

ADDENDUM

The actions taken by the Marina Committee will be subject to the approval of the Executive Committee of the Board of Island Trustees which is responsible for overall Marina and Quail Circle Operations in 2003. As owner of the Marina and Quail Circle facilities, the FII Board will review and approve policy changes in the Frye Island Yacht Club Operations Policy Handbook.

To implement the foregoing in conjunction with the lease of the Long Beach Marina and Quail Circle facilities to the Town of Frye Island, the duties and powers of the FII Board and the Island General Manager set forth in the Frye Island Yacht Club Policy shall be assumed, respectively, by the Executive Committee of the Board of Island Trustees and the Town Manager, with the following additions:

1. The Executive Committee of the Board of Island Trustees shall appoint a non-voting liaison to the Marina Committee.
2. The Frye Island General Manager shall continue to act as transfer agent for Equity Rights Slips.
3. The FII Board and the Executive Committee of the Board of Island Trustees shall decide on the recommendations of the Marina Committee regarding the grandfathering of multiple slip assignments in Quail Circle.
4. For the 2003 season, all General Rental Slips shall be offered as non-renewable full-season rentals. Owners on the Waiting List shall have first priority for rental of these slips. Any slip not rented for a full season shall be available for weekly rentals.
5. The FII Board and the Executive Committee of the Board of Island Trustees shall hear any equitable appeals under paragraph 23 of the Policy.
6. The FII Board and the Executive Committee of the Board of Island Trustees retains the power to amend or revise the Frye Island Yacht Club Policy.