

Appendix D—Toonerville Trolley Lease

The State of Michigan has entered into a lease with Tahquamenon Boat Service Inc., for dockage for the Toonerville Trolley boat excursion to the Upper Falls, an approach trail and observation area, and construction, maintenance and operation of facilities to accomplish these functions. The current lease, amended in 2013, expires in 2023. A copy of both the previous and amended lease follows.

LEASE

By authority of Part 5 of Public Act 451 of 1994

Between

The STATE OF MICHIGAN, as Lessor

and

TAHQUAMENON BOAT SERVICE, Inc., a Michigan Corporation, as Lessee

This Lease is entered into by the State of Michigan through its Department of Natural Resources (DNR) Office of Property Management (Lessor) and Tahquamenon Boat Service, Inc., a Michigan corporation, also known as the Toonerville Trolley (Lessee), whose address is 5883 County Road 441, Newberry, Michigan 49868.

WHEREAS, pursuant to Section 503(1) of Public Act 451 of 1994 (1994 PA 451), as amended MCL 324.503(1), the DNR is required to: protect and conserve the natural resources of the State; provide and develop facilities for outdoor recreation; prevent the destruction of timber and other forest growth by fire or otherwise; promote the reforestation of forest lands belonging to the State; prevent and guard against the pollution of lakes and streams within the State and enforce all laws provided for that purpose with all authority granted by law; and foster and encourage the protecting and propagation of game and fish.

WHEREAS, the Purpose of this Lease is to provide and develop a facility for outdoor recreation.

WHEREAS, the Director of DNR, or his or her lawful representative, has determined that the purpose of this Lease is necessary to implement Part 5 of 1994 PA 451 because the facilities and outdoor recreation services offered by Lessee will foster a respect and appreciation for the Upper Tahquamenon Falls.

THEREFORE, Lessor and Lessee, for the valuable consideration specified in this Lease, agree to the following terms and conditions:

1. **DESCRIPTION OF PREMISES:** Lessor hereby leases to Lessee the Premises, described in **Enclosure A** (legal description), in the Township of McMillan, County of Luce, State of Michigan.

2. **USE OF PREMISES:**

A. Lessee hereby acknowledges that the use and occupancy of the Premises shall be subject to the provisions of 1994 PA 451, as amended, and confined to the following specific Uses:

1. Dockage for the “Toonerville Trolley” Boat Excursion, a for-profit tour operation to the Upper Tahquamenon Falls;
2. An approach trail and observation area for Toonerville Trolley passengers visiting the Upper Tahquamenon Falls; and
3. The construction, maintainance, and operation of facilities to accomplish the above.

Lessee shall obtain Lessor’s prior consent, in writing signed by the Department Representative, to use the Premises for any purpose not listed in this Paragraph. Lessor may terminate this Lease if, at any time, Lessee uses the Premises, without express written permission by Lessor, for purposes other than those enumerated in this Paragraph. This Paragraph is cross-referenced in Paragraph 24.

B. PROHIBITED ACTIVITIES: The following activities on the Premises are prohibited:

1. Cutting or removal of trees and shrubs.
2. Use of non-native species in any re-vegetation effort on the Premises.
3. Storage of equipment, placing of signs, or use of camping trailers or tents without prior written approval of the Department Representative. All storage of supplies and equipment must be inside.
4. Blockage of the access road unless limited blockage is approved in writing by the Department Representative.
5. Any clearing activity outside the Premises.
6. Dumping or disposal of garbage/trash, spare parts, hazardous waste, scrap metal and other waste onto the Premises.
7. Disposal of trees, tree tops, branches, roots, stumps, and other vegetational debris onto the Premises.

Lessor may terminate this Lease if, at any time during the term of this Lease, prohibited activities occur on the Premises. This Paragraph is cross-referenced in Paragraph 24.

3. **WASTE:** Lessee agrees not to commit, or allow to be committed, any waste or nuisance on the Premises and will not use, or permit to be used, the Premises for any unlawful purpose.

4. **LESSOR’S OPERATIONS:** Lessee covenants that its use of the Premises shall be non-exclusive and will, at no time, interfere with the uses or operations of Lessor or the Public on the Premises. Lessee covenants that its use of the Premises shall, at no time, interfere with the Public’s use of State land adjacent to the Premises. Lessee shall not prevent Lessor, its agents, or the public from crossing the Premises to access the adjoining State lands.

5. **ADMINISTRATION:** **District Supervisor, Parks and Recreation Bureau, Gaylord District Office, 1732 M-32 West, Gaylord, MI 49735, (989) 732-3541** is the Department Administrator of this Lease or his or her designated representative (collectively, Department Representative). The Lessee shall designate in writing to the Department Representative one person and one alternate responsible to be the contact person for the Lessor

regarding the administration of the Lease. This person shall be authorized to make decisions regarding the maintenance and operation of the Premises.

6. **CONDITION OF PREMISES:** Lessee represents and warrants that Lessee has examined the Premises, and that they are at the time of this Lease in good order, repair, and in a safe, clean, and tenantable condition. Lessee represents that it is taking possession of the Premises in their “as is” condition. Lessee acknowledges that it has not made an independent environmental assessment of the Premises, and agrees to maintain the Premises in their present condition.

7. **TERM:** Lessor shall lease the Premises to Lessee for a ten-year initial term of possession beginning upon actual possession at 12:01 a.m. on January 1, 2004, and ending at midnight on December 31, 2013, or such later date as provided in Paragraph 9.

The beginning and ending Lease term dates may be altered by mutual written consent to reflect the actual date of occupancy. If the occupancy date is changed, this Paragraph shall also be changed accordingly.

8. **RENT:** Lessee shall pay to Lessor at Attention: Department Representative, or at such other address as Lessor may from time to time designate, rent at the rate of Two Thousand Three Hundred Sixty-Five and 00/100 Dollars (\$2,365.00) per annum. Rent shall be paid in full annually by March 1st of each year.

If at any time Lessee vacates the Premises prior to the expiration of the Lease, Lessee will be responsible for all rental payments and repairs, above and beyond normal wear and tear, until and including the date Lessor cancels the Lease.

Rent during any extended term agreed to pursuant to Paragraph 9 of the Lease shall be at the prevailing market rental value. Lessor shall notify the Lessee in writing, at least ninety (90) days prior to the expiration of the prior term or extension, of the proposed rent increase for the extended term. Lessee shall notify Lessor in writing within thirty (30) days of receipt of Lessor’s notice, of Lessee’s acceptance or rejection of Lessor’s proposed rental rate for the extended term. In the event an extension option is exercised, all the terms and conditions of this Lease shall continue over the extended term, except that the rental rate shall be adjusted.

In the event that Lessee fails to make a required payment under this Lease within thirty (30) days of the due date, Lessee shall pay to Lessor, in addition to such payment or other charges due hereunder, a “late fee” in the amount of **Ten and 00/100 Dollars (\$10.00)**, per day for each additional day of delay.

9. **OPTION TO RENEW:** The initial term of this Lease may be extended if Lessee gives Lessor thirty (30) days written notice before this Lease or any extension expires and agrees to any additional terms and rent modifications proposed by Lessor. Any extension of this Lease is contingent upon Lessor’s written consent. Lessor’s rental rate for the Premises during an extended term will be established as set forth in Paragraph 8, and will be sent to the address indicated under “Notice and Approvals.”

10. **SERVICES BY LESSOR:** Lessor shall furnish to the Lessee the following:

- a. None.

11. **SERVICES BY LESSEE:** Lessee shall furnish the following services at its own expense:

- a. Lessee will secure, maintain and keep in good repair the Leased Premises, at its sole expense.
- b. Lessee will furnish outhouses for public use on the Premises.
- c. Lessee shall, at its cost, provide trash containers for and the disposal of all garbage, waste and debris from the buildings and grounds within and surrounding the Leased Premises. The Lessee shall keep the Premises in a clean and sanitary condition and in conformity with standards and rules for sanitation and public health. The Lessee shall also be responsible for the pickup and removal of litter on the Premises.

Lessee shall maintain standards of cleanliness that will reflect favorable public opinion on the Lessee and the DNR. If the Department Representative determines that the Lessee has failed to maintain an acceptable standard of cleanliness and if after forty-eight (48) hours following written notification by the Lessor, the problem is not rectified to the satisfaction of Lessor, Lessor may perform or have the duties of the Lessee performed by others. Lessee shall pay 105% of the cost of such work, whether performed by the Department or by others at the discretion of the Department. Situations caused by emergencies (broken pipes, etc.) that deter the Lessee from immediate (48 hours) correction shall be reported to the Department Representative and shall be excluded from notice and cure provisions of this clause.

12. **ASSIGNMENT AND SUBLEASE:** Lessee shall neither assign, sublet, nor grant any license for use of the Premises, or any part thereof, without Lessor's prior written consent, which Lessee shall request at least thirty (30) days in advance of such assignment, sublease, or license. Consent by Lessor to one such assignment, sublease, or license shall not be deemed to be a consent to any subsequent assignment, sublease, or license. An assignment, sublease, or license without the prior written consent of Lessor shall be absolutely null and void and shall, at Lessor's option, terminate this Lease.

13. **ALTERATIONS:** No alterations, modifications, or improvements shall be made to the Premises without Lessor's specific written consent, which Lessee shall request at least thirty (30) days in advance of such alteration, modification, or improvement. At the expiration or cancellation of the Lease, all alterations, modifications, and improvements to the Premises shall become the property of Lessor unless otherwise agreed in writing by Lessor. In the event that the parties agree that Lessee may remove Lessee improvements, Lessee shall restore the Premises to its original condition.

14. **LAWS, CODES AND PERMITS:** Lessee shall comply with all applicable (including but not limited to all environmental) federal, state, and local laws, regulations, and codes and will obtain any necessary permits in connection with its use of the Premises.

15. **DAMAGE and REPAIRS:** Lessee shall reimburse Lessor for any repairs to the Premises resulting from damage that exceeds the normal wear and tear expected from the lawful and proper use of the Premises.

16. **INSPECTION OF PREMISES:** Lessor and Lessor's agents and employees shall have the right at all reasonable times during the term of this Lease, and any renewal thereof, to enter the Premises for the purposes of making any inspections, repairs, additions, or alterations as may be deemed appropriate by Lessor for the preservation of the Premises.

In addition, the Lessee must arrange for an inspection of stairs located on the Premises by a State Licensed engineering entity approved by DNR prior to the commencement of operation in 2004, and provide a written copy of the engineering report to the Department Representative. Inspections are to be repeated every second year, prior to the operating season, for the life of this Lease, including any extension periods. Each subsequent inspection report shall also be provided to the Department Representative. If any part of a stairway fails the safety inspection report, it shall immediately be closed to use. The structure must either then be corrected, as confirmed by the State Building Inspector, or it shall be removed from the Premises by the Lessee within thirty (30) calendar days. Any corrective activities or removal shall be at the Lessee's sole expense, and shall be performed pursuant to plans proposed by Lessee and subject to the written approval of the Lessor. All inspection requirements will be the sole financial responsibility of the Lessee.

17. **INDEMNIFICATION:** Lessee hereby expressly agrees to hold harmless, defend, and indemnify Lessor, its agents and employees, from and against any and all claims, costs, losses, suits, demands, actions, liabilities, damages, causes of action or judgments, including, but not limited to, alleged violations of environmental laws, that may in any manner be imposed on or incurred by the Lessor, its agents and employees, for any bodily injury, loss of life, and/or damage to property, resulting from, arising out of, or in any way connected with Lessee's use of the Premises. This indemnification and hold harmless provision shall survive the termination of the leasehold interest and the sale of the Premises by Lessor.

18. **INSURANCE:** Lessee shall provide to Lessor certificates of insurance listing the State of Michigan, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following the execution and delivery of this Lease to Lessee, and every year thereafter, for the following insurance coverage. The insurance policies shall provide that they may not be modified, canceled, or allowed to expire without thirty (30) days prior written notice given to Lessor.

a. Lessee shall obtain general liability insurance, naming Lessor, its officers and employees as additional insureds and protecting against all claims, demands, suits, actions or causes of action and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Premises, or arising in connection with or as a direct or indirect result of the Lessee's use and occupancy of the Premises or its exercise of the right and privileges granted in the Lease. Lessee agrees to maintain a minimum policy

limit, in the amount of \$500,000.00 per occurrence for property damage, \$1,000,000.00 per occurrence for bodily injury, and \$2,000,000.00 aggregate.

b. Lessee covenants that it will, during the continuance of the term of this Lease, keep the buildings and improvements now or hereafter located on the Premises, insured by a responsible and reputable insurance company or companies licensed or authorized in the State of Michigan against loss or damage for all risks as are currently embraced in the standard extended coverage endorsement in the State of Michigan, and in an amount equal to the full replacement value of said buildings and improvements.

c. Lessee shall obtain workers compensation insurance for Lessee Employers' claims under Michigan Workers Compensation Act or similar employee benefit act or any other state act applicable to an employee, along with Employer's Liability Insurance for claims for damages because of bodily injury, occupational sickness or disease or death of an employee when workers compensation may not be an exclusive remedy, subject to a limit of liability of not less than \$100,000 each accident.

19. Deleted, not applicable.

20. **ACCIDENTS OR PROPERTY DAMAGE:** Lessee shall report in writing to the Department Representative, all accidents that result in personal injury or property damage to the Premises or adjacent land. Lessee shall make complete reports in writing to the Department Representative within twenty-four (24) hours of any such incident. Incidents resulting in serious personal injury, death, or property damage to the Premises or adjacent land are to be reported to the Department Representative immediately by telephone or in person. A written report is to follow as described above.

21. **NONDISCRIMINATION:** Lessee shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453 as amended, MCL 37.2101 *et seq.*; the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this real estate contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Lessee agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Lease. This covenant is cross-referenced in Paragraph 24.

22. **UNFAIR LABOR PRACTICES:** Lessor shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et esq.* This covenant is cross-referenced in Paragraph 24.

23. Deleted

24. **CANCELLATION:** Lessor may cancel this Lease provided Lessee is notified in writing at least thirty (30) calendar days prior to the effective date of cancellation and any one of the following occur:

a. The DNR determines that the Premises are no longer being used for the Purposes identified in this Lease.

b. The DNR determines that Lessee provided the DNR with information, in its application for this Lease or at any time during the Lease term, that was false or fraudulent.

c. Lessee fails to perform any of its obligations under this Lease, and such failure is not cured within ten (10) calendar days after written notice of default to Lessee.

d. Lessee or any subcontractor, manufacturer or supplier of Lessee appears in the register compiled by the Michigan Department of Consumer and Industry Services pursuant to 1980 PA 278, as amended, MCL 423.321 *et seq* (Employers Engaging in Unfair Labor Practices Act). This covenant is cross-referenced in Paragraph 22.

e. Lessee or any subcontractor, manufacturer or supplier of Lessee is found guilty of discrimination, pursuant to 1976 PA 453, as amended, MCL 37.2101 *et seq.*; (Elliott-Larsen Civil Rights Act); or 1976 PA 220, as amended, MCL 37.1101 *et seq.*; (Persons with Disabilities Civil Rights Act). This covenant is cross-referenced in Paragraph 21.

25. **CANCELLATION:** Lessee may cancel this lease due to the death of a key employee or the onset of serious illness of a key employee. Lessee must notify the Lessor of the circumstances leading to such anticipated cancellation within twenty four (24) hours of the onset of the circumstances that may lead to such cancellation.

26. **RESERVATION:** Lessor reserves the right to grant rights-of-way and easements of any kind and nature over and across the Premises and to grant or exercise all other rights and privileges of every kind and nature not herein specifically granted.

27. **HOLDOVER TENANCY:** If Lessee remains in possession of the Premises after the natural expiration of this Lease, with the consent of Lessor but without a renewal of this Lease pursuant to Paragraph 9, a new tenancy from month-to-month shall be created between Lessor and Lessee. The new tenancy shall be subject to all of the terms and conditions of this Lease, except that rent shall then be due and owing at the rate of Four Thousand Seven Hundred Thirty and 00/100 Dollars (\$4,730.00) per annum, and except that such tenancy shall be terminable upon fifteen (15) days written notice served by either party.

28. **TAXES:** If Lessee is a nongovernmental entity, it may be subject to taxation for the Premises as provided in 1953 P.A. 189, as amended, MCL 211.181 *et seq.* Lessee shall be responsible for the payment of any taxes on the Premises.

Lessee's failure to notify the taxing authority of this Lease and/or its failure to pay its pro rata share of real property taxes by the first due date shall be a breach of the Lease. Lessee shall provide

Lessor with paid receipts for any real property taxes within thirty (30) days after the tax due date, if any.

NOTICE AND APPROVALS

29. **NOTICES:** Any notices to Lessor or to Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt requested. Unless either party notifies the other in writing of a different mailing address, notices to Lessor and Lessee shall be transmitted to the addresses listed below:

To Lessor:

State of Michigan
Department of Natural Resources
1732 M-32 West
Gaylord, MI 49735
Attn: District Supervisor

To Lessee:

Tahquamenon Boat Service
5883 County Road, 441
Newberry, MI 49868

30. **NOTICES – EFFECTIVE TIME/DATE:** Notices shall be deemed effective as of 12:00 noon Eastern Standard Time on the third business day following the date of mailing, if sent by mail. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or comparable agency performing such function, shall be conclusive evidence of the date of mailing.

31. **INTERPRETATION:** This Lease shall be interpreted in accordance with the laws of the State of Michigan.

32. **NO UNNAMED ENTITIES/PARTNERS:** Lessee covenants that there are no unnamed entities or partners having authority over the operation or management of the Premises and further represents that Lessee is the only entity responsible for carrying out Lessee’s responsibilities.

34. **SEVERABILITY:** Should any provision of this Lease or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Lease, and such action shall not affect the enforceability of the remaining provisions of the Lease.

35. **REQUIRED APPROVALS:** This Lease shall not be binding or effective on either party until executed (and witnessed and notarized as necessary) by Lessor and Lessee.

36. **ENTIRE AGREEMENT AND ENCLOSURES:** This Lease with the enclosure listed below, constitute the entire agreement between the parties with regard to this transaction and may be amended only in writing and executed in the same manner as this Lease was originally executed.

LESSOR

WITNESS FOR STATE OF MICHIGAN

STATE OF MICHIGAN, by the
DEPARTMENT OF NATURAL
RESOURCES

1st Witness Signature

Printed: _____

2nd Witness Signature

Printed: _____

Signature / Date

Lowen Schuett
Acting Chief, Parks and Recreation Bureau
Department of Natural Resources

State of Michigan, County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 20__,
by Lowen Schuett, Acting Chief, Parks and Recreation Bureau of the Michigan Department of
Natural Resources.

_____, Notary Public in the County of _____,

Acting in the County of _____, State of Michigan.

My Commission expires: _____.

This document was prepared by:

Erik A. Grill
Department of Attorney General

LESSEE -- CORPORATION

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

WITNESS TO LESSEE:

LESSEE:

1st Witness Signature

Printed: _____

2nd Witness Signature

Printed: _____

Signature /Date

Printed: _____

Title: _____

Federal I.D. No. _____

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this ___ day of _____, 20____,

By _____, the _____, of
a (Person signing for Lessee) (Title of person signing for Lessee)

_____ corporation on behalf of the corporation.

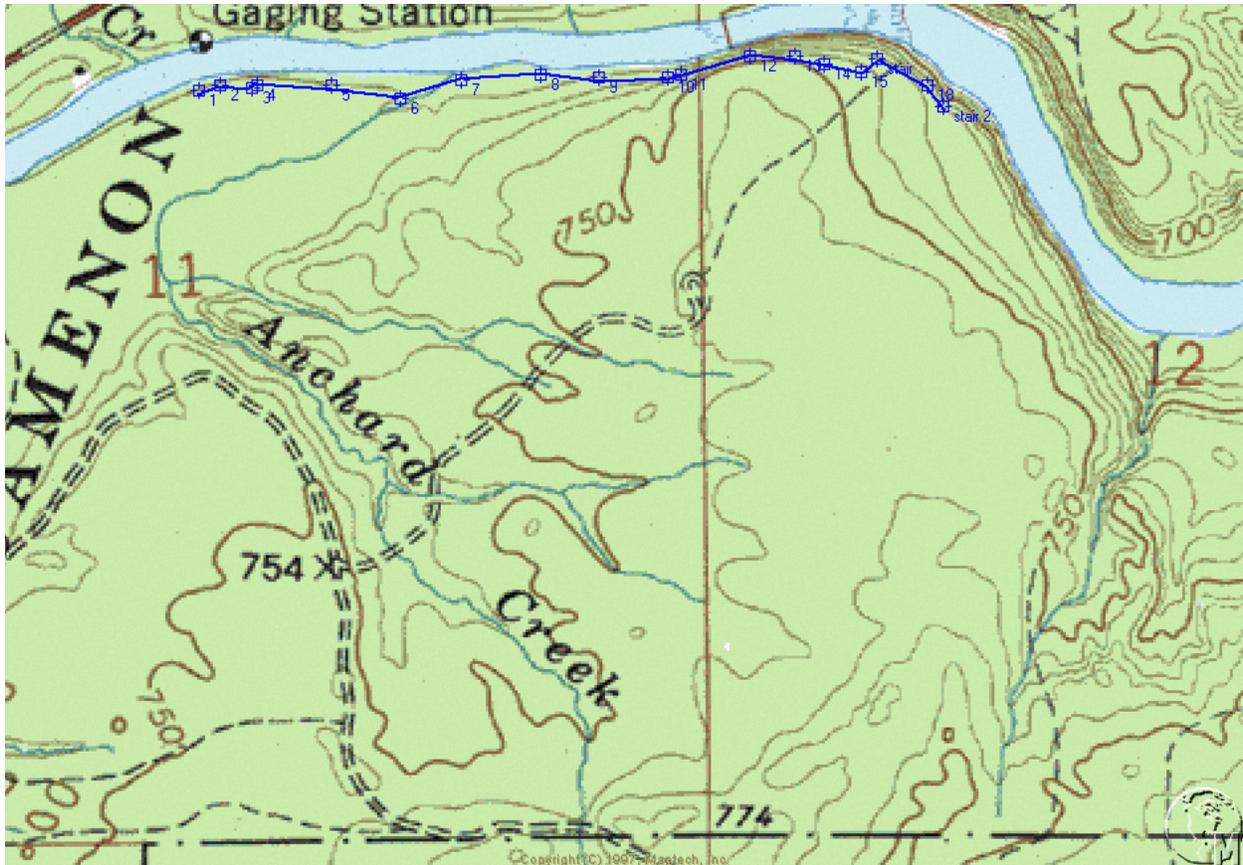
_____, Notary Public in the County of _____

Acting in the County of _____, State of Michigan.

My Commission expires: _____.

Exhibit A

Legal Description



Luce County, McMillan Township, T48N, R8W, Section 11, Part of Government Lot 3, A boat landing parcel beginning at a point on the meander line along the S'y shoreline of the Tahquamenon River approximately 180 feet easterly from the intersection of the North and South ¼ line of said Section 11 and the meander line on the S'y river bank, said point of beginning being approximately 10 feet W'y and upstream of an existing dock and landing facility; thence S 26 ½ degrees E 50 feet perpendicular to the meander line, thence N 63 ½ degrees E 50 feet parallel to the meander line, thence N 26 ½ degrees W 50 feet to the meander line, thence SW'y 50 feet along the meander line and the shore of the Tahquamenon River to the point of beginning; also a trail corridor 10 feet wide, being 5 feet on either side of the center of the existing trail extending approximately 3,660 feet E'y through Sections 11 and 12 from the above described landing parcel to the Upper Tahquamenon Falls vicinity; and including at the E'y end of the trail corridor an overlook parcel in Section 12 lying between the E'y 450 feet of the above trail and the brink of the Tahquamenon Falls gorge. Approximate location of trail is delineated on the map above. Additionally, Lessee is granted use and assumes all maintenance, and replacement responsibilities for North and South stairway's, viewing areas at the upper falls, all safety fencing, signs, boardwalks, boat dockage, stairway at boat dock, vault toilet, and any new infrastructure constructed or installed in accordance with this lease.

LEASE ADDENDUM (1)
Between
the State of Michigan, as Lessor
and
Tahquamenon Boat Service, Inc., as Lessee

RECEIVED
APR 22 2013
CHEBOYGAN FIELD OFFICE

The State of Michigan, **Department of Natural Resources (DNR)** (the Lessor), and **Tahquamenon Boat Service, Inc.**, 5883 County Road 441, Newberry, MI 49868 (the Lessee), do hereby agree to the terms and conditions of this Addendum to the **Tahquamenon Falls State Park Commercial Use Lease** between the above stated parties executed on March 12, 2004. Where the Lease may conflict with this Addendum, the Addendum shall control the Agreement between the parties.

The Lease shall be amended as follows:

1. Section 5, "**Administration**", shall be amended as follows:

Parks and Recreation Division (PRD) Western Upper Peninsula District Supervisor (906) 226-1347 is the Department Administrator of this Lease or his or her designated representative (collectively, Department Representative). The Lessee shall designate in writing to Lessor one(1) person and one(1) alternate responsible to be the contact person for Lessee regarding administration of the Lease. This person shall be authorized to make decision regarding the maintenance and operation of the Premises.

2. Section 7, "**Term**", shall be amended as follows:

Lessor shall lease the Premises to Lessee for a ten(10) year term beginning **January 1, 2014** and ending at midnight on **December 31, 2023**, or later as agreed to by both parties.

3. Section 8, "**Rent**", shall be amended as follows:

Lessee shall pay to Lessor, rent at the rate of **\$2,365.00** dollars per annum. Rent shall be paid in full annually by March 1st of each year.

Checks should be made payable to the State of Michigan and mailed to the following address:

Tahquamenon Falls State Park
41382 W. M-123
Paradise, MI 49768

If at any time Lessee vacates the Premises prior to the expiration of the Lease, Lessee will be responsible for all rental payments and repairs, above and beyond normal wear and tear, until and including the date Lessor cancels the Lease.

Rent during any extended term agreed to pursuant to Section 9 of the original Lease shall be at the prevailing market rental value. Lessor shall notify Lessee in writing, at least ninety(90) days prior to the expiration of the prior term or extension, of the proposed rent increase for the extended term. Lessee shall notify Lessor in writing within thirty(30) days of receipt of Lessor's notice, of Lessee's acceptance or rejection of Lessor's proposed rental rate for the extended term. In the event an extension option is exercised, all the terms and conditions of this Lease shall continue over the extended term, except that the rental rate shall be adjusted.

In the event Lessee fails to make a required payment under this Lease within thirty(30) days of the due date, Lessee shall pay to Lessor, in addition to such payment or other charges due hereunder, a "late fee" in the amount of **Ten and 00/100 Dollars (\$10.00)**, per day for each additional day of delay.

4. Section 29, "**Notices**", shall be amended as follows:

Any notices to Lessor or to Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt requested. Unless either party notifies the other in writing of a different mailing address, notices to Lessor and Lessee shall be transmitted to the addresses listed below:

To Lessor: State of Michigan, Department of Natural Resources
Marquette Operations Service Center
1990 US 41, South
Marquette, MI 49855
Attn: PRD District Supervisor
(906) 228-6561

To Lessee: Tahquamenon Boat Service, Inc.
5883 County Road 441
Newberry, MI 49868
Attn: Chris Stewart
(906) 876-2311

The terms and conditions of this Lease Addendum shall take effect on the day this Addendum is executed.

TERMS ACCEPTED

LESSOR: DEPARTMENT OF NATURAL RESOURCES

Ronald A. Olson
Signature

5-20-13
Date

RONALD A. OLSON, CHIEF
PARKS AND RECREATION DIVISION

LESSEE: TAHQUAMENON BOAT SERVICE, INC.

Kris D Stewart
Signature

4/18/13
Date

KRIS D STEWART
Printed Name

OWNER / MANAGER
Title

1ST CONTACT KEVIN STEWART
ALTERNATE DIXIE STEWART