

EXCLUSIVE CONCESSION AGREEMENT

This Exclusive Concession ("Agreement") is made this 27th day of April 2015 between Westrec Marina Management Incorporated, a California corporation ("Westrec Marinas") and Paddle Project, LLC (the "Concessionaire"), an Illinois limited liability company with its principal place of business at 939 N Wolcott Ave, Chicago, Il 60622, Unit 3.

WHEREAS, the Concessionaire desires that Westrec Marinas grant it certain exclusive rights and privileges subject to the terms and conditions of this Agreement; and

WHEREAS, Westrec Marinas is willing to grant such rights and privileges subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants, representations and conditions hereinafter contained, the parties, intending to be legally bound thereby, agree as follows:

I. OPERATIONAL TERMS.

A. Concessionaire's Trade Name: Chicago Paddle Company which name Concessionaire represents it is entitled to use pursuant to all applicable laws.

B. Concessionaire's Area: See Exhibit A attached hereto and made a part hereof for a listing of the specific location of the east half of the dock at Montrose Harbor where Westrec Marinas is granting Concessionaire the exclusive right to conduct business as set forth hereunder. Westrec Marinas shall provide use of an existing dingy rack for Concessionaire to use as a rack system for board storage. Concessionaire will provide and store dock box(es) or the equivalent for additional equipment storage at the same location. Concessionaire shall provide, at its expense, all necessary signage. All boards and equipment stored at this location shall be securely locked during non-business hours. During all business hours, Concessionaire shall have employee(s) on site to monitor the Concessionaire's Area. It is understood that the Concessionaire's area shall be exclusive to Concessionaire during the term of this Agreement and that Westrec Marinas shall not allow, nor grant, any other person or entity the right to use and enjoy this area during the term of this Agreement, nor allow any other person or entity during the term of this Agreement the right to sell services and items at Montrose Harbor which are materially similar to those being sold by Concessionaire hereunder. Westrec

Marinas may utilize the Concessionaire's area for harbor activities during hours outside the agreed upon hours of operation.

C. Dates and Hours of Operation: Concessionaire's summer operations will start no later than May 23, 2015 and will end no earlier than September 7, 2015. However, weather permitting, such operations may start prior to May 23, 2015 and extend beyond September 7, 2015, but shall start no earlier than May 1, 2015 and end no later than September 30, 2015. The Concessionaire's hours of operation shall be determined by the mutual agreement of the parties, the consent to which shall not be unreasonably withheld.

D. Term: The period commencing on March 30, 2015 ("Commencement Date") and expiring on March 30, 2016. Concessionaire may operate prior to commencement date and following date of expiration only after receiving written permission from Westrec Marinas.

E. Sales, Pricing, and Equipment: Concessionaire shall offer the following services at the area set forth in subsection (a) above at the following prices: (1) stand up paddle board group lessons at \$45/hr each, (2) stand up paddle board tours and classes at \$35/hr each, (4) kids SUP group lessons at \$25/hr each, (5) kids paddle camp (3 hours) at \$65/session each. Additionally, Concessionaire shall sell t-shirts, hats, stickers, and similar items. Concessionaire shall have available at minimum twelve (10) paddle boards available with a maximum length of fourteen (14) feet which Concessionaire shall maintain in operational and good working order. All equipment of Concessionaire shall be securely locked and non-accessible during non-business hours.

F. Safety: With each paddle board used by a client, Concessionaire shall provide a paddle, a leash, and a personal floatation device which meets the standard of the U.S. Coast Guard. Before they are allowed to use a paddleboard, all such clients will be expressly instructed as to the location of all designated paddle water areas and which water areas cannot be used. Concessionaire's minimum requirements for all of its instructors are that the instructor must be at least eighteen (18) years of age, must have a valid stand up paddle certification, and must be First aid/CPR certified. Concessionaire shall provide Westrec Marinas a detailed safety plan no later than May_15__, 2015.

