

MEMORANDUM OF UNDERSTANDING
Between
Bois Blanc Township of Bois Blanc, Michigan
And
Plaunt Transportation of Cheboygan, Michigan

1. Purpose

With the objective of securing long term reliable and consistent transportation between Cheboygan and Bois Blanc Island, Bois Blanc Township and Plaunt Transportation, individually also "Party" and collectively the "Parties", enter into the following Memorandum of Understanding ("MoU").

2. Forms of Co-operation

Bois Blanc Township has secured property (River Development) in Cheboygan, Michigan to create a new ferry terminal. Bois Blanc Township intends to use grant funds to develop and build a terminal.

Plaunt Transportation is being asked to commit to using the River Development, becoming its primary customer and tenant.

3. Length of Commitment

This Memorandum of Understanding is Plaunt Transportations commitment to execute a 20 year lease with Bois Blanc Township. The lease will have terms agreed to by both Parties and will have a standard exit clause.

4. Transportation Understanding

The MoU includes and expectation that Plaunt Transportation will either add a second ferry to the route between Bois Blanc Island and the River Development or a larger ferry will replace the current ferry in service.

5. Financial Arrangements

Both Parties understand that all financial arrangements between the Parties have to be further negotiated and mutually agreed. The final lease agreement is expected to have accommodations and considerations for inflation and the changing cost of fuel. Facility maintenance and an increased docking fee will also be part of the new lease.

6. Parking Considerations

The River Development will include parking capabilities and any revenues associated with parking are intended to go to Bois Blanc Township to offset the cost of maintenance.

7. General Coordinators

Each Party shall designate someone to oversee and facilitate the implementation of any agreements arising out of this MoU. These are:

Bois Blanc Township:

Chris Suchner, Chairperson
Bois Blanc Harbor Commission
PO Box 898
Point Aux Pins, MI 49775
Tel: 231-634-7021

For Plaunt Transportation:

Curt Plaunt, Owner
412 Water Street
Cheboygan, MI 49721
Tel: 231-627-2354

8. Liability

Except for loss or damages caused through gross negligence or intent, the Parties shall have no liability to each other hereunder.

9. Legal Relationship

This MoU shall be construed as a statement of purpose to promote a genuine and mutually beneficial collaboration between the Parties. Nothing in this MoU shall create any legal relationship between the Parties.

10. Commencement, Renewal, Termination

This MoU will be effective from the date of the last signature hereto and will remain in force for a time period of three (3) years, with a possibility for renewal at the end of the three-year-period, subject to the Parties' written agreement. Either Party may terminate this MoU by giving six (6) months' notice in writing to the other Party.

This MoU has been drawn up in two (2) original copies in the English language, each Party receiving one duly signed copy hereof.

Signed on behalf of Bois Blanc Township:

Signed on behalf of Plaunt Transportation:

Chris Suchner, Chairman
Bois Blanc Township Harbor Commission

Curt Plaunt, Owner
Plaunt Transportation

Date:

Date: