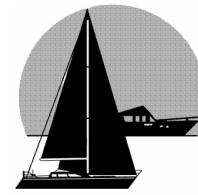


Willsboro Bay Marina, Inc.



July 29, 2011

We have experienced an extraordinary spring and early summer. Spring began with a record-breaking water level and we had the challenge of adjusting dock access to accommodate the water level while simultaneously completing the already-started projects of doubling the electrical supply to docks 3 & 4 and moving several dozen anchors for longer fingers on docks 3 & 4. In early summer we reached the milestone of 100% seasonal dockage occupancy. We are now facing two more challenges. One is the continuing long term challenge of the increasing average boat size; existing dockage clients continue to trade-up their boats from the mid-30's into the 45 foot range and prospective new clients generally have boats 40 feet and longer.

The immediate challenge is meeting the needs of the dozens of summer-only clients who now wish to winter store here to avoid difficulties related to winter storing elsewhere. We will require a great deal of organization and cooperation from all of our winter storage clients to be able to accommodate the needs of all existing winter clients in addition to the dozens of summer-only clients who are now becoming year-round clients. We are not accepting any additional winter-only clients. In the past we used the aisles between rows of stored boats for dock storage. We must now use this space for additional boat storage and some docks will now be stored further away on the property. This will result in less flexibility in our spring launch schedule. Due to extremely high demand for our winter storage services boats hauled early are blocked in by later-hauled boats, and stored boats are blocked into our yard once our docks are hauled and will remain blocked in until docks are launched in the spring. **Those who haul early in the fall should expect to be launched late in the spring, and those who haul late in the fall must be prepared to launch early in the spring. Most late hauled boats will be assigned early launch dates of the marina's choice. Failure to cooperate with these general scheduling principles will result in charges to move your boat out of the way of other boats, charges to move other boats or docks out of your boat's way, or additional fees for launching unattended by owner. Once hauled, all boats must remain at the marina until after the docks are launched in the spring.**

Eligibility for Winter Storage:

1. Any boat that was stored here last winter (2010-2011) is eligible for storage next winter (2011-2012). We are not accepting any additional winter-only clients. Current summer-only dockage clients who wish to become year-round clients should check the remaining guidelines for eligibility.
2. All new winter clients for 2011-2012 must reserve a dock space for summer 2012 with payment of a non-refundable dockage reservation fee of \$1,000 to be eligible for winter storage. We are not accepting additional winter storage boats without a paid dockage reservation for next summer.
3. All trailer-set boats with owner's cradle that were not stored here last winter must have steel cradle blocking permanently welded to the cradle. We will not accept any additional trailer-set cradles without these blocks. Depending on the boat size and cradle configuration between 5 and 8 blocks will be required. We can supply and install these blocks for you at a flat rate of \$75 per block provided that the request is received by July 20.
4. Many stationary cradles have closed bow and stern ends that are so high that our Travelift cannot lift the keel over the end. These cradles require modification at owner's expense to be eligible for use in storage at the marina.
5. All stored boats may not exceed any of following maximum dimensions:
Length: 46' sail or 42' power
Beam: 14' 9"
Displacement: 28,000 lbs., some exceptions will be considered on a case by case basis
7. A \$2 per foot winter storage discount is offered to dock 2012 clients who fully cooperate with our planning efforts by paying a non-refundable dockage reservation fee of \$1,000, scheduling a haul date, and supplying a fully completed request form - all three items required by September 1, 2011. This does not mean that you must haul by that date; rather, it means that by then you must have scheduled a mutually agreeable date with us.

Haul out and Winterizing Scheduling:

We haul boats on all weekdays through (and including) Labor Day. We will then haul boats Thursday through Monday weekly from September 8 through October 20. We will not haul, fuel or provide other services on Tuesdays and Wednesdays after September 8. Our schedule book is now open and you may call or visit us at your convenience to schedule your haul out date. Those who schedule promptly will get the best choice of dates. The first four boats to be hauled each day should be ready at 8:00 AM and the remaining boats should be ready at 10:00 AM. We will try to haul out boats in the order scheduled but we may change the sequence of boats hauled in a day without advance notice. However, we will haul your boat out on the scheduled day whether or not you are present.

All reservations must be made by September 1st. If you neither make a reservation by September 1 nor inform us that you will be wintering elsewhere, we may schedule your haul out for our convenience and perform all winterizing work that we consider necessary to protect the boat. If you do not intend to winter store at the marina, you must notify us of this fact by September 1. Substantial overtime rates will apply to those who do not accept normal scheduling or are hauled on a fill-in or as-available basis. Please contact us promptly to schedule a mutually agreeable date and avoid unnecessary extra fees. All boats remaining docked at the marina after October 20 may be hauled and fully winterized at double the standard rates.

The marina does not transport cradles. We recommend that you contact Jay Riedinger (802-878-8622), Dominique Rouges (514-267-7866), or A. Racine et Fils (450-246-3992) for cradle transportation. We are not responsible for defective, rotted or poorly designed cradles. We reserve the right to repair or reinforce cradles at your expense or to substitute boat stands or rental cradles for any cradle that we believe to be unsafe. All cradles brought to the marina must be of steel construction with open ends and if carried by our hydraulic trailers they must also have integrated steel blocking.

You must sign and return the haul out and service request even if you are requesting no service work. Please follow form instructions carefully to insure that the necessary work will be done. Please complete and return the form immediately so that the necessary materials can be ordered and the requested winterizing work can be scheduled. We may not be able to perform all of the requested services if the form is returned late. We will not use customer-supplied materials to perform our winterizing & servicing work; all materials for this work will be supplied by us.

Our staff requires easy access to tanks, plumbing, batteries and engines. The marina must have a copy of all boat and engine keys on hand at all times for emergency, service, and hauling and launching use. We recommend and prefer combination locks. Please provide us with any missing keys. Your boat must be in running condition before haul out. **After September 1, winterizing takes priority over all other work, leaving no time for repairs or routine service.** We will pump out all holding tanks of all Travelift-hauled boats at haul out at no charge.

Oil & oil filter changes and fuel filter changes should be scheduled for the period ending September 1. We will **not** be performing these services after September 1. Contact our service department to request this work or submit a work order through the marina store. Please be sure to accompany your service request with any time or date restrictions. Note that small trailerable powerboats are not subject to this restriction; we will continue to service these boats' engines when we winterize them.

The marina is not offering battery storage or charging services inside our buildings due to safety regulations. We can assist you by disconnecting and reconnecting batteries, testing them and adding water, removing batteries for off-site storage and reinstallation, or periodically charging them inside your boat during the winter. Do **not** remove your batteries before winterizing is completed.

We request that you remove your inflatable dock fenders, dinghies, dock boxes, stairs and steps, and water hoses and store them appropriately. We will remove all such items left on the docks and charge a fee for this service. If you prefer that we remove them for you, please check the appropriate boxes on the haul out and service request form. Perimeter brand dock fendering may remain in place.

Paul Mero recommends adding fuel stabilizer at every fueling. **The marina will not fill or top off fuel tanks nor add fuel stabilizer at haul out.** If you wait until haul out to add your own fuel stabilizer it will only stabilize the fuel in the tank but it will not stabilize fuel in the filters, pumps or engine.

Sail and canvas repair and storage services and shrinkwrapping are provided by outside contractors for which the marina is not an agent. The marina will not provide scheduling, billing or delivery services for these contractors. We provide an area for temporary storage at your own risk for sails awaiting pickup by your sail maker. We advise you to label these sails with your name and the sail maker's name. We recommend Doyle Sailmakers at (518) 563-7128 for sail inspection, repairs and storage and Adirondack Canvas Works at (518) 561-8602 for canvas work. We recommend Bryant Laferriere for shrinkwrapping. Contact Bryant Laferriere directly at (518) 963-4676 for rates and further information. Bryant Laferriere does not offer unwrapping services in the spring, but the marina will offer unwrapping services next spring on weekdays only with at least 7 days advance notice and we will bill for these services upon completion. Shrinkwrap is **not** permitted in our dumpsters. We participate in a shrinkwrap recycling program; recycling kits are available for purchase at the marina store. Disposal fees will be billed for all shrinkwrap found in our dumpsters or left at the marina.

Antifreeze & Fluid waste disposal:

Automotive, ethylene glycol, or toxic antifreezes are prohibited at the marina (except in the closed portion of closed cooling systems). Do **not** use them to winterize your engine's raw water system. Waste fluids must be delivered to a marina staff member and disposal fees must be paid at that time. Marina staff members will assist you with the disposal of used motor oil, automatic transmission fluid, gear oil, or antifreeze in sealed, clearly labeled plastic bottles. All bottles must be supplied by marina staff members. We do not accept gasoline for disposal; we recommend that you stabilize and store leftover outboard gasoline.

Integrated Steel Cradle Blocking:

We encourage all clients with cradles that are carried by our hydraulic trailers to purchase integrated steel cradle blocking. We can provide and install these blocks now for a flat rate of only \$75 per block and reward this investment with a \$3 per foot reduction in the winter storage rate.

Dockage Rates, Assignments and Reservations:

In return for the lower standard dockage rate (versus premium) you are obligated to inform the marina whenever you are certain that your slip will be vacant overnight so that the marina may use the slip for transient dockage. We also offer a premium program which exempts you from the requirement to notify the marina whenever you intend to leave the slip vacant overnight. The marina will not assign premium program slips to transient dockage use. If you don't intend to notify us of your plans please sign up for the premium program. Repeated failure to inform the marina when your slip will be vacant overnight may result in billing for the lost overnight dockage income or billing for the premium program.

We offer two discounts of \$2 per foot each on dockage. You can qualify for either or both of them:

The "cash" discount of \$2 per foot applies to dockage fully paid by cash, check or money order. Dockage may also be paid by credit or debit card; however, **the cash discount does not apply when dockage is paid by credit or debit card.** The advance prepayment discount of \$2 requires both a reservation fee of \$1,000 paid by September 1, 2011 and the remaining balance paid by March 20, 2012.

The \$1,000 reservation fee will hold your dock space reservation until March 20, 2012 when the remaining balance is due. If the balance remains unpaid on March 21, 2012 then the dock space may be reassigned to someone from our waiting list. Dock reservation fees for 2012 are neither refundable nor applicable to other marina services.

Prepayments not made on schedule will result in forfeiture of the advance prepayment discount. To prevent late payments and lost discounts, you may provide us a postdated check for the March 20, 2012 payment. Store staff will provide the payment amounts for you. Although we accept and hold postdated checks for the March dockage payment, postdated checks are **not** an acceptable payment method for any other charges. The marina's policy is to deposit all checks upon receipt without regard to the date written on the check.

Cancellation & Refund Policy: Dockage reservation fees and other dockage payments for 2012 are **not** refundable and may **not** be applied to storage charges, other marina services or to a subsequent year's dockage. However, the dock space may be transferred to the new owner upon sale of a boat provided the new owner accepts our customer agreement. The dock space may also be transferred to a different boat owned by the same client **but only if a suitable space is available**; incremental additional charges will be due for a larger boat. To reserve a dock space for 2012 we require your reservation fee by September 1, 2011. If your reservation fee is not received by September 1, 2011 we can only assume that you will not return for the 2012 season and your slip will then be considered vacant. All vacancies will be offered to those already on our waiting list. Upon providing your deposit, you may request a specific vacant slip.

A minimum rate based on at least 42 feet will apply to all slip assignments on dock 5 and no additional boats below the minimum size will be assigned to that dock. A minimum size and rate of 36 feet for dock 4 and 32 feet for dock 3 will apply to all new assignments. Some below minimum length assignments may be made at the marina's choice to match up wide and narrow boats in bays and minimum rates will be waived in those special cases. We encourage those with boats below the minimum size for their current assignments to contact us about optimal assignments on other docks as spaces there become available after the dock reservation deadline is passed. The marina reserves the right to assign or reassign slips, even in mid-season, for safety or the optimum use of space. If your boat is below the minimum size for your dock space assignment then your reservation does not guarantee or hold that specific slip and your assignment is subject to change at any time.

Dockage includes in-water space for a single dinghy up to 12' in length, either in your slip or on the dinghy dock areas. Additional or larger small craft kept in the water will require rental of additional dockage space.

Automobiles, Dinghies, Trailers, Portable Fuel Tanks and Other Equipment:

All automobiles, dinghies, trailers, dock boxes, fuel tanks and other equipment on our property must be labeled with your full name or customer number (which is **not** your dock space number). We provide free parking permit stickers for your automobiles with your customer number.

All dinghies must be clearly identified with your full name or customer number. Dinghies stored in the water must be regularly bailed to prevent damage to them and their motors and most importantly, avoid environmental damage from fuel. All dinghies found at our docks or on our dinghy racks without full name or customer number will be removed to the back of our boat storage lot, and if not claimed or identified within 30 days will be discarded.

Fuel tanks may be stored in the concrete fuel vault during the winter only, provided they are identified with your full name or customer number. We will dispose of all unidentified fuel tanks now, and will dispose of all tanks, identified or not, every June. During the boating season, please keep them in your dinghy or boat and not on the lawns, in the woods, near the dinghy racks or in the boatyard.

We provide a shared seasonal storage facility for temporary storage (up to 10 months) of non-hazardous boating equipment. There is no charge for use of this facility. It is uninsured and storage is at your own risk. Outboard motors, batteries, fuel tanks, propane tanks, other flammable items, and items regulated by law (such as weapons, alcohol, tobacco, and prescription medication) may not be stored in this facility. We do not recommend storing sails, cushions, or other fabric items in this facility. Please label your equipment with your name (or customer number) along with the date placed in storage. Be considerate of other marina members and remove items that remain unused after 10 months. We will dispose of unidentified equipment and we will dispose of labeled equipment after 10 months continued storage.

In closing, we'd like to thank you for your continued support and friendship. It is our intention to remain focused on our goal to provide the highest quality of marina life and the best service available on Lake Champlain.

Sincerely,

The Kleins and the Meros