Crescent City Harbor District

HOIST AND DOCK LEASE

Standard Form: Version 1.0 (November 2026)

This lease ("**Lease**") is dated as of _____, 20____, the date on which it has been signed by all parties following its approval by the Board of Harbor Commissioners of the Crescent City Harbor District ("**Effective Date**"), by and between the Crescent City Harbor District ("**Landlord**"), a special district organized pursuant to the California Harbors and Navigation Code, and _____, a _____ ("**Tenant**").

RECITALS

A. Landlord is a special district organized pursuant to the California Harbors and Navigation Code and owns and operates harbor facilities in Crescent City, California, including the Premises described in Section 2.1.

B. The parties desire to enter into a lease to allow commercial fishing operations at the Premises.

C. Landlord is implementing the replacement of Citizens Dock and the repair and replacement of the harbor seawall with grant funding awarded by the United States Department of Transportation, Maritime Administration, and anticipates undertaking other repair, replacement, resilience, and improvement projects for harbor infrastructure funded in whole or in part by federal, state, or local grants or loans or by Landlord's own funds. Tenant enters into this Lease with knowledge of those projects and of Landlord's rights under Article 11 to undertake them, including the right to close, restrict, or relocate all or part of the Premises.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Landlord and Tenant agree as follows:

1. Board Approval

1.1 Board Approval; Condition Precedent. Notwithstanding any provision of this Lease to the contrary, this Lease shall be subject to and conditioned upon approval by the Board of Harbor Commissioners of the Crescent City Harbor District. Landlord shall have no obligation to execute or perform under this Lease unless and until such approval is obtained. If Board approval is not granted, this Lease shall be null and void, and neither Landlord nor Tenant shall have any further rights or obligations hereunder.

1.2 No Additional Rights. This Lease does not create any right of first refusal, priority to lease other hoist spaces or other facilities of Landlord, or right of renewal, extension, holdover, or continued possession.

2. Basic Terms

2.1 Leased Premises. The leased premises ("**Premises**") are located at _____, Crescent City, California, are depicted on the site plan attached as Exhibit 1, and consist of all of the following:

(a) _____ (____) building(s) (collectively, the "**Building**") of approximately _____ square feet in the aggregate;

(b) A surrounding area ("**Surrounding Area**") totaling approximately _____ square feet;

(c) The exclusive use of _____ (____) hoist area(s) on the Pier, identified as Hoist Space No(s). _____ on Exhibit 1 (each, a "**Hoist**"). The hoists, booms, and related equipment owned by Tenant and installed or to be installed at the Hoists are referred to collectively as the "**Hoist Equipment**"; and

(d) The exclusive use of the following additional area(s), if any: _____.

2.2 Rental. The initial monthly rental is $3,000.00 per Hoist, for a total initial monthly rental of $_____ for the _____ (____) Hoist(s) initially included in the Premises (the "Monthly Minimum Rent"), subject to adjustment under Section 4.7, and to abatement or reduction only as provided in Sections 8.4 and 11.2. Monthly Minimum Rent refers to the aggregate monthly base rent for the Hoists then included in the Premises and excludes poundage fees and other charges payable under this Lease.

2.3 Rent Commencement Date. Rent under this Lease shall commence on the later of (i) December 1, 2026, and (ii) the date of approval of this Lease by Landlord's Board of Harbor Commissioners (the "Rent Commencement Date"). Tenant's occupancy and use of the Premises, if any, before the Rent Commencement Date shall continue to be governed by the lease, license, permit, or use agreement, if any, under which Tenant then occupies the Premises (the "Prior Agreement"), which shall terminate and be superseded by this Lease as of the later of the Rent Commencement Date and the Effective Date. Any rent or use fee paid under a Prior Agreement that is attributable to any period on or after the Rent Commencement Date shall be credited against Rent, so that no period is charged under both agreements.

2.4 Use. _____.

2.5 Term. Five (5) years, commencing December 1, 2026 (the "Commencement Date"), and concluding at 11:59 p.m. on November 30, 2031. The Commencement Date and the expiration date stated in this Section are fixed and do not change based on the date of Board approval or execution of this Lease; Rent commences as provided in Section 2.3. Tenant has no option to renew or extend the Term.

2.6 Tenant's Insurance. Tenant shall furnish, at Tenant's sole cost and expense, the insurance required by Article 7, including public liability and property damage insurance with limits of not less than $2,000,000 per person and $2,000,000 per occurrence public liability and $2,000,000 property damage; fire and extended coverage casualty insurance at one hundred percent (100%) of replacement cost as provided in Section 7.2(d); pollution legal liability insurance with limits of not less than $2,000,000 for each claim or pollution condition, or each occurrence if written on an occurrence basis, and $2,000,000 in the aggregate for each annual policy period, as provided in Section 7.2(e); and workers' compensation insurance as required by law.

2.7 Joint and Several Liability. If more than one person or entity is named as Tenant, references in this Lease to "Tenant" mean each of them individually and all of them collectively, and each of them is jointly and severally liable for all obligations under this Lease, including the full payment of Rent, Poundage Fees, Wharfage Fees, late charges, and all other amounts due, and all obligations of performance, maintenance, repair, indemnification, insurance, and surrender, regardless of which of them occupies or uses any portion of the Premises or whose acts or omissions give rise to the obligation. Landlord may enforce any obligation against any or all of them without first proceeding against any other. No agreement among them allocating Rent, other charges, the use of the Hoists, or any other obligation shall bind Landlord or limit the liability of any of them under this Lease.

2.8 Pier. In addition to the Premises, Tenant shall have the nonexclusive right, in common with Landlord and others authorized by Landlord, to use the Landlord-owned pier, wharf, or dock structure on which the Hoists are located, including its piles, pile caps, structural framing, decking, and fendering, and the Landlord-owned foundations and electrical service for the Hoist Equipment up to the point of connection with the Hoist Equipment (collectively, the "Pier"), for access to and operation of the Hoists and for vessel offloading incidental to the use permitted by Section 2.4. The Pier is not part of the Premises. Each Hoist is an area on the surface of the Pier, and Tenant's exclusive use of the Hoists under Section 2.1(c) is a right to use those areas that does not make any part of the Pier, including its structural components and decking within and beneath the Hoists, part of the Premises; the Pier remains Landlord's responsibility under Section 8.4. The Pier remains under Landlord's control, and its use is subject to Landlord's rules and

regulations and to any load limits or operating restrictions established under Section 8.4. Accordingly, Tenant is not required to insure the Pier under Section 7.2(d), to repair it or pay for its repair except as provided in Sections 8.1 and 8.4(a), or to restore it under Section 9.2, and Sections 8.2 and 11.1 do not apply to the Pier. Sections 3.4, 3.5, 7.1, 7.2(c), 7.2(e), and 12.2 apply to Tenant's use of and operations on the Pier as if the Pier were part of the Premises.

3. Premises, Use, Compliance with Laws

3.1 Leased Premises. Landlord hereby leases to Tenant and Tenant hires from Landlord on the terms, conditions and covenants hereinafter set forth the premises of the Crescent City Harbor District listed in Section 2.1 (the "Premises"). Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty, express or implied, with respect to the condition of the Premises, including each building located on the Premises, or their suitability for the conduct of Tenant's business. Tenant accepts the Premises and each building in their "AS IS, WHERE IS, WITH ALL FAULTS" condition. Without limiting the foregoing, Landlord makes no representation, warranty, or guarantee concerning the buildings' physical condition, structural integrity, safety, fitness for any particular purpose, or compliance with any building, fire, zoning, accessibility, health, safety, or other applicable code, law, or regulation, or the existence or availability of any permit or certificate of occupancy. Tenant acknowledges that it has had the opportunity to inspect the buildings and independently evaluate their condition and legal suitability for Tenant's intended use. Landlord's agreement to a permitted use does not constitute an assurance of code compliance or that the buildings may lawfully be occupied or used for that purpose. Tenant shall obtain, at its sole cost and expense, the permits and approvals required for Tenant's use and comply with the obligations allocated to Tenant under this Lease. Nothing in this Section limits any express obligation of Landlord under this Lease or any disclosure, inspection right, or other obligation that cannot lawfully be waived. Landlord's obligations with respect to the Pier are stated in Section 8.4 and are express obligations of Landlord for purposes of this Section.

3.2 Term. The Term of this Lease shall be as set forth in Section 2.5, unless terminated pursuant to this Lease.

3.3 Use. Tenant shall use the Premises only for the purpose specified in Section 2.4 and shall not use the Premises for any other purpose without prior written consent of Landlord thereto.

3.4 Compliance with Law. Tenant shall, at its own cost and expense, conduct its business on the Premises in accordance with all applicable federal, state, county and municipal statutes, ordinances, rules and regulations.

(a) Tenant shall, at its sole cost and expense, comply with the State Water Resources Control Board's National Pollutant Discharge Elimination System

General Permit for Storm Water Discharges Associated with Industrial Activities, Order 2014-0057-DWQ, NPDES No. CAS000001, as amended, reissued, or superseded from time to time (the "Industrial General Permit"), to the extent the Industrial General Permit applies to Tenant's operations on the Premises or the Pier. Whether the Industrial General Permit applies depends on the Standard Industrial Classification of Tenant's operations and on whether industrial materials or activities are exposed to storm water, as provided in the Industrial General Permit. Within thirty (30) days after the Effective Date, and within thirty (30) days after any material change in Tenant's operations, Tenant shall deliver to Landlord one of the following: (i) evidence of Tenant's coverage under the Industrial General Permit, including its Waste Discharge Identification (WDID) number; (ii) a No Exposure Certification accepted under the Industrial General Permit, which Tenant shall recertify as the Industrial General Permit requires; or (iii) a written statement, signed by an authorized representative of Tenant, identifying the Standard Industrial Classification codes and describing the operations on which Tenant relies in concluding that the Industrial General Permit does not apply. Tenant's determination of applicability is made at Tenant's sole risk, and Landlord's receipt of or failure to object to that determination is not a waiver or an agreement that the Industrial General Permit does not apply. If the State Water Resources Control Board or the North Coast Regional Water Quality Control Board determines that coverage is required, or Tenant's operations change so that coverage is required, Tenant shall promptly obtain and thereafter maintain coverage at its sole cost and expense. Whether or not the Industrial General Permit applies, Tenant shall keep itself and all subcontractors, staff, and employees fully informed of, adequately trained in, and in compliance with all local, state, and federal laws, rules and regulations that may impact, or be implicated by the use of the Premises authorized by Section 3.3, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 et seq.); and any and all regulations, ordinances, policies, or permits issued pursuant to any such authority.

(b) Failure to comply with the Industrial General Permit may be a violation of federal and state law. Tenant hereby agrees to indemnify and hold harmless Landlord, its officials, officers, agents, employees, and authorized volunteers from and against any and all claims, demands, losses, or liabilities of any kind or nature which Landlord, its officials, officers, agents, employees, and authorized volunteers may sustain or incur for noncompliance with the laws, regulations, ordinances, Industrial General Permit, and other regulatory mechanisms referenced in this Section, including any failure to obtain or maintain coverage under the Industrial General Permit when required, arising out of or in connection with Tenant's use or occupancy of the Premises or the Pier or Tenant's operations, whether or not in accordance with Section 2.4.

(c) In addition to any other remedy provided herein for a default, Landlord reserves the right to terminate this Lease for a violation of this Section and to defend any enforcement action or civil action brought against the Landlord for Tenant's failure to comply with any applicable water quality law, regulation, or policy. Tenant hereby agrees to be bound by, and to reimburse the Landlord for the costs associated with, any settlement reached between the Landlord and any relevant enforcement entity. This Section survives the expiration or earlier termination of this Lease.

3.5 Hazardous Materials. Tenant may operate its business so long as the use or presence of Hazardous Materials is strictly and properly monitored according to all applicable governmental requirements. As a material inducement to Landlord to allow Tenant to use Hazardous Materials, defined below, in connection with its business, Tenant agrees to deliver to Landlord on or before the later of the Commencement Date and the Effective Date a list identifying each type of Hazardous Materials to be present on the Premises and setting forth any and all governmental approvals or permits required in connection with the presence of Hazardous Materials on the Premises ("**Hazardous Materials List**"). Tenant shall deliver to Landlord an updated Hazardous Materials List at least once a year and shall also deliver an updated list before any new Hazardous Materials are brought onto the Premises or on or before the date Tenant obtains any additional permits or approvals. In connection with any Hazardous Materials utilized by Tenant on the Premises, Tenant shall be responsible, at its sole cost and expense, for making any necessary modifications or Improvements either to Premises or Tenant's equipment as required by applicable laws, or any governmental agency, Landlord's insurance company, Landlord's lender(s), Landlord's consultant(s), or prospective purchaser(s). Tenant will, at its sole cost and expense, promptly upon receipt of written notice from Landlord complete such Improvements. If such work is not promptly undertaken and completed, Landlord shall have the right, but not the obligation, to complete such work and to charge such amounts to Tenant as additional Rent under this Lease.

(a) Hazardous Materials and Hazardous Materials Laws Defined. The term "Hazardous Materials" shall mean those substances (i) defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes" or "restricted hazardous wastes;" (ii) stated to be known to cause cancer or reproductive toxicity; or (iii) defined in similar terms as matters which are hazardous to the environment under (a) the laws of the United States, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq., and the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., (b) the laws of the State of California including, without limitation, Sections 25117 and 78075 (formerly

Section 25316) of the California Health and Safety Code, and (c) any of the regulations adopted and publications promulgated pursuant to said laws described in (a) and (b) above, all as they may be amended from time to time ("Hazardous Materials Laws").

(b) Compliance With Hazardous Materials Laws. Tenant at Tenant's sole cost and expense, shall comply (and cause sublessees to comply) with all Hazardous Materials Laws pertaining to any Hazardous Materials which are used, generated, stored or disposed on, under or about the Premises by Tenant, its sublessees and invitees, or other persons and entities that are under the control of or at the direction of Tenant.

(c) Tenant's Indemnity Obligations. Tenant shall indemnify, defend, and hold Landlord harmless from and against all claims, demands, actions, damages, liability, and expense including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage or disposal by Tenant, its sublessees, and invitees of any or all of them, of Hazardous Materials, including, without limitation, the cost of any required or necessary repair, clean up or detoxification and the preparation of any closure or other required plans, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage or disposal of Hazardous Materials.

3.6 Homeland Security. Tenant shall, at Tenant's sole cost and expense, comply with all laws and regulations, including, but not limited to, those of the United States Coast Guard and Landlord applicable to the Crescent City Harbor District insofar as they pertain to Tenant and Tenant's use of the Premises.

3.7 Harbor Regulations. This Lease is subject to the rules and regulations governing the operation of the Crescent City Harbor District. Such rules and regulations and such changes as may subsequently be made or added thereto are incorporated herein by reference.

3.8 Inspection. Landlord or its duly authorized representative shall have the right to enter the Premises at reasonable times during business hours to inspect the condition or the operations of Tenant conducted thereon.

3.9 Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the

arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion.

4. Rent

4.1 Rent. Tenant shall pay Landlord in advance without notice, demand, or setoff, except as expressly provided in this Lease, a monthly rental during the Term hereof in the total amount specified in Section 2.2, as adjusted pursuant to Section 4.7 and abated or reduced only as expressly provided in Sections 8.4 and 11.2 (the "**Rent**"). References in this Lease to "Rent" and "Monthly Minimum Rent" mean the same monthly base rental. All Rent is payable in advance on the first day of each month.

If the Rent Commencement Date is a day other than the first day of a calendar month, Rent for that partial month shall be prorated on the basis of the actual number of days in that month. Notwithstanding the preceding definition, all sums other than Monthly Minimum Rent that Tenant is required to pay under this Lease are additional Rent and are included in "Rent" for purposes of Sections 4.2, 6.1(a), and 6.2, but not for purposes of Sections 4.7, 8.4(e), or 11.2.

4.2 Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of Rent or other charge will cause Landlord to incur costs not contemplated by this Lease. If any installment of Rent or any other payment due from Tenant to Landlord is not received by Landlord within five (5) days after such payment is due, it shall be considered late, and Tenant shall pay to Landlord an additional sum of the greater of $100 or 6% of the overdue amount as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord.

4.3 Taxes. Tenant shall pay, before the same become delinquent, all taxes assessed upon the Premises, appurtenances or improvements thereto or upon any interest of Tenant therein. Tenant hereby recognizes and understands that this Lease may create a possessory interest subject to property taxation under

California Revenue and Taxation Code Section 107.6, and that Tenant may be subject to the payment of property taxes levied on such interest. Any such imposition of a possessory interest tax shall be a tax liability of Tenant solely, and shall be paid for by Tenant; and any such tax payment shall not reduce any Rent due to Landlord. Tenant shall also pay all interest and penalties any government entity assesses for late payment of any possessory interest taxes that this Lease requires Tenant to pay. Tenant shall within a reasonable time after written notice from Landlord give Landlord reasonable proof that Tenant has paid any possessory interest taxes that this Lease requires Tenant to pay. Nothing herein shall prohibit Tenant from the right to challenge any assessment of possessory interest tax in accordance with the procedures set forth by the taxing authority and where applicable withhold any overcharge by such taxing authority until the disputed matter is resolved. Landlord is a non-taxable entity and any taxes assessed against the Premises as a result of Tenant's occupancy shall be Tenant's responsibility.

4.4 Utilities. Landlord is not obligated to furnish utilities or services to the Premises. Tenant shall pay for all utilities and services supplied to said Premises including all installation and connection charges. If utilities or services are furnished by Landlord for use of Tenant, Tenant shall on demand reimburse Landlord for the cost thereof attributable to Tenant. In no event shall Landlord be liable to Tenant for any failure or interruption of any utilities or other services being furnished to the Premises, and no such failure or interruption shall entitle Tenant to abate payment of Rent or to terminate the Lease, except as provided in Section 8.4(e) for a condition of the Landlord-owned electrical service included in the Pier.

4.5 Refuse Collection and Janitorial Service. Tenant shall provide, or obtain, a refuse collection service for the Premises at Tenant's sole cost and expense. Tenant shall provide janitorial service to the Premises at Tenant's cost and expense if Tenant desires such services.

4.6 Poundage and Wharfage Fees. The monthly Rent payable under this Lease does not include any poundage fees for product offloads that may be assessed against Tenant pursuant to the provisions of Landlord's Fee Schedule. Tenant shall pay (i) all poundage fees assessed under Landlord's Fee Schedule on fish and seafood landed or offloaded at or across the Premises or the Pier ("**Poundage Fees**"), and (ii) all fees designated as wharfage fees in Landlord's Fee Schedule, including the Concession/Wharfage Fee on sales of seafood products ("**Wharfage Fees**"), in each case at the times and in the manner required by the Fee Schedule, and Tenant shall furnish the landing receipts, offload records, and other information Landlord reasonably requires to calculate those fees.

4.7 Annual Rent Adjustment. Effective December 1, 2027, and on each December 1 thereafter during the Term (each, an "Adjustment Date"), the Monthly Minimum Rent then in effect shall be increased by the greater of: (i) two percent

(2%); or (ii) the arithmetic average of the annual percentage increases or decreases in the Consumer Price Index ("CPI") for All Urban Consumers, West Region, All Items, not seasonally adjusted (1982–84 = 100; BLS Series ID CUUR0400SA0), as published by the United States Bureau of Labor Statistics, or any reasonably comparable successor index, for the seven most recent completed calendar years for which annual-average CPI data has been published as of the applicable Adjustment Date. Each annual percentage change shall be calculated by comparing the annual-average CPI for a completed calendar year with the annual-average CPI for the immediately preceding calendar year. By way of example only, if the annual percentage changes for the seven most recent published annual periods are 3%, 4%, 5%, 3%, 2%, 1%, and 2%, the seven-year average is (3% + 4% + 5% + 3% + 2% + 1% + 2%) / 7, or approximately 2.86%. The annual percentage changes and their arithmetic average shall be calculated without intermediate rounding. The adjusted aggregate Monthly Minimum Rent shall be calculated by applying the greater percentage to the Monthly Minimum Rent then in effect and rounding the resulting dollar amount to the nearest cent. The adjusted Monthly Minimum Rent shall be determined solely by reference to CPI data published as of the applicable Adjustment Date, shall become effective on that Adjustment Date, and shall not be subject to later true-up, arrearage, or reconciliation based on subsequently published or revised CPI data. If the stated CPI is discontinued or materially changed, Landlord shall reasonably select the most comparable successor index.

5. Expiration and Termination

5.1 Termination. This Lease shall expire automatically, without further notice, at the end of the Term specified in Section 2.5, unless earlier terminated pursuant to an express provision of this Lease. Any earlier termination shall be subject to the applicable notice and cure periods required by this Lease and applicable law. Any required notice of termination shall identify the grounds for termination and its effective date and shall be served in the manner provided by Section 12.1.

5.2 No Holdover. Tenant shall have no right to occupy the Premises after expiration of the Term. Any possession after expiration shall be unlawful and shall not create a tenancy of any kind, including month-to-month or tenancy at sufferance, notwithstanding acceptance of rent or delay in enforcement.

6. Remedies Upon Default

6.1 Events of Default. The following shall constitute an "Event of Default":

(a) Monetary Default. Except as otherwise provided herein, should Tenant default in the performance of any covenant or provision herein with reference to the payment of Rent or other payment of money or the furnishing of the public liability and property damage insurance required by Article 7, and such

default continues for five (5) days after service on Tenant of a written notice from Landlord of such default, or

(b) Non-monetary Default. Should Tenant default in the performance of any other covenant or provision herein other than payment of money, other than those stated in subsection (c) below, and such default, if curable, is not cured within thirty (30) days after service upon Tenant of a written notice thereof from Landlord, or, if not curable within thirty (30) days, a cure is not commenced within fifteen (15) days and diligently prosecuted to completion.

(c) Insolvency, Receivership or Bankruptcy. It shall constitute an Event of Default under this Lease and Landlord, at its option and upon giving written notice of termination to Tenant, may immediately terminate this Lease if any of the following events occur:

(i) The appointment of a receiver to take possession of all or substantially all of the assets of Tenant;

(ii) A general assignment for the benefit of creditors by Tenant;

(iii) The filing of a petition in bankruptcy by or against Tenant and the Lease is not assumed with approval of the Bankruptcy Court within the time prescribed by the Bankruptcy Code;

(iv) Any other action taken or suffered by Tenant because of insolvency.

6.2 Landlord's Remedies.

(a) Upon an Event of Default, Landlord may terminate Tenant's right of possession of the Premises and may recover all of the following from Tenant:

(i) The worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(ii) The worth at the time of the award of the amount by which the unpaid Rent, which would have been earned after termination until the time of award, exceeds the amount of such rental loss that Tenant proves could have reasonably been avoided;

(iii) The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided;

(iv) Any other amount necessary to compensate the Landlord for all the detriment proximately caused by Tenant's failure to perform its obligation hereunder or which in the ordinary course of things would be likely to result therefrom, including any costs incurred by Landlord to cure any default by Tenant in the performance of any obligation hereunder.

(b) None of the Landlord's rights herein specified upon an Event of Default by Tenant shall prejudice any other legal remedies available to Landlord other than those herein enumerated and the remedy described by Civil Code section 1951.4 is available to Landlord.

6.3 No Waiver. Efforts by Landlord to mitigate the damages caused by Tenant's breach of this Lease shall not waive Landlord's right to recover damages under this Article 6. For the purpose of Section 6.2 above, the following shall not constitute a termination of Tenant's right to possession:

(a) Acts of maintenance or preservation or efforts to relet the property.

(b) Appointment of a receiver upon initiative of Landlord to protect Landlord's interest under the Lease.

6.4 Re-entry. Upon an Event of Default of Tenant not cured within the time specified in Section 6.1 or if Tenant vacates or abandons the Premises, Landlord shall have the right to re-enter the Premises, take corrective action as needed, and take possession thereof with or without terminating this Lease upon giving notice of re-entry required by law.

6.5 Remedies Cumulative. All of Landlord's rights, privileges and elections or remedies are cumulative and not alternative, to the extent permitted by law and except as otherwise provided herein.

7. Indemnification and Insurance

7.1 Indemnification. Tenant agrees to indemnify, defend (with counsel selected by Landlord at Tenant's expense), protect and hold harmless Landlord, its employees, agents, officers, legal counsel, assigns, public officials, any successor or successors to Landlord's interest in the Premises and any future owners of the Premises to whom this Lease is assigned (hereinafter collectively referred to as the "Indemnitees") from and against all claims, actual damages (including but not limited to special and consequential damages), punitive damages, injuries, costs, response costs, remedial costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses arising out of any damage to any person or property occurring in, on, from or about the Premises, except for any acts of gross negligence or willful misconduct by Indemnitees. Indemnitees shall not be liable to Tenant for any

damage by or resulting from any act or negligence of any other tenant of property adjoining the Premises or by the owner or occupant of any adjoining or contiguous property. The preceding provisions shall not be construed to relieve any Indemnitee from any liability Indemnitees may have to Tenant, or third persons, by reason of the California Government Claims Act or resulting from any liability resulting from the gross negligence or willful misconduct of Indemnitees.

7.2 Insurance.

(a) Tenant shall furnish to Landlord a certificate of insurance, duplicate policy, or other evidence satisfactory to Landlord that Tenant has obtained the insurance required by Section 2.6. Each policy shall also provide for at least thirty (30) days' written notice by the insurer to Landlord prior to the cancellation thereof. If such insurance is to be cancelled, Tenant shall promptly notify Landlord of such proposed cancellation. All insurance obtained by Tenant pursuant to this Section shall be with a company licensed by the Insurance Commissioner of the State of California to do business within the State of California and shall have financial and policy holder Best ratings of no less than A-VIII. The public liability, property damage liability, and pollution legal liability policies shall name Landlord, its Board of Harbor Commissioners, its officers, agents and employees as additional insureds. The fire and casualty policy shall name Landlord as loss payee as provided in Section 7.2(d). All insurance required by this Section shall include a waiver of subrogation in favor of Landlord.

(b) Waiver of Subrogation. The parties release each other, and their respective authorized representatives, from any claims (for damage to any person or to the Premises, and to the fixtures, personal property, Tenant's improvements, and alterations of either Landlord or Tenant in or on the Premises) that are caused by or result from risks which are insured against under any insurance policies carried by the parties and in force at the time of any such damage and to the full extent of any proceeds paid under said policies.

(c) Public Liability Insurance. Tenant shall carry and maintain in full force during the Term of this Lease an insurance policy for public liability and property damage in an amount not less than the amount set forth in Section 2.6 insuring any liability arising, or alleged to arise, on account of the death or injury to any person, or loss or damage to property occurring on the Premises, or as a result of the activities of Tenant on or off the Premises, or resulting from the use of the Premises by Tenant under this Lease, or resulting from the negligence or intentional acts of Tenant, its employees, agents, or contractors. The public liability and property damage insurance policies obtained by Tenant pursuant to this paragraph shall be primary policies and any public liability and property damage insurance carried by Landlord shall be excess and noncontributing.

(d) Fire and Casualty Insurance. Fire and extended coverage casualty insurance on the buildings and insurable improvements constituting the Premises, excluding land, shall be the sole responsibility of Tenant at Tenant's sole cost and expense. Tenant shall maintain such coverage at one hundred percent (100%) of replacement cost and shall name Landlord as loss payee with respect to Landlord's property, as its interest may appear. However, no use except that which is expressly provided in this Lease shall be made of the Premises nor acts done which will increase the existing rate of fire or extended coverage insurance on the Premises or any part thereof, nor shall Tenant sell or permit to be kept, used or sold in or about the Premises any article that is prohibited by the standard form of fire insurance policy. Tenant shall, at Tenant's sole cost and expense, comply with any and all requirements pertaining to the Premises of the insurance company providing the fire insurance with a standard extended coverage casualty endorsement covering the Premises. Fire and extended coverage casualty insurance on fixtures, trade fixtures or personal property installed or placed on the Premises by Tenant shall also be the sole responsibility of Tenant, at Tenant's sole cost and expense, at one hundred percent (100%) of replacement cost.

(e) Pollution Legal Liability. At all times during the Term of this Lease, and for sixty (60) months following its expiration or earlier termination, Tenant shall maintain, at Tenant's sole cost and expense, premises pollution legal liability insurance with limits of not less than $2,000,000 for each claim or pollution condition, or each occurrence if written on an occurrence basis, and $2,000,000 in the aggregate for each annual policy period. Coverage shall include bodily injury, property damage, cleanup and remediation costs, natural resource damages, and associated defense costs arising from sudden or gradual pollution conditions resulting from Tenant's operations at, on, under, or migrating from the Premises or the Pier, whether conducted before or during the Term, including discharges to harbor waters. If written on a claims-made basis, the policy shall have a retroactive date no later than the earlier of the Commencement Date and the date on which Tenant first conducted operations at the Premises or on the Pier, and continuous coverage for operations before and during the Term shall be maintained without advancement of that retroactive date throughout the required sixty (60)-month period. A runoff policy or extended reporting arrangement may satisfy the post-termination requirement only if Landlord's general counsel and CEO/Harbormaster, in consultation with Landlord's insurance adviser, determine in writing that it preserves the required coverage, limits, and duration, including protection for lease-period pollution conditions first discovered or claims first made during that period. Tenant's employees, agents, and contractors, who have a reasonable probability of coming into contact with hazardous materials, shall be adequately trained to comply with and shall comply with all laws and regulations relating to the care and protection of the environment for the duration of the term of this Lease.

(f) Workers' Compensation Insurance. At all times during the Term of this Lease, Tenant shall maintain or cause to be maintained with regard to its employees, Workers' Compensation Insurance as required by law.

8. Maintenance and Alterations

8.1 Repair and Maintenance. Tenant shall keep the Premises in good condition and repair and free from dirt and accumulation of waste. Tenant at its own cost and expense shall repair any damage to the interior of the Premises, including, but not limited to windows, doors, glass, floor coverings, HVAC system, electrical equipment and plumbing and sprinkler systems, if any; and any damage to the exterior of the Premises (including parking area, roof and structural members) resulting from Tenant's use of the Premises under this Lease. Damage to the Pier, including its piles and the common loading dock, resulting from Tenant's use of the Premises, the Hoists, or the Hoist Equipment, other than ordinary wear and tear excluded by Section 8.4(a), shall be repaired by Landlord at Tenant's cost as provided in Section 8.4(a). Tenant's obligations with respect to the Hoists and the Hoist Equipment are further stated in Section 8.3, and Landlord's obligations with respect to the Pier are stated in Section 8.4.

8.2 Installations, Alterations and Improvements. Tenant shall not make any alterations, additions, improvements or changes to the Premises without the prior written approval of Landlord. All fixtures installed on the Premises (other than all trade fixtures) shall immediately become a part of the realty and belong to Landlord and shall not be removed therefrom by Tenant without the prior written consent of Landlord to such removal.

Tenant may, at Tenant's own cost and expense, install or place such furniture, equipment and machinery or other personal property in or upon the Premises as may be necessary for Tenant's use of the Premises for the purpose for which they are leased. Tenant shall have the right to remove any furniture, equipment and machinery, or other personal property (including without limitation, all trade fixtures) installed or placed in or upon the Premises at Tenant's own expense at any time prior to the expiration or termination of this Lease. In the event of termination of this Lease on less than thirty (30) days' notice as provided in this Lease, Tenant shall have a reasonable time not to exceed thirty (30) days from the date of service of the notice of termination to make such removal. All personal property not removed by Tenant following the expiration or termination of this Lease within the time allowed for removal shall be deemed abandoned by Tenant and may be used or disposed of by Landlord in the manner prescribed by law without any liability to Tenant therefor. Such abandonment shall in no way reduce the obligation of Tenant to make restoration under Section 9.2 of this Lease.

In the event that during the Term of this Lease any alteration, addition or change of any nature to the Premises or to any portion thereof is required by law,

regulation or rule (other than a law, regulation or rule of Landlord), the same shall be made by Tenant at Tenant's own cost and expense.

Before making any alteration, addition, improvement or change to the Premises with the prior written consent of Landlord, Tenant shall obtain all approvals and permits as may be required by law, including but not limited to, those of the California Coastal Commission. All such permits and approvals shall be obtained by Tenant at Tenant's sole cost and expense. Tenant also agrees that if any construction projects on the Premises are paid for by Landlord's funds, including offsets, then such construction projects will comply with the same legal requirements applicable to the Landlord (including, but not limited to, competitive bidding requirements, prevailing wage requirements, and public works bonding requirements.)

8.3 Hoists and Hoist Equipment.

(a) Tenant's Responsibility. Tenant, at its sole cost and expense, shall maintain, repair, and, when necessary, replace the Hoist Equipment and all of its components, including hoists, booms, masts, slewing and lifting mechanisms, wire rope, hooks, slings and rigging, motors, hydraulic systems, controls, guards, and the electrical components and wiring on Tenant's side of the point of connection with the Landlord-owned electrical service, and shall keep the Hoist Equipment in good, safe, and working order and condition. This obligation applies regardless of the cause of the need for maintenance, repair, or replacement, including ordinary wear and tear, age, obsolescence, latent defect, or casualty, except to the extent caused by the gross negligence or willful misconduct of Landlord or its employees or agents.

(b) Standards; Inspection and Certification. Tenant shall operate, maintain, and repair the Hoist Equipment in compliance with applicable law, including the occupational safety and health standards in Title 8 of the California Code of Regulations, the manufacturer's specifications, and generally accepted industry practice, using qualified personnel. Tenant shall obtain, at its sole cost and expense, all inspections, load tests, and certifications that applicable law requires for the Hoist Equipment, shall keep records of all inspections, maintenance, repairs, and certifications, and shall provide copies to Landlord within ten (10) days after Landlord's request.

(c) No Landlord Obligation; No Abatement. Landlord has no obligation to maintain, repair, replace, or insure the Hoist Equipment. The unavailability or inoperability of any Hoist Equipment shall not abate Rent, extend the Term, or excuse Tenant's performance of any obligation under this Lease, except to the extent it results from a condition of the Pier for which Landlord is responsible under Section 8.4 or from a District Project under Section 11.2.

(d) Unsafe Conditions. If Landlord reasonably determines that any Hoist Equipment presents an imminent hazard to persons, property, or the Pier, Landlord may require that it be removed from service until the hazard is corrected and, in an emergency, may take reasonable protective measures without prior notice, notifying Tenant promptly afterward. Tenant shall reimburse Landlord, as additional Rent, for the reasonable cost of any such protective measures within thirty (30) days after invoice. Tenant's failure to perform any obligation under this Section after written notice shall be subject to Section 6.1(a) or 6.1(b), as applicable.

(e) Replacement and Modification. Tenant shall not install additional or replacement Hoist Equipment, increase the rated capacity of any Hoist Equipment, or materially modify the Hoist Equipment, its foundations, or its electrical connection without Landlord's prior written consent under Section 8.2 and all required permits and approvals. Landlord may condition its consent on a determination by a qualified engineer, obtained at Tenant's cost, that the Pier and the hoist foundations can safely support the proposed equipment and loads. The Hoist Equipment, including any replacement, shall remain Tenant's property and shall be treated as trade fixtures for purposes of Sections 8.2 and 9.2. Upon the expiration or earlier termination of this Lease, or of this Lease as to a Hoist, Tenant shall, if Landlord so elects by written notice, remove the affected Hoist Equipment at Tenant's cost, leave the Landlord-owned electrical service safely terminated at the point of connection, and repair any damage caused by the removal. If Tenant fails to do so within thirty (30) days after the later of the expiration or termination and Landlord's notice, Landlord may do so, and Tenant shall reimburse Landlord's reasonable costs as additional Rent.

8.4 Pier.

(a) Landlord's Responsibility. Subject to subsections (c) through (f), Landlord shall maintain and repair the Pier, including the structural components of the Pier underlying or supporting the Hoists and the Landlord-owned hoist foundations and electrical service up to the point of connection with the Hoist Equipment, in a safe and serviceable condition reasonably adequate for operation of the Hoists for the use permitted by Section 2.4 at the loads permitted under subsection (d); Landlord is not obligated to improve, upgrade, or increase the capacity of the Pier beyond its condition and capacity on the Commencement Date. Tenant shall reimburse Landlord, as additional Rent, for the reasonable cost of repairing any damage to the Pier caused by Tenant's use of the Premises, the Hoists, or the Hoist Equipment, including overloading or operation contrary to Landlord's load limits or operating restrictions, or by the negligence or willful misconduct of Tenant or its employees, agents, or contractors, but excluding ordinary wear and tear resulting from operation of the Hoist Equipment in compliance with this Lease and Landlord's load limits and operating restrictions, consistent with Section 8.1. This Section does not obligate Landlord to furnish utility service, which remains governed by Section 4.4.

(b) Notice and Response. Tenant shall notify Landlord promptly of any damage to or defect in the Pier of which Tenant becomes aware. For purposes of this Section only, notice may be given by telephone or electronic mail to Landlord's CEO/Harbormaster or harbor office and confirmed in writing. Within two (2) business days after such notice, Landlord shall inspect the reported condition and advise Tenant of Landlord's assessment, any interim restrictions, and Landlord's intended course of action and anticipated schedule.

(c) Timely Repair. Landlord shall give priority to repairs necessary to restore the safe operation of the Hoists. For a condition that presents an imminent hazard, Landlord shall take reasonable protective measures as soon as reasonably practicable. For repairs within the scope of Landlord's routine maintenance that do not require engineering design, permits, environmental review, or public bidding, Landlord shall commence the repair within fifteen (15) days after notice and diligently pursue it to completion. For repairs that require engineering design, permits, environmental review, public bidding, or outside funding, Landlord shall commence the necessary steps within a reasonable time, diligently pursue the repair to completion, and keep Tenant reasonably informed of its progress. While a repair is pending, Landlord shall use reasonable efforts to provide or permit temporary means of continuing Tenant's offloading operations, such as an alternate offloading location or temporary operating arrangements, where reasonably available and safe. Landlord's obligation to perform any maintenance or repair under this Section, other than protective measures for an imminent hazard, is subject to the availability of funds appropriated or otherwise lawfully available to Landlord for that purpose. If such funds are not available, Landlord shall so notify Tenant in writing, may restrict or close the affected portion of the Pier as reasonably necessary for safety, and Tenant's remedies shall be those stated in subsection (e).

(d) Load Limits and Operating Restrictions. Landlord may establish or revise load limits or operating restrictions for the Pier based on the advice of a qualified engineer or as required by law or by a regulatory agency, and Tenant shall comply with them.

(e) Rent Abatement; Termination. If a condition of the Pier for which Landlord is responsible under this Section, and which was not caused by Tenant as described in subsection (a), prevents the safe operation of a Hoist for more than seven (7) consecutive days, and Landlord has not offered or provided a reasonably comparable temporary alternative, the Monthly Minimum Rent shall abate for the affected Hoist in the manner provided in Section 11.2(f), including its provisions concerning a temporary alternative that Tenant declines, for the period beginning on the earlier of the date the condition was reported to Landlord or the date Landlord restricted or closed the affected portion of the Pier, and ending on the date safe operation is restored or a reasonably comparable temporary alternative is offered or provided. If the condition is reasonably expected to prevent safe operation

of a Hoist for more than six (6) consecutive months, either party may terminate this Lease as to the affected Hoist, or in whole if all of the Hoists are affected, upon not less than thirty (30) days' written notice by Tenant or ninety (90) days' written notice by Landlord, with the effects stated in the last two sentences of Section 11.2(g). Rent abatement and termination under this subsection are Tenant's sole monetary remedies for any failure or delay in Landlord's performance under this Section, and Section 11.3 applies to any loss of income or business interruption arising from the condition or repair of the Pier.

(f) Casualty and District Projects. Landlord's obligations under this Section are subject to Article 11 and Section 12.15. If the Pier is damaged by fire, earthquake, tsunami, storm, or other casualty, Landlord shall restore it with reasonable diligence, subject to the availability of insurance proceeds, disaster assistance, or other funding and to required permits, unless this Lease is terminated under subsection (e). Landlord may perform repairs to the Pier as part of a District Project, in which case Section 11.2 shall govern any resulting closure, relocation, abatement, or termination; until the District Project begins work on the affected portion of the Pier, Landlord shall continue to perform the repairs necessary for safe operation of the Hoists unless Landlord provides a reasonably comparable temporary alternative under Section 11.2.

9. Surrender and Restoration

9.1 Surrender. Upon expiration of this Lease or its prior termination, Tenant shall quietly and peacefully vacate the Premises and surrender possession thereof to Landlord.

9.2 Restoration. Prior to the expiration of this Lease (and only to the extent directed by Landlord) Tenant shall restore the Premises to the condition in which received, ordinary wear and tear excepted, or to such improved condition as may have resulted from improvements made thereon by Landlord or Tenant. In the event this Lease is terminated on less than thirty (30) days' notice, Tenant shall be allowed a reasonable period of time not to exceed thirty (30) days from the date of service of the notice of termination within which to complete restoration.

10. Assignment and Subletting

10.1 Assignment and Subletting. Tenant shall not permit the Premises to be occupied or used by any person other than Tenant, its agents and employees without Landlord's prior written consent to such operation or use. This Lease may not be assigned nor the Premises sublet by Tenant without the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall not be released from any obligations under this Lease due to any assignment or subletting.

11. Destruction of Premises; District Projects and Relocation

11.1 Destruction.

(a) Total Destruction. In the event the Premises or a substantial portion thereof are destroyed by any cause so as to render the Premises unfit for purposes designated in Section 2.4, or if the Premises are so badly damaged that they cannot be repaired within thirty (30) days from the date of such damage, either party may terminate this Lease by giving to the other party a written notice of termination served in the manner provided by Section 12.1 of this Lease. After such notice of termination has been given, Rent shall be prorated to the date Tenant actually vacates the Premises.

(b) Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

(c) Tenant's Fault. Notwithstanding anything herein to the contrary, if the Premises or any other portion of the property in which the Premises are located is damaged by casualty resulting from the fault, negligence, or breach of this Lease by Tenant, Rent shall not be diminished during the repair of such damage and Tenant shall be liable to Landlord for the cost and expense of the repair and restoration of the property caused thereby to the extent such cost and expense is not covered by insurance proceeds.

(d) Excluded Damage. This Section 11.1 does not apply to damage to the Hoist Equipment, which is governed by Section 8.3; to damage to the Pier, including the portion of the Pier within the Hoists, which is governed by Section 8.4; or to a District Project, which is governed by Sections 11.2 and 11.3.