G. Fees and Financial Reporting to Westrec Marinas: Concessionaire shall pay Westrec Marinas 15% of the gross sales conducted at the location described above in subparagraph (a) which shall be payable on a monthly basis on the 15th of the following month after such sales were made. Concessionaire shall provide its own point of sale system and monthly sales

reports to Westrec Marinas which shall indicate days worked and reasons for days not worked, such as weather. The term "Gross Sales" shall mean the total amount in dollars of the actual sales price, whether for cash, credit, in-kind goods or services or otherwise, of all sales of merchandise and services, and all other receipts of business conducted in or from the Concessionaire's Area. Gross Sales shall not, however, include any sums collected on account of any sales or retail excise tax imposed by any duly constituted governmental authority, provided, however, that no deduction from Gross Sales shall be allowed on account of income taxes, gross receipts taxes, or other similar taxes. Concessionaire shall be responsible for obtaining all appropriate licenses and submission of any appropriate taxes relating to concessionaire's business and sales activity.

H. Insurance: Concessionaire shall procure and maintain during the duration of this Agreement insurance for injury to persons or damage to property, which may arise out of or in connection with the performance of the work or the operation of the concession by the Concessionaire, its agents, representatives, employees, contractors or subcontractors as follows:

1. **General Liability:** \$1,000,000 combined single limit per occurrence and \$2,000,000 in the aggregate for bodily injury, personal injury, product liability and property damage.
2. **Workers' Compensation and Employer's Liability:**
 - Coverage A - Statutory
 - Coverage B - Not less than \$500,000 per accident (employer's liability)
3. **Automobile Liability:** \$1,000,000 combined single limit per occurrence.
4. All liability coverage shall name Westrec Marina Management, Inc., the Chicago Park District, and their respective commissioners, officers, officials, managers, members, employees, partners, agents, directors and volunteers as additional insured on a primary and non-contributory basis.
5. All such insurance is to be placed with an insurer with "Bests" insurance rating of no less than AVII.

I. Return of Concession Area: By no later than October 31st, the Concessionaire shall surrender all keys and possession of the Concessionaire's

Area in broom-clean condition and good repair, free of debris, and shall promptly remove, at its own expense, its movable trade fixtures and personal property from the Concessionaire's Area.

II. GENERAL PROVISIONS.

The Concessionaire agrees that all its actions under this Agreement shall be that of an independent contractor and that there is no, and shall be no, relationship of principal and agent between the Concessionaire and Westrec Marinas, and that this Agreement shall not be construed in any way as creating the relationship of agency, partnership or joint venture between the parties hereto.

This Agreement constitutes the complete understanding between the parties and supersedes any prior understanding between the parties whether written or oral. No alteration or modification of any of this Agreement's provisions shall be valid unless made in writing and signed by both of the parties.

The laws of the State of Illinois shall govern this Agreement. Should there be any litigation filed to enforce, rescind, modify, claim breach, or interpret this Agreement, the parties agree that the sole forum to do so is the Circuit Court of Cook County, Illinois.

In the event a court of competent jurisdiction adjudicates any one or more of this Agreement's provisions as invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any of this Agreement's other provisions, and this Agreement shall be construed as if it had never contained such invalid, illegal or unenforceable provision

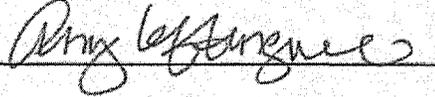
This Agreement can be executed in data format, counter-parts, or via facsimile where upon doing so shall be treated as if all parties originally signed the same copy.

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IN WITNESS WHEREOF, the parties hereto executed this Agreement on the date first written above.

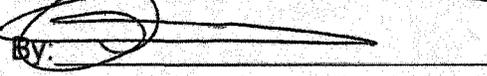
ACCEPTED AND AGREED TO:

Paddle Project, LLC

By: 

Amy Leffingwell, Managing Member

~~Westree Marina Management Inc.,~~

By: 

_____, Its _____