



Massachusetts Bay League

Deed of Gift
For Contribution from the Massachusetts Bay League
to the High School and Performance Dinghy Fund
of Community Boating, Inc.

AGREEMENT entered into the 21st day of December, 2006, by and between the Massachusetts Bay League, a charitable organization, hereinafter referred to as the "MBL", and Community Boating Inc., a charitable corporation organized under chapter 180 of the General Laws of Commonwealth of Massachusetts, with a usual place of business at 21 David G. Mugar Way, Boston, MA 02114, hereinafter referred to as "CBI".

WITNESSETH

WHEREAS, the MBL has a number of member schools with scholastic sailing teams interested in developing the sailing skills of their students,

WHEREAS, CBI has fleets of sailboats, and CBI is interested in developing and improving its public sailing and boating program,

WHEREAS, the MBL and CBI execute a contract stipulating their mutual relationship ("Agreement for Participation of the Massachusetts Bay League at Community Boating, Inc."),

WHEREAS, the member schools of the MBL and CBI execute a seasonal contract stipulating their mutual relationship ("Agreement for Participation of the Individual High School Teams at Community Boating, Inc."), and

NOW, THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration, the parties agree to the following:

1. **Purpose**

The purpose of this contribution is to make funds available, in partnership with CBI, for the purchase of a fleet of 420s of recent vintage to replace and enlarge the existing fleet of 420s currently at CBI. It is the intent of the MBL that the fleet of 420s should be replaced on an on-going basis, every several years as the condition of the boats warrants, so that all the boats in the fleet are in good condition and suitable for high school racing. Moreover, it is the intention of the MBL to make further contributions to enable the regular replacement of performance dinghies suitable for high school racing.

2. **MBL Contribution**

- a. The MBL agrees to contribute \$15,000 dollars to the High School and Performance Dinghy Fund (the "Fund") of CBI. The nature of the fund is explicitly defined by the attached resolution of the Board of Directors of CBI as approved and adopted on the 20th day of December, 2006.

- b. This contribution shall be combined with an equal amount from CBI. The combined sum from the MBL and CBI shall be used to purchase a fleet of twelve (12) 420s from Wianno Yacht Club in Osterville, MA (the “Seller”).
- c. Since the MBL and CBI are making equal contributions toward the acquisition of a fleet of 420s, the League Participation Fraction (“LPF”), for each and every boat in this fleet, is hereby set at fifty percent (50%).

3. Acquisition of 420 Fleet

- a. CBI shall negotiate the purchase price of the fleet of 420s with the third party or parties selling such a fleet, subject to approval by the MBL.
- b. CBI and the MBL may arrange for an appraisal of any such fleet of 420s prior to the purchase of the fleet of 420s. The MBL and CBI shall equally share the cost of any such appraisal provided that both parties agree to such an appraisal in advance.
- c. The MBL and CBI shall equally share the cost of any services required for the purchase of any such fleet of 420s, provided that both parties agree to such services in advance.
- d. Upon completion of such purchase, the fleet of 420s shall be owned by CBI. CBI shall assume all responsibility for such ownership, including, but not limited to, insurance, maintenance, and liability.
- e. Upon completion of such purchase, the MBL and its member teams are entitled to the use of the fleet of 420s as stipulated in the “Agreement for Participation of the Massachusetts Bay League at Community Boating, Inc.” and the “Agreement for Participation of Individual High School Teams at Community Boating, Inc.” The MBL shall have priority use of the fleet of 420s on weekday afternoons from 2:00 PM to 5:30 PM and on Saturdays from 9:00 AM to 1:00 PM for the spring and fall high school sailing seasons.
- f. Upon completion of such purchase, CBI is entitled to use the fleet of 420s for any of its sailing programs, including its summer youth program.
- g. Upon completion of such a purchase, the MBL will be provided documentation of said purchase.

4. Future Disposition of the Fleet of 420s

- a. Beyond maintaining the 420s in good working order suitable for high school racing which is solely the responsibility of CBI, the future disposition of any 420s obtained under this Deed of Gift shall be subject to mutual agreement between the MBL and CBI.
- b. If and when any of 420s obtained under this Deed of Gift are sold, fifty percent (50%) of the proceeds of the sale shall be acknowledged as a contribution by the MBL to the Fund.
- c. If the proceeds of any such sale are not used to obtain a replacement fleet of performance dinghies within six (6) months, fifty percent (50%) of the proceeds of the sale shall be transferred to the MBL, unless otherwise

specified in writing by the MBL. Any extension of this 6 month period must be authorized in writing by the MBL.

- d. If and when any 420s obtained under this Deed of Gift are sold, the MBL will be provided documentation of said sale.

5. Indemnity.

- a. CBI agrees to indemnify and hold harmless the MBL and its officers, employees and agents against all damages, losses, costs, claims and demands (including attorney's fees and expenses) arising out of CBI's use of the fleet of 420s and any other matters arising under this Deed of Gift.
- b. CBI, at its own expense, shall be responsible for liability and/or other insurance coverage.

6. Termination.

- a. If a purchase and sale with the Seller can not be completed within 30 days, this Deed of Gift is subject to termination by revocation by the MBL. Any extension of this 30 day period must be authorized in writing by the MBL.
- b. If the "Agreement for Participation of the Massachusetts Bay League at Community Boating, Inc." is not renewed upon expiration, this Deed of Gift is subject to termination by revocation by either the MBL or CBI.
- c. If the "Agreement for Participation of the Individual High School Teams at Community Boating, Inc." is not renewed seasonally for all member schools of the MBL interested in using CBI, this Deed of Gift is subject to termination by revocation by either the MBL or CBI. CBI may refuse to sign such an agreement with an individual school for cause if said school has violated the agreement during the previous year. CBI shall notify the MBL of any such refusal in writing, clearly stating the grounds for such refusal.
- d. If the Massachusetts Bay League ceases to be the exclusive representative to CBI of sailing teams from secondary schools, this Deed of Gift is subject to termination by revocation by either the MBL or CBI.
- e. If CBI ceases to operate a sailing program for scholastic teams at its current location on the Charles River, whatever the reason, this Deed of Gift is subject to termination by revocation by either the MBL or CBI.
- f. Termination by revocation of this Deed of Gift shall be executed by written notification.
- g. Upon termination, CBI shall compensate the MBL in the following manner:
 - i. CBI shall transfer to the MBL monies equal to fifty percent (50%) of the current value of any and all 420s purchased under this Agreement. The current value of the fleet of 420s shall be determined as the average of no less than two (2) appraisals of the fleet of 420s. If the two appraisals differ in value by more than ten percent, additional appraisals shall be obtained. Such compensation shall be delivered to the MBL in equal quarterly payments commencing no later than 90 days after termination and

ending no later than one year after termination. Payments at an accelerated schedule or rate may be made without penalty. Alternatively, the MBL and CBI may mutually agree to compensate the MBL by transferring ownership to the MBL of at least fifty percent (50%) of the fleet of any and all 420s purchased under this Deed of Gift.

- ii. Any monies directly contributed by the MBL to the Fund that are unused shall be delivered to the MBL no later than 30 days after termination.
- iii. Fifty percent (50%) of any monies in the Fund that are the result of the sale of boats purchased using funds contributed by the MBL under this Deed of Gