

ON-SITE OFFICE
500 Blue Dolphin Drive
Seabrook, Texas 77586
Phone: 281.474.4450
Fax: 281.474.2050



CORPORATE OFFICE
PO Box 130979
Houston, Texas 77219-0979
Phone: 281.688.3926
Fax: 281.686.2680

This Lease ("Lease") is made and entered into by and between Seabrook Blue Dolphin Yachting Center, Inc. d/b/a Blue Dolphin Yachting Center, Inc. ("Blue Dolphin") and Lessee (as defined below). Blue Dolphin hereby leases to Lessee, and Lessee hereby leases from Blue Dolphin, the Boat Slip (as defined below), located at the Seabrook Blue Dolphin Yachting Center, 500 Blue Dolphin Street, Seabrook, Harris County Texas 77586 and the nonexclusive use of the parking area at the marina. The Boat Slip, the Blue Dolphin Marina, all parking areas, piers, fingerpiers, walkways, bulkheads, roadways leading thereto and surrounding same, common areas, underlying and abutting waters and the bottom floor/bed of the underlying basin shall be collectively referred to herein as the "Blue Dolphin Facilities".

Boat Slip Number: _____ ("Boat Slip") Pier: _____ I/We specifically acknowledge and accept the Boat Slip "As Is" and "Where Is" with all Faults.
Vessel Owner/Name: _____ Co-Owner/Partner: _____ (Individually or collectively, "Lessee")
Home Street Address (No P.O. Boxes): _____
Office Street Address (No P.O. Boxes): _____
Mailing Address if different: _____
Telephone Numbers: Home: _____ Office: _____ Boat: _____ "Co" Home: _____
Cell/Mobile: _____ Cell/Mobile: _____ Fax: _____ "Co" Cell: _____
Email Address: _____ Email Address: _____

NOTE: Lessee must notify Blue Dolphin in writing of address and/or phone number changes within eight (8) hours of such changes.

The Boat Slip shall be used only by the following vessel ("Vessel"):

Boat Name: _____ Type of Vessel: Power Sail Overall Length: _____ Overall Beam: _____
Gross Weight: _____ Manufacturer: _____ Year: _____
Check One: State Motor Boat No. _____ Custom House No. _____ U.S. Coast Office Guard No. _____ Documentation No. _____

This Lease shall be for a term of _____ months _____ years beginning the _____ day of _____, 20____ with Lessee paying as rent the sum of \$ _____ per month. All amounts due hereunder are payable monthly in advance without demand on the first (1st) day of each month. In addition to its lease of the Boat Slip, Lessee agrees to and, in some instances, will pay for (at the additional rates set forth below) the following:

ELECTRICITY

I/We understand that Blue Dolphin may provide electricity as provided on the reverse side hereof and one or more of the following may apply:
I/We understand that if the boat slip is on the south side of Pier II, which may be re-numbered to Pier 3. I/We will not be responsible for electricity used at this slip location unless, at the sole discretion of Blue Dolphin, my/our electricity usage is excessive, in which case I/we will pay for such usage in accordance with the terms on the reverse side hereof.
I/We further understand Houston Planned Energy (or any similar entity Blue Dolphin chooses) currently reads electrical meters for Blue Dolphin and that I/we must pay for all of my/our electricity usage and that payment is to be made directly to Blue Dolphin Yachting Center, Inc.

LIVE ABOARD APPLICABLE NOT APPLICABLE I/We agree that the monthly live aboard rate for the Boat Slip is \$ _____ per month.
I/We agree that the current live aboard rates are: \$ 80.00 (in the event electricity is metered at the Boat Slip)
\$100.00 (in the event electricity is not metered at the Boat Slip)

LOCKER RENTAL APPLICABLE NOT APPLICABLE I/We agree that the monthly rate for Locker No. _____ is \$ _____ per month.
I/WE ALSO UNDERSTAND THAT NO NAILS OR FASTENERS MAY BE PLACED IN THE SHEET METAL INSIDE THE LOCKER.

I/We also understand that for an additional charge Blue Dolphin may rent me/us an additional locker(s), but that I/we may be required (at Blue Dolphin's sole discretion) to terminate my/our rental/use of any additional locker(s) upon twenty-four (24) hours notice.

DRY STORAGE APPLICABLE NOT APPLICABLE I/We agree that the monthly dry storage fee is \$ _____ per month (per item).
I/We also understand that access to the Dry Storage Area is only during regular Office Hours. I/We also agree that work on/repair of item(s) described below, while stored, is strictly prohibited.

Description of Stored Item(s): _____

PIER PATIO USE APPLICABLE NOT APPLICABLE

I/We agree that, in addition to the General Terms and Conditions set forth below and on the reverse side hereof, the Specific Terms and Conditions Relating to Pier Patio Use (on the reverse side hereof) apply to my/our use of same.

INSTALLATION OF BOAT LIFT APPLICABLE NOT APPLICABLE

I/We agree that, in addition to the General Terms and Conditions set forth below and on the reverse side hereof, the Specific Terms and Conditions Relating to Boat Lifts (on the reverse side hereof) apply to my/our installation, use and possible removal of same.

GENERAL TERMS AND CONDITIONS

Blue Dolphin and Lessee agree that the General Terms and Conditions set forth below and on the reverse side hereof shall govern Lessee's use of the Boat Slip and the Blue Dolphin Facilities, in general.

INDEMNITY AND RELEASE. LESSEE AGREES TO RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS SEABROOK BLUE DOLPHIN YACHTING CENTER, INC., THE OWNER(S) OF THE REAL PROPERTY ON WHICH THE BLUE DOLPHIN FACILITIES ARE LOCATED, THEIR CONTRACTORS, SUBSIDIARIES, AFFILIATES AND INTERRELATED ENTITIES, FIRMS, COMPANIES AND ALL PARTIES IN INTEREST AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, SUCCESSORS AND ASSIGNS ("INDEMNITEES") FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, COUNTERCLAIMS, DEMANDS FOR CONTRIBUTION, CAUSE OR CAUSES OF ACTION, EXPENSES AND COSTS (INCLUDING REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION AND/OR ARBITRATION) AND/OR JUDGMENTS OF EVERY KIND AND CHARACTER WHICH ARISE OUT OF, OR ARE IN CONNECTION WITH, DIRECTLY OR INDIRECTLY, PROXIMATELY OR REMOTELY, (A) PERSONAL INJURY, DEATH AND/OR PROPERTY DAMAGE SUFFERED OR INCURRED BY LESSEE, THE OWNER(S) OF THE VESSEL AND/OR THEIR RESPECTIVE INVITEES, VISITORS, LICENSEES, GUESTS, AGENTS, CONTRACTORS, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, SERVANTS, SUCCESSORS AND/OR ASSIGNS (ALL SUCH PARTIES BEING HEREIN REFERRED TO AS THE "VESSEL PARTIES"); (B) LOSS OF OR DAMAGE TO THE VESSEL; (C) DAMAGE TO OTHER VESSELS, DAMAGE TO PROPERTY OF THE INDEMNITEES, AND/OR DAMAGE TO PROPERTY OF THIRD PARTIES, CAUSED (IN WHOLE OR IN PART) BY THE VESSEL AND/OR THE VESSEL PARTIES; (D) PERSONAL INJURY OR DEATH SUFFERED BY ANY PERSON WHATSOEVER AND CAUSED (IN WHOLE OR IN PART) BY THE VESSEL AND/OR THE VESSEL PARTIES; (E) REPAIRS, SUPPLIES, NECESSARIES AND OTHER SERVICES (INCLUDING, BUT NOT LIMITED TO, WATER, ELECTRICITY AND/OR SECURITY) SUPPLIED BY ANY INDEMNITEE OR WHICH ANY INDEMNITEE FAILS TO SUPPLY; (F) VIOLATION BY LESSEE OR ANY OTHER OF THE VESSEL PARTIES OF ANY LAW, STATUTE, RULE OR REGULATION; (G) ANY DISCHARGE, WHETHER VOLUNTARY OR ACCIDENTAL, OF HAZARDOUS MATERIALS (INCLUDING, BUT NOT LIMITED TO, FUEL, OIL, HYDROCARBON DERIVATIVES, BATTERIES, COOLANT AND OTHER CONTAMINANTS) BY ANY OF THE VESSEL PARTIES OR FROM THE VESSEL; AND (H) SALVAGE OF THE VESSEL AND/OR WRECK REMOVAL; WITHOUT LIMIT AND REGARDLESS IF CAUSED BY, IN WHOLE OR IN PART, PRE-EXISTING CONDITIONS, WHETHER SUCH CONDITION BE PATENT OR LATENT, DEFECTS IN PREMISES, THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, BREACH OF REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED), STRICT LIABILITY, THEFT, TORT, BREACH OF CONTRACT, VIOLATION OF LAW, OR THE NEGLIGENCE OF ANY PERSON OR PERSONS, INCLUDING THAT OF ANY INDEMNITEE, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE OR ANY OTHER THEORY OF LEGAL LIABILITY, INCLUDING, WITHOUT LIMITATION, THE IMPROPER CONSTRUCTION, CONDITION, MAINTENANCE AND/OR OPERATION OF THE BLUE DOLPHIN FACILITIES AND/OR ANY OF THE EQUIPMENT OR MATERIALS BELONGING TO ANY OF THE INDEMNITEES.

Lessee expressly acknowledges that Lessee has read and understands each of the provisions of this Lease (including, but not limited to, the General Terms and Conditions set forth above and on the reverse side hereof, any applicable Specific Terms and Conditions, and the Rules and Regulations) and that it agrees to abide by all of these provisions.

EXECUTED to be effective this _____ day of _____ 20____.

SEABROOK BLUE DOLPHIN YACHTING CENTER, INC. LESSEE(S):
BY: _____
BY: _____

GENERAL TERMS AND CONDITIONS (PAGE 2)

- Children twelve (12) years of age and under are required to wear life jackets while on the piers, walkways and fingerpiers. Children under ten (10) years of age are not permitted on the piers, walkways and fingerpiers without the immediate presence of their parents or other responsible adults. Without limitation, Lessee must abide by Chapter 31 of the Texas Parks and Wildlife Code V.T.C.A., as amended, including, but not limited to, Subchapter C thereof, and all regulations set forth by the United States Coast Guard.
- Lessee agrees to pay Blue Dolphin upon execution of this Lease (a) Lessee's pro rata portion of the first (1st) month's rent, and (b) a security deposit equal to one (1) month's rent. Blue Dolphin may at its option change the applicable monthly rate for the Boat Slip or other charges from time to time upon thirty (30) days advance notice to Lessee, but all other terms of this Lease shall remain in full force and effect. The security deposit is not considered as last month's rent. The security deposit is refundable only under the following conditions: (a) the terms and conditions of the Lease have been fulfilled, (b) Lessee's account with Blue Dolphin has been paid in full, and (c) the Boat Slip, locker, and/or dock box were left in satisfactory condition. Blue Dolphin reserves the sole right to determine "satisfactory condition". Any rent or other charges not received by Blue Dolphin by the first (1st) day of the month will incur a **late charge penalty** currently of **\$25.00** which is due and earned on **the fourth (4th) day of the month** and five dollars (\$5.00) per day for the next ten (10) days plus one dollar (\$1.00) per day until the end of that month (with similar late charges for each succeeding month until paid) (which may change at Blue Dolphin's sole discretion), and in addition, such past due rental or other charges shall bear interest, until paid, at the lesser of (i) eighteen percent (18%) per annum, or (ii) the highest legal rate. Lessee shall pay Blue Dolphin currently the sum of **\$25.00** (which may change at Blue Dolphin's sole discretion) for each returned check. Notwithstanding any of the foregoing, in no event shall the late charges/penalties and interest exceed the maximum amount allowed by law. In the event Lessee pays to Blue Dolphin any amount over the amount allowed by law, such amount shall be refunded to Lessee, without interest.
- If Lessee or any of its agents, servants, employees, invitees, visitors, licensees or guests (i) spend more than three (3) nights per week aboard the Vessel, (ii) utilize electricity to operate the air conditioning and heating units for more than three (3) nights per week, or (iii) use excess electricity (with such determination being made at Blue Dolphin's sole discretion) due to operating air conditioners, heaters, or dehumidifiers or other items while the Vessel is unattended (or otherwise), Lessee will be required to pay the appropriate live aboard fee set forth on the reverse side hereof, even if Lessee did not originally choose that option. Further, Blue Dolphin may exercise its rights to separately meter the Boat Slip and have Lessee pay the related charges, as set forth below.
- Lessee agrees that Blue Dolphin has a lien on and a security interest in the Vessel, its equipment and appurtenances, as well as all personal property aboard the Vessel or used in connection with the Vessel, for unpaid rental as well as for other unpaid indebtedness of Lessee to Blue Dolphin including, but not limited to, charges for supplies, necessities and repairs. This lien and security interest are in addition to all liens or remedies provided by law, and Blue Dolphin may file this Lease as a security agreement and financing statement (or request and obtain a separate financing statement from Lessee). Lessee agrees not to remove the Vessel (and trailer) from the Boat Slip and the Blue Dolphin Facilities during the term of this Lease until all delinquent accounts with Blue Dolphin are paid. Before or after termination or expiration of this Lease, Blue Dolphin may take possession of the Vessel or other personal property to satisfy any lien it may have against the Vessel or personal property and sell such Vessel or personal property at private or public sale (without having the Vessel or personal property at the sale) following the mailing of notice of sale to Lessee at the address shown in this Lease, and Blue Dolphin shall not be liable to any person for any such taking of possession or sale, or for damages to the Vessel or personal property. In the event it is necessary for Blue Dolphin to take possession of the Vessel or personal property and sell either or both or take any other steps to protect its interests, Lessee agrees that Blue Dolphin will be entitled to recover its attorneys' fees, as well as interest for the amount due and owing at the lesser of (i) eighteen percent (18%) per annum; or (ii) the highest legal rate. Blue Dolphin retains a maritime lien and all rights under the maritime law of the United States and Lessee hereby recognizes and agrees that Blue Dolphin retains a maritime lien for wharfage, necessities and all supplies and services provided to the Vessel to be exercised at Blue Dolphin's option, in the event of non-payment.
- Blue Dolphin may (but is not obligated to) furnish the Boat Slip with water for normal use in connection with washing down the Vessel. Blue Dolphin may (but unless an additional charge is paid, is not obligated to) furnish Lessee with electricity for normal use in connection with the berthing of the Vessel. However, Blue Dolphin shall not be liable to Lessee in the event Blue Dolphin is unable (for any reason) to supply Lessee with water or electricity. In the event water or electricity, at a non-metered slip (as referenced on the reverse side hereof) is used in amounts deemed excessive (in Blue Dolphin's sole discretion), in addition to other remedies provided herein, Blue Dolphin reserves the right to require meters to be installed at the Boat Slip and payments to be made by Lessee for all water and electricity used. Lessee further agrees to pay any installation costs which are incurred in placing the meters at the Boat Slip. Lessee agrees that this Lease does not cover, and Blue Dolphin shall not be obligated to provide, any other services aside from those specifically required herein.
- Lessee hereby agrees to maintain the Vessel in an attractive, tight, staunch and strong condition and in every respect seaworthy and in good order and repair during the entire term of this Lease, with the decks, rigging and all exterior surfaces in a neat and orderly appearance, and to take all steps necessary to maintain the Vessel in the required condition with her bilges and interior spaces properly pumped and free of any dangerous, explosive or noxious fumes, vapors, gasoline or other substances. Lessee further agrees to refloat and remove the Vessel should it sink in, on or around the Blue Dolphin Facilities or in adjacent navigable waters and to remove all appurtenances, engines, spars or other gear which might become detached from the Vessel should the Vessel sink, and Lessee further agrees that if Lessee should fail for any reason to remove and refloat the Vessel and associated appurtenances and gear within ten (10) days of written notice from Blue Dolphin, to pay the actual expense of removal either by Blue Dolphin itself or its subcontractors, agents or others, whether or not such wreck removal is required by law or order of the United States Corps of Engineers or Coast Guard. In the event the United States Corps of Engineers or Coast Guard requires the removal of the wreck in a shorter period of time, Lessee agrees to comply with such requirement. Lessee further agrees to pay all fines paid by Blue Dolphin relating to the sinking of the Vessel.
- Lessee has inspected and is familiar with the Blue Dolphin Facilities and all roads, piers, bulkheads or wharfs leading thereto and surrounding same, and agrees that same are furnished in a safe condition and accepts them "**As Is**" with all faults and as suitable for Lessee's use. **FURTHER, BLUE DOLPHIN HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WHICH IN ANY WAY RELATE TO THE BLUE DOLPHIN FACILITIES, OR THE CONDITION THEREOF, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF SUITABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR MERCHANTABILITY.**
- LESSEE SHALL BE RESPONSIBLE FOR THE PROPER MOORING OF THE VESSEL AND BLUE DOLPHIN SHALL BEAR NO RESPONSIBILITY THEREFOR. BLUE DOLPHIN SHALL NOT BE LIABLE FOR AND LESSEE HEREBY RELEASES AND WAIVES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST BLUE DOLPHIN FOR DAMAGE TO THE VESSEL, ANY OTHER CRAFT OF LESSEE, AND ANY VEHICLES OWNED BY LESSEE WHILE THEY ARE AT THE BLUE DOLPHIN FACILITIES, INCLUDING, BUT NOT LIMITED TO, DAMAGE AND/OR THEFT ARISING FROM CONDITIONS OF NATURE AND/OR ACTS OF THIRD PARTIES.
- Lessee agrees and warrants that Lessee and Lessee's servants, agents, guests, visitors, licensees and invitees will conduct themselves and operate their equipment and property at all times in, on and around the Blue Dolphin Facilities in a prudent and orderly manner. Lessee acknowledges that intoxication and/or possession or use of drugs within the Blue Dolphin Facilities poses a threat to the safety of all marina tenants and their enjoyment of the Blue Dolphin Facilities. Such activities are a breach of this Lease and Blue Dolphin may vigorously support and assist appropriate authorities in prohibiting such conduct. Lessee further agrees that Blue Dolphin shall have no liability to any person because of the enforcement or failure to enforce any of the Blue Dolphin Rules and Regulations, any terms of this Lease, or any law, ordinance or regulation applicable to the Blue Dolphin Facilities and yacht basin or to any person thereon.
- Lessee shall not discharge, or in any other way dispose of sewage, trash, debris, fuel, oil, hydrocarbon derivatives, other contaminants or any hazardous substance or material in, on or around the Blue Dolphin Facilities or abutting water. Lessee shall comply with all governmental agency laws, rules and regulations covering disposal and discharge of wastes, chemicals and hazardous materials.
- Lessee may not sublet the Boat Slip or assign any interest under this Lease without written consent of Blue Dolphin, which consent may be withheld for any reason. Further, if Lessee sells or transfers the Vessel to another person or entity, the right to occupy the Boat Slip shall immediately terminate unless other arrangements are approved in writing by Blue Dolphin, provided, however, Lessee's obligation to pay all amounts due hereunder shall continue until the end of the lease term. Any holding over by Lessee after the expiration or termination of this Lease shall be a tenancy at sufferance at twice the sum of (i) the rental rate, (ii) the applicable live aboard rate, and (iii) any other applicable rates set forth above, and subject to all the other provisions of this Lease. **LESSEE AGREES TO INDEMNIFY, DEFEND AND HOLD BLUE DOLPHIN HARMLESS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST AND EXPENSE INCURRED BY BLUE DOLPHIN AS A RESULT OF LESSEE'S HOLDOVER.**
- Lessee agrees to carry hull insurance on the Vessel equal to or greater than one hundred percent (100%) of the current market replacement value of the Vessel. Lessee further covenants to carry protection and indemnity insurance in the amount of five (5) times the current market replacement value of the Vessel or a lesser amount allowed by Blue Dolphin in writing, as determined in Blue Dolphin's sole discretion. Lessee agrees to obtain and maintain the appropriate amount of insurance covering pollution incidents of all types including, but not limited to, discharge of fuel, oil, hydrocarbon derivatives, other contaminants or any hazardous substance or material. Lessee agrees to carry insurance to cover damages to Lessee's personal property on or around the Vessel, as well as injuries to Lessee's servants, agents, guests, visitors, licensees and invitees. Lessee agrees that it will have Blue Dolphin and other Indemnitors named as additional insureds (without liability for premiums or calls) on Lessee's hull policy, protection and indemnity policy and all other applicable policies and Lessee agrees that it will cause underwriters on such policies to waive their right of subrogation against Blue Dolphin and other Indemnities. Lessee shall deliver to Blue Dolphin's on-site office proof of all required insurance prior to occupying any of the Blue Dolphin Facilities. Additionally, prior to performing any work or services, any outside mechanic, craftsman or any other persons performing any work on the Vessel while in the Boat Slip or in, on or around the Blue Dolphin Facilities must first provide Blue Dolphin with a prepaid standard certificate of workman's compensation liability insurance and general liability insurance listing Blue Dolphin as a named insured.
- Blue Dolphin reserves the right to terminate this Lease at any time (i) without cause upon ten (10) days prior written notice to Lessee, or (ii) with cause, in Blue Dolphin's sole discretion, immediately, without prior notice to Lessee.**
- If upon the termination of this Lease for whatever reason, Blue Dolphin advises Lessee by notice delivered to the Boat Slip or mailed to Lessee at the address set forth in this Lease, to remove the Vessel, equipment and other property from the Blue Dolphin Facilities and Lessee fails to do so within ten (10) days from the date that such notice is given, said Vessel, equipment and other property shall be deemed abandoned by Lessee. However, in the event this Lease is terminated due to Lessee's failure to perform any of the covenants contained within this Lease or comply with any of the Blue Dolphin Rules and Regulations within forty-eight (48) hours after being given notice to perform same, Blue Dolphin may immediately remove the property of Lessee from the Blue Dolphin Facilities. Lessee agrees that Blue Dolphin has the right to take the actions described in the paragraph and that Blue Dolphin will not be liable or responsible for any damage or loss to the Vessel or its contents due to termination of this Lease (for any reason) and removal of the Vessel from the Blue Dolphin Facilities. Any removal of Lessee's property by Blue Dolphin shall be done so without Blue Dolphin being deemed guilty of trespass and without prejudice to any remedies which it may otherwise have. Lessee shall reimburse Blue Dolphin for any and all costs incurred in connection with said removal.
- If any portion of the bulkhead or other structures underneath and/or adjacent to the Boat Slip need to be repaired and/or replaced, Lessee's right to use the Boat Slip shall immediately cease and, at Blue Dolphin's discretion, Lessee's sole remedy shall be either to: (a) utilize another slip in, on or around the Blue Dolphin Facilities, provided by Blue Dolphin, (b) utilize another slip not within the Blue Dolphin Facilities, paid for by Blue Dolphin, or (c) receive a pro rata reduction in the rental rate based on the number of days Lessee is denied access to the Boat Slip; any of which Lessee shall accept as its sole remedy and in full and final settlement of all related claims and damages.
- Lessee understands that the Blue Dolphin Facilities comprise a commercial endeavor of Blue Dolphin and, therefore, Lessee hereby agrees to refrain from any commercial action competitive with the interest of Blue Dolphin in, on or around the Blue Dolphin Facilities. Yacht brokers must have written consent from Blue Dolphin, which consent may be withheld for any reason, to show or demonstrate the Vessel in, on or around the Blue Dolphin Facilities. Lessee may individually negotiate the private sale or trade of the Vessel. Lessee will not operate boat rentals, charters or any commercial endeavor from the Blue Dolphin Facilities without written consent of Blue Dolphin, which consent may be withheld for any reason.
- Lessee shall provide Blue Dolphin with a set of main door, hatch and ignition keys to the Vessel. So long as Lessee is not in breach of this Lease, the Vessel will be entered by Blue Dolphin personnel only for required governmental inspection or for emergency service. Blue Dolphin shall not be obligated to render emergency service to the Vessel but, if in the sole opinion of Blue Dolphin, the Vessel poses a danger to the Blue Dolphin Facilities or to property of other tenants, Blue Dolphin shall be authorized to perform the necessary work to remove the threat of danger caused by the Vessel and Lessee agrees to pay Blue Dolphin's usual and customary fees for such work.
- EXCEPT AS OTHERWISE PROVIDED HEREIN OR BY APPLICABLE LAW, ANY NOTICE SENT HEREUNDER WILL BE SENT BY U.S. CERTIFIED MAIL TO THE ADDRESS SHOWN ON THIS LEASE OR LESSEE'S LAST KNOWN MAILING ADDRESS IN ACCORDANCE WITH THIS LEASE. ALL NOTICES TO LESSEE SHALL BE EFFECTIVE ON THE DATE OF RECEIPT OR REFUSAL OF SERVICE. THE INABILITY TO DELIVER ANY NOTICE TO LESSEE, PROVIDED IT IS PROPERLY ADDRESSED IN ACCORDANCE WITH THIS LEASE, BECAUSE LESSEE REFUSES DELIVERY THEREOF OR CAN NO LONGER BE LOCATED AT THE ADDRESS ABOVE, SHALL CONSTITUTE DELIVERY OF SUCH NOTICE TO LESSEE, AND LESSEE SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SUCH NOTICE SHALL BE EFFECTIVE FOR ALL PURPOSES.**
- No waiver by Blue Dolphin of any default or breach of any term, covenant, condition, agreement, provision or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of same or any term, covenant, condition, agreement, provision or stipulation herein. This Lease expresses the full understanding between the parties and can only be modified or amended by a written instrument signed by both parties. Should any provision, sentence, paragraph or clause of this Lease be held or found to be invalid or unenforceable, the same shall not affect any of the other provisions contained in this Lease. All provisions of this Lease intended to survive the termination hereof (including, but not limited to, all indemnity and release provisions) shall survive the termination hereof.
- Blue Dolphin leases the premises upon which its business is conducted. All benefits, exculpatory provisions and indemnities herein provided for Blue Dolphin shall likewise inure to the benefit and protection of the landowners/lessors who shall become, without liability hereunder, third-party beneficiaries of this Lease. Other than persons or entities specifically described in this Lease as being beneficiaries of exculpatory provisions, indemnity obligations and/or insurance, no other parties shall be considered third-party beneficiaries of this Lease.
- This Lease shall be construed under and in accordance with the laws of the State of Texas. This Lease shall not be construed either more in favor of or strongly against either of the parties based upon which party drafted this Lease. All obligations of the parties listed in this Lease are performable in Harris County, Texas, and venue shall lie exclusively in Harris County, Texas.
- If any legal proceeding is necessary for Blue Dolphin to enforce the terms of this Agreement, Blue Dolphin shall be entitled to reasonable attorneys fees in addition to any other relief to which Blue Dolphin may be entitled.
- In the event that performance by Blue Dolphin of any of its obligations under the terms of this Lease shall be interrupted or delayed by an act of God, by acts of war, riot, or civil commotion, by an act of State, by strikes, fire, flood, or by the occurrence of any other event beyond the control of the parties hereto, Blue Dolphin shall be excused from such performance for such period of time as is reasonably necessary after such occurrence abates for the effects thereof to have dissipated.
- Lessee hereby acknowledges its receipt and understanding of the current "Blue Dolphin Rules and Regulations" (which are incorporated herein as if fully set forth herein) and agrees that Lessee, and Lessee's servants, agents, employees, invitees, visitors, licensees and guests will comply with all such Blue Dolphin Rules and Regulations and any other Blue Dolphin Rules and Regulations hereafter promulgated by Blue Dolphin upon being notified of same, and will comply with all applicable laws, ordinances and regulations.

SPECIFIC TERMS AND CONDITIONS RELATING TO PIER PATIO USE

- The patio must be maintained in a neat and orderly fashion, and is not be used as a storage area, workshop or repair area.
- No electrical outlets will be installed, unless first approved, in writing, by Blue Dolphin, which approval may be withheld for any reason. If approved in writing, this service will be provided by Blue Dolphin, at a cost to the Lessee. Electrical cords (extension cords or otherwise) running from the Boat Slip to the patio will not be allowed.
- Charcoal grills or any type of open fire equipment will not be allowed at any time.
- Lessee may decorate the patio area provided the decorating is done in good taste. Blue Dolphin reserves the sole right to determine what is "in good taste". Lessee will be notified, in writing, of any objectionable decorations and will have twenty-four (24) hours to remove the specific item(s). In the event the specified item(s) is not removed within twenty-four (24) hours, Blue Dolphin will remove the item(s), and have no liability whatsoever to Lessee.
- Nothing can be attached, drilled, secured or tied to any roof joist, beam, support structure, or wood deck floor.
- Draperies, canopies, shades, blinds or ropes will not be allowed to be attached, drilled, secured or tied to a piling.
- The patio floor and planking cannot be altered in any manner, therefore, the following will not be allowed:
 - Painting or staining
 - Carpet or rugs, or
 - Drilling, puncturing, bolting or nailing of any items to the floor in any manner.
- In order to protect the Lessee's property and that of other vessel owner/lessees and Blue Dolphin, when a storm approaches and the public is notified by the authorities that a "storm warning" is in effect, at a minimum the Lessee must remove all items from the patio, so that the patio is entirely barren.
- At no time may the weight capacity of the patio floor be exceeded. The allowed live weight load is 40 lbs. per square foot.
- If the bulkhead or other structures underneath, adjacent to and/or behind the patio need to be repaired and/or replaced, Lessee's patio use shall immediately cease (without a reduction in the amounts owed Blue Dolphin in connection with this Lease) until all such work is fully completed.

SPECIFIC TERMS AND CONDITIONS RELATING TO BOAT LIFTS

- Plans must be submitted to Blue Dolphin for review, and same must be approved in writing (and approval acknowledged by signature from Blue Dolphin's President) (which approval may be withheld for any reason), prior to any construction taking place.
- In the event Blue Dolphin approves the boat lift plans submitted by Lessee, prior to commencing construction Lessee shall: (a) provide Blue Dolphin with proof of full payment of all costs associated with such construction, and (b) pay to Blue Dolphin a reasonable administrative charge, which shall be provided to Lessee along with Blue Dolphin's approval, if any, of the boat lift plans.
- The Boat Lift must be maintained in a neat orderly fashion and in proper working condition.
- In the event the Lessee vacates Blue Dolphin or this Lease expires or is otherwise terminated, the boat lift will become the property of Blue Dolphin unless:
 - The Lessee's account is current and Blue Dolphin approves in writing the sale or transfer of ownership of the boat lift to another person acceptable to Blue Dolphin (at its sole discretion), or
 - The Lessee's account is current and Blue Dolphin approves in writing the method of removal of the boat lift and hoisting mechanism; provided, however, that Lessee must schedule the removal at a time to enable a Blue Dolphin representative to be present at the time of the removal.

ACKNOWLEDGING RECEIPT OF BDYC GENERAL TERMS AND CONDITIONS PAGE 2
LESSEE(S): _____

BY: _____
LESSEE(S): _____

BY: _____



On-Site Office
 500 Blue Dolphin Drive
 Seabrook, TX 77586
 Phone: 281-474-4450
 Fax: 281-474-2050

**SEABROOK BLUE DOLPHIN
 YACHTING CENTER, INC.**

Corporate Office
 PO Box 130979
 Houston, TX 77219-0979
 Phone: 713-688-3926
 Fax: 713-686-2680

RULES AND REGULATIONS

Each lessee ("Lessee") and all of their servants, agents, guests, visitors, licensees and invitees shall comply with the following Rules and Regulations while in, on or around the Blue Dolphin Marina, and all parking areas, piers, fingerpiers, walkways, bulkheads, roadways leading thereto and surrounding same, common areas, underlying and abutting waters, and the bottom floor/bed of the underlying basin ("Blue Dolphin Facilities"):

1. Each Lessee and their guests must be considerate of the rights of others at all times. All loud, boisterous or otherwise obnoxious or offensive conduct of any kind is prohibited. Use of drugs, excessive use of alcohol and providing alcohol (or allowing access of same) to minors is prohibited.
2. Each Lessee is responsible for damage caused by (a) their vessels and/or (b) conduct, to the property of other vessel owners/lessees and that of Blue Dolphin.
3. Each Lessee must operate his/her vessel carefully and with "no wake" while in, on or around the Blue Dolphin Facilities. Solely for the purposes of these Rules and Regulations and the Lease, "no wake" is defined as the least possible wake created by a moving vessel. The operation of a vessel within the Blue Dolphin Facilities between rows of slips shall be permitted only for the purpose of entering or leaving your slip. Cruising between rows of slips is prohibited.
4. Each Lessee is responsible for securing his/her own vessel and this must be done properly and in accordance with any rules, regulations and/or recommendations of the United States Coast Guard.
5. All vessels must comply with the appropriate Coast Guard Regulations. A state motor boat number, custom house number, or documentation number must be given to Blue Dolphin for placement in each Lessee's lease file.
6. All vessels must be maintained in an attractive, tight, staunch, strong and seaworthy condition. No major alterations to vessels are to be undertaken in, on or around the Blue Dolphin Facilities. Project vessels will not be permitted in, on or around the Blue Dolphin Facilities. A "project vessel" is defined as a vessel requiring extensive or significant cosmetic, mechanical and/or structural repair(s). Routine maintenance is to be completed without creating a nuisance to other Lessees. If necessary, a protective barrier must be placed around your vessel while the work is being done.
7. Mixing paint, painting, sanding and sawing will not be permitted on the walkways, fingerpiers, dock boxes, locker areas or roadways. Walkways, fingerpiers, dock boxes, locker areas and roadways are to be kept clear of supplies, equipment, dinghies or any other obstructions.
8. Trash is to be placed in the containers provided.
9. Fuel, oil, and petrochemicals of any kind, must not be stored on the walkways, fingerpiers, in, on, or on top of the lockers and dock boxes nor left unattended on the deck(s) of your vessel. Hazardous conduct will not be permitted at any time. Nothing is to be stored nor placed on top of the lockers or dock boxes.
10. The use of motor vehicles in, on or around the Blue Dolphin Facilities must be prudent and must comply with all private and state regulations. The speed limit for vehicles in, on or around the Blue Dolphin Facilities is 5 m.p.h. All motor vehicles must be kept in an attractive and operating condition. Those motor vehicles not kept in an attractive and operating condition may be towed (with the charges to be assessed to the Lessee's account or, in the event the appropriate Lessee cannot be ascertained, to the vehicle owner) and/or barred from the Blue Dolphin Facilities. All motor vehicles must be properly registered, licensed, and insured as required by the State of Texas.
11. Permanent storage of motor vehicles or of articles inside motor vehicles in, on or around the Blue Dolphin Facilities is prohibited. No motor vehicle may remain parked and unattended in, on or around the Blue Dolphin Facilities for longer than three (3) days at a time. Blue Dolphin will tow any motor vehicles so stored or utilized with the charges to be assessed to the Lessee's account or, in the event the appropriate Lessee cannot be ascertained, to the vehicle owner. In the event it is necessary to leave your motor vehicle parked in, on or around the Blue Dolphin Facilities, please notify Blue Dolphin's "on-site" office and provide the license plate number and location of your vehicle. Blue Dolphin will not be responsible for theft or damage to any motor vehicles or articles left in such motor vehicles. No vehicles including bicycles, motorcycles or golf carts are to be parked off of the roads and parking lots.
12. Emergency pumping and/or repairs performed by Blue Dolphin will be billed to Lessee's account, and such charges will include a reasonable administrative fee charged by Blue Dolphin.
13. All Lessees must give written notice to Blue Dolphin before their vessel is going to be absent from the Boat Slip for more than three (3) days.
14. Immediately report any unusual, dangerous or offensive incidents or conduct to Blue Dolphin's "on-site" office with a description of persons, boats, motor vehicle license plate number, time, dates and location.
15. Alterations of any kind to the Blue Dolphin Facilities will not be permitted.
16. Carpeting, floor covering, television antennas, other antennas, satellite dishes and/or other items will not be permitted to be affixed to the walkways, fingerpiers, pilings, roofs, or to the Blue Dolphin Facilities, in general.
17. Contractors must sign in at Blue Dolphin's "on-site" office and provide proof of insurance to Blue Dolphin before entering the Blue Dolphin Facilities and Contractors must sign out at the Blue Dolphin "on-site" office before leaving the Blue Dolphin Facilities.
18. Pets are to be leashed when not on your vessel or in a motor vehicle. Pets are to be toileted on grass areas away from the walkways and pet owners must clean the area where their pets are toileted. Pets must be attended to by the Owner at all times. Pets must not bark, growl, or cause a nuisance. If Pets do cause a nuisance Pets will be asked to leave Blue Dolphin Facilities.
19. Solicitation or advertising of any kind is not permitted within the Blue Dolphin Facilities without the written consent of Blue Dolphin. This prohibition includes, but is not limited to, any effort to sell a vessel within the Blue Dolphin Facilities.
20. The recreation room, restrooms, and picnic area are provided for the use and pleasure of all tenants and guests. Safe and responsible conduct is required at all times. The recreation room may be leased, by tenants only, upon execution of the Recreation Room Lease and payment of the required deposits.
21. Each Lessee will be issued bath house key(s), and a \$10.00 per key deposit is required. The \$10.00 key deposit will be forfeited for each key not returned to Blue Dolphin, upon Lessee vacating the Blue Dolphin Facilities. Lessee shall not make copies of any keys it is provided.
22. Charcoal grills or any type of open fire equipment is not permitted on the walkways, fingerpiers or vessels at any time. Use of such grills/equipment is limited to the picnic areas, as designated by Blue Dolphin from time to time.
23. Each Lessee is required to notify Blue Dolphin of his/her intent to vacate the Blue Dolphin Facilities. Blue Dolphin has the appropriate "Lease Termination Notice" forms, which must be completed and signed by Lessee at least thirty (30) days prior to Lessees last day in, on or around the Blue Dolphin Facilities.
24. Proof of current insurance must be kept on each vessel and delivered to Blue Dolphin's "on-site" office before entering the Blue Dolphin Facilities and occupying any slip.
25. Vessel(s) are not permitted to be placed in any slip unless the appropriate lease for that slip is current and properly executed.
26. Hot tubs, Dog tubs/pools, and Kiddie tubs/pools are not allowed in/on Blue Dolphin Facilities.
27. Blue Dolphin reserves the sole right to amend and/or add to these Rules and Regulations from time to time and such amendments and/or additions shall be binding on all Lessees within ten (10) days of the delivery to Lessees at the address set forth in the lease with Blue Dolphin.
28. Where applicable, capitalized terms used herein shall have the meaning given them in the lease between Lessee and Blue Dolphin.
29. LIVE ABOARD RESIDENCY requires the Vessel length to be a minimum of forty (40) feet and the number of Residents may not exceed two (2).

EXECUTED TO BE EFFECTIVE AS OF THE DATE OF THE LEASE FOR BOAT SLIP NUMBER _____.

SEABROOK BLUE DOLPHIN YACHTING CENTER, INC.:

LESSEE:

BY: _____

Its: _____