11.2 District Projects; Relocation.

(a) District Projects. "District Project" means (i) the replacement of Citizens Dock and the repair, replacement, or reconstruction of the harbor seawall described in Recital C, and (ii) any other repair, replacement, rehabilitation, reconstruction, resilience, utility, dredging, or improvement project for harbor infrastructure undertaken by or for Landlord, whether funded by federal, state, or local grants or loans, by insurance proceeds or disaster assistance, or by Landlord's own funds. Tenant acknowledges that District Projects may affect the Premises, the Pier, access to them, and vessel traffic in the harbor, and that District Projects are subject to schedules, in-water work windows, and conditions imposed by funding agencies, permits, and environmental review.

(b) Temporary Closure or Relocation. Upon not less than thirty (30) days' written notice, or any longer notice required by applicable relocation law, Landlord may temporarily close, restrict, or relocate all or any portion of the

Premises or the Pier, including any Hoist, any other exclusive-use area, or access routes, for the duration reasonably required for a District Project. Landlord may give shorter notice where an emergency, a threat to safety, a permit condition, or a funding requirement reasonably requires it, to the extent applicable relocation law permits. Landlord shall use reasonable efforts to provide a temporary alternate hoist or offloading location or other temporary means of continuing Tenant's operations where reasonably available and safe.

(c) Permanent Relocation. Upon not less than ninety (90) days' written notice, or any longer notice required by applicable relocation law, Landlord may permanently relocate Tenant from all or any portion of the Premises to other premises within Landlord's harbor facilities that are reasonably comparable in function to the premises being replaced, including the number of hoist locations or equivalent offloading capacity, truck access, and building and yard area (the "Substitute Premises"). Upon relocation, the Substitute Premises shall be the Premises, or the applicable portion of the Premises, for all purposes of this Lease, and the parties shall document the relocation, the description of the Substitute Premises, and any reduction of Monthly Minimum Rent required by subsection (f) in a written memorandum executed by Landlord's CEO/Harbormaster and Tenant, which shall not constitute an amendment of this Lease. Tenant shall execute the memorandum within ten (10) days after Landlord's request, and Tenant's failure to do so shall not affect the relocation.

(d) Relocation Costs. Landlord shall provide at the Substitute Premises, at Landlord's cost, hoist foundations and electrical service, up to the point of connection with the Hoist Equipment, reasonably comparable to those at the premises being replaced. Except as otherwise required by applicable relocation law under subsection (h), Tenant shall bear the cost of disconnecting, moving, and reinstalling the Hoist Equipment, of moving its other personal property and trade fixtures, and of its other relocation expenses. Landlord has no obligation to provide hoist foundations, electrical service, or other facilities at a temporary location under subsection (b) except as Landlord elects, and, except as otherwise required by applicable relocation law, Tenant shall bear its own costs of any temporary relocation.

(e) Coordination. Landlord shall make District Project schedules available to Tenant when they are available, consult with Tenant regarding phasing and the timing of closures, and consider peak offloading periods, including the opening of the commercial Dungeness crab season, in scheduling work that affects the Premises or the Pier, consistent with safety, permit conditions, funding requirements, and project schedules.

(f) Rent Abatement. If, as a direct result of a District Project, a Hoist is unavailable for Tenant's use for more than seven (7) consecutive days and Landlord has not offered or provided a reasonably comparable temporary

alternative, the Monthly Minimum Rent shall abate for the entire period of unavailability by the Per-Hoist Rent for each Hoist that is unavailable, prorated on a daily basis using the actual number of days in the applicable calendar month. "Per-Hoist Rent" means the Monthly Minimum Rent then in effect divided by the number of Hoists then included in the Premises. No abatement shall apply for any period during which Tenant declines a reasonably comparable temporary alternative offered by Landlord, and no Hoist shall be the subject of abatement under both this subsection and Section 8.4(e) for the same day. If Substitute Premises include fewer hoist locations than the premises they replace, the Monthly Minimum Rent shall be reduced by the Per-Hoist Rent for each hoist location not replaced. Rent abatement under this subsection and Section 8.4 is Tenant's sole and exclusive monetary remedy for the unavailability of any Hoist, the Premises, or the Pier resulting from a District Project or from a condition of the Pier, except as provided in subsection (h).

(g) Termination. Landlord may terminate this Lease, in whole or as to one or more Hoists, upon not less than ninety (90) days' written notice if Landlord determines that no reasonably comparable Substitute Premises are available or that a District Project will permanently eliminate a hoist location. Tenant may terminate this Lease as to an affected Hoist, or in whole if all of the Hoists are affected, upon not less than thirty (30) days' written notice if a closure under subsection (b), without a reasonably comparable temporary alternative, is reasonably expected to prevent Tenant's use of the Hoist for more than six (6) consecutive months. Upon termination as to one or more Hoists, each such Hoist shall cease to be part of the Premises and the Monthly Minimum Rent shall be reduced by the Per-Hoist Rent for each such Hoist. Upon any termination under this subsection, neither party shall owe the other any termination fee or damages on account of the termination, and Tenant shall remove its Hoist Equipment and other property as provided in Sections 8.2, 8.3(e), and 9.2.

(h) Relocation Law. To the extent that the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 et seq.) and its implementing regulations (49 C.F.R. Part 24), or the California Relocation Assistance Law (Gov. Code § 7260 et seq.) and its implementing guidelines (Cal. Code Regs., tit. 25, § 6000 et seq.), apply to a relocation under this Section, Landlord shall comply with them, including their notice requirements, which shall control over any shorter notice period in this Section, and Tenant's rights to relocation advisory assistance and relocation payments shall be those provided by those laws. Landlord has no obligation to provide relocation assistance, relocation payments, or other compensation in connection with a District Project or a relocation under this Section beyond what those laws require. Nothing in this Lease waives, or requests the waiver of, any right under those laws.

11.3 District Project Activities; No Liability for Loss of Income.

(a) Construction Activities. Landlord, its contractors and consultants, and representatives of agencies funding or regulating a District Project may enter the Premises and the Pier at reasonable times, upon reasonable notice except in an emergency, and may stage equipment and materials, close or restrict areas, interrupt utilities, restrict vessel traffic, perform in-water work, and generate noise, vibration, and dust, as reasonably required for a District Project.

(b) No Liability for Loss of Income. Landlord shall not be liable to Tenant for any loss of income, revenue, or profits, loss of business opportunity or goodwill, increased operating costs, business interruption, or other consequential or economic loss arising out of a District Project, a relocation under Section 11.2, the condition or repair of the Pier, or any activity described in subsection (a). None of those matters shall constitute an actual or constructive eviction of Tenant, a breach of any express or implied covenant of quiet enjoyment, or a default by Landlord, and none shall entitle Tenant to any abatement of Rent or other remedy except as expressly provided in Sections 8.4 and 11.2. This subsection does not apply to loss caused by the gross negligence or willful misconduct of Landlord or its employees or agents, does not limit any payment required by applicable relocation law under Section 11.2(h), and does not apply to physical damage to Tenant's property, which shall be governed by applicable law and Sections 7.1 and 7.2(b).

(c) Landlord's Efforts to Minimize Losses. Landlord shall endeavor in good faith to minimize interference with Tenant's operations, and resulting losses, to the fullest extent reasonably practicable, consistent with safety, permit conditions, funding requirements, and project schedules, including through advance notice, phasing, maintenance of safe access where feasible, and the measures described in Sections 8.4 and 11.2. This undertaking is not a guarantee, is not a condition of Landlord's rights under this Article, and shall not give rise to any claim for damages.

(d) Tenant's Insurance. Tenant is solely responsible for insuring against loss of income and business interruption as Tenant considers appropriate.

(e) Relationship to Force Majeure. Termination rights arising from a District Project or a condition of the Pier are governed exclusively by Sections 8.4(e) and 11.2(g) and not by Section 11.1 or Section 12.15.

12. Miscellaneous

12.1 Notice. All notices required herein shall be served by personal service or by registered or certified mail, or by nationally recognized overnight delivery services. Notices shall be addressed as follows:

(a) Notice to be served on Landlord shall be sent to Landlord addressed to Crescent City Harbor District, Attn: CEO/Harbormaster, 101 Citizens Dock Road, Crescent City, California 95531.

(b) Notice to be served on Tenant shall be sent to Tenant addressed to Tenant at the address shown on the signature page.

(c) The date of service of any notice shall be deemed to be 24 hours after the date such notice is deposited in the United States mail or with such overnight delivery service.

(d) If more than one person or entity is named as Tenant, any notice to Tenant shall be served on each of them at its address for notices, and where a period under this Lease runs from Tenant's receipt or service of a notice, it shall run from the later of the dates on which the notice is received by or deemed served on each of them.

12.2 Liens. Tenant shall promptly discharge or cause to be discharged any valid lien, right in rem, claim or demand of any kind (except one in favor of Landlord) arising or existing with respect to the Premises or for materials or equipment furnished therefor or for any part thereof. If the same is not promptly discharged by Tenant, Landlord may discharge the same and Tenant shall immediately reimburse Landlord the cost thereof.

12.3 Failure to Insist on Compliance. Landlord's or Tenant's failure to take advantage of any default or breach of covenants on the part of the other party or to insist upon the performance of any terms, covenants and conditions of this Lease shall not be a waiver or relinquishment of such party's right to the future performance of such terms, covenants or conditions. Tenant's or Landlord's obligations with respect to such future performance shall continue in full force and effect. No custom or practice which may develop between the parties in the course of administering this Lease shall be construed to waive or lessen the right of either party to insist upon the performance by either of any term, covenant or condition hereof.

12.4 Successors in Interest. The terms, covenants and conditions contained herein shall apply to and bind the successors and assignees of all the parties hereto.

12.5 [Reserved.]

12.6 Amendments, Changes or Additions to Statutes. Whenever reference is made in this Lease to any provision of law such reference applies to all amendments, changes and additions now or hereafter made to such provisions.

12.7 Time. Time is of the essence of this Lease.

12.8 Non-discrimination. In conducting Tenant's activities on the Premises, Tenant must not unlawfully discriminate against employees or applicants for employment or for services or segregate any person or group of any member of the public on account of race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military or veteran status, or any other characteristic protected by applicable federal, state, or local law in the leasing, subleasing, renting, transferring, use, occupancy, or enjoyment of the Premises. Tenant must abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued pursuant to the Act.

The foregoing provision includes, but is not limited to, the following: employment upgrading, demotion, transfer, recruiting, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, including apprenticeship. Tenant shall post notices provided by the State of California or the United States of America or its local government representative setting forth the provisions of this non-discrimination clause in conspicuous places available for employees and applicants for employment.

Tenant shall insert the foregoing provision in all contracts entered into by Tenant in the performance of any work permitted under this Lease except contracts for standard commercial supplies or raw materials.

12.9 Tenant's Representations and Warranties. Tenant hereby represents and warrants as follows:

(a) Tenant has full right, power and authority to execute, deliver, and carry out the terms of this Lease and all documents and agreements necessary to give effect to the provisions contained in this Lease.

(b) Neither Landlord nor any agent or employee of Landlord has made any representation, promise, or warranty except as expressly set forth in this Lease.

12.10 Captions. The captions of this Lease are not a portion of the substantive terms hereof.

12.11 Signs. Tenant shall not erect, install, or make any signs on the Premises without the prior written consent of Landlord thereto. Landlord will not unreasonably withhold its consent to the erection or installation of signs stating the name of Tenant's business of reasonable dimensions and decor.

12.12 Estoppel Certificate. Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this

Section may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the Premises or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

12.13 Integration. This Lease is the final agreement between Landlord and Tenant with regard to the Premises and supersedes all prior agreements (oral or written), negotiations or representations, except as provided in Section 2.3 with respect to any Prior Agreement; this Lease does not release, waive, or supersede any obligation under a Prior Agreement that accrued before it was superseded or that by its terms survives. This Lease may only be modified in writing, approved by Landlord's Board of Harbor Commissioners or CEO/Harbormaster, as applicable, and signed by both Landlord and Tenant.

12.14 Authorized Representatives. Each of the persons whose signature is subscribed hereto warrants that he or she has the proper authority to execute this Lease on behalf of Landlord or Tenant as appropriate.

12.15 Force Majeure. If performance by a party of any portion of this Lease is made impossible by any prevention, delay, or stoppage caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes for those items, government actions, civil commotions, tsunami, pandemic, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, performance by that party for a period equal to the period of that prevention, delay, or stoppage is excused. This Section does not excuse the payment of Rent or any other sum due under this Lease. Either party shall have the right to terminate this Lease in the event of Force Majeure for a consecutive six (6)-month period, except that termination rights arising from a District Project or a condition of the Pier are governed exclusively by Sections 8.4(e) and 11.2(g), as provided in Section 11.3(e).

12.16 Choice of Law. This Lease shall in all respects be governed by the laws of the State of California.

12.17 Subordination. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be and is hereby declared to be subject and subordinate at all times to: (a) all ground leases or underlying leases which may now exist or hereafter be executed affecting the Premises and/or the land upon which the Premises are located; and (b) any mortgage or deed of trust which may now exist or be placed upon the land upon which the Premises is situated, or said ground leases or underlying leases, or Landlord's interest or estate in any of said items which is specified as security. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. If any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of

foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord provided that Tenant shall not be disturbed in its possession under this Lease by such successor in interest so long as Tenant is not in default under this Lease. Within ten (10) days after request by Landlord, Tenant shall execute and deliver any additional documents evidencing Tenant's attornment or the subordination of this Lease with respect to any such ground leases or underlying leases or any such mortgage or deed of trust, in the form requested by Landlord or by any ground landlord, mortgagee, or beneficiary under a deed of trust, subject to such nondisturbance requirement.

12.18 Counterparts. This Lease may be executed in several counterparts and all documents so executed shall constitute one Lease, binding on all of the parties hereto, notwithstanding that all of the parties did not sign the original or the same counterparts.

[signatures on following page]

LANDLORD:
Crescent City Harbor District

By: _____

Name: _____

Its: CEO/Harbormaster

Date: _____

APPROVED AS TO FORM:
Crescent City Harbor District

By: _____

Name: _____

Its: District Counsel

Date: _____

TENANT:

_____,
a _____

By: _____

Name: _____

Its: _____

By: _____

Name: _____

Its: _____

Date: _____

Address for Notices:

_____

_____

_____

Attn: _____

Telephone: _____

Email: _____

EXHIBIT 1

SITE PLAN

[Site plan to be attached before execution, identifying (1) each Building; (2) the Surrounding Area; (3) each Hoist, by hoist space number and location on the Pier; and (4) any other exclusive-use area, each as described in Section 2.1.]