuter gender shall include all genders. The captions contained herein are for reference only.

25.6. <u>Amendment and Modification; Waiver</u>. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto. No waiver

by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

25.7. <u>Severability</u>. If any provision of this Agreement is held invalid or unenforceable, such decision shall not affect the validity or enforceability of any other provision of this Agreement, all of which other provisions shall remain in full force and effect.

25.8. <u>Governing Law</u>. This Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of North Carolina or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina. Venue in all matters related to this Agreement shall be in New Hanover County, North Carolina.

25.9. <u>Waiver of Jury Trial</u>. Each Party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

25.10. <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Pontoon Boat Rental Agreement on the date first written above.

LESSOR:

RENTER:

	CAPE FEAR BOAT RENTAL, LLC	By:
		Name:
By:		
Name:		By:
Title:		Name:
		By:
		Name:

Exhibit A (Rules for Use of the Equipment)

Renter agrees that he or she shall use the Equipment, including but not limited to the pontoon boat, safety (life) vest(s), engine, gas tank, ropes, anchor, and safety flares/whistle only for the purpose of personal entertainment, with safety always in mind, and in accordance with ALL the following rules:

A. Renter shall obey all federal, North Carolina, and local laws, ordinances, rules, or regulations with respect to the use and operation of the Equipment and shall obey all lawful directives of Port City Marina dock master, law enforcement personnel while operating the Equipment.

B. Renter shall not, at any time, dangle their legs off the sides of the Equipment.

C. Renter shall close and secure the front and back door with all riders inside before the Equipment begins moving.

D. The Equipment cannot be used after sunset or before sunrise.

E. Renter shall not allow pets onto the Equipment.

F. Renter shall not make unreasonable or excessive noise while operating the Equipment.

G. Renter shall return the Equipment, in good working order and condition, at the end of the rental agreement and if any Equipment has been lost, Renter shall inform Cape Fear Boat Rental employees and/or agents immediately upon return. Renter shall be financially responsible for all lost and/or damaged Equipment, at replacement cost.

H. Renter shall follow all posted speed limits and rules of navigation while on the water and shall stay clear of all other boats in operation on the water. Renter shall not attempt to board another vessel from the Equipment. The Renter shall take care not to allow the pontoon boat to collide or damage other vessels that may be docked in the marina or in operation on navigable waters.

I. Renter shall not throw trash or litter from the Equipment, into the water or otherwise, and acknowledges that they may be operating in environmentally sensitive areas. All trash or litter must be secured to keep it from accidentally falling into the water and upon the end of the rental, all trash and litter shall be deposited in the appropriate trash receptacle.

J. Renter shall always stay within 20 miles of Port City Marina, Wilmington, North Carolina. Renter will not go in inlets or the Atlantic Ocean.

K. Renter shall not allow anyone other than Renter to use or operate the Equipment.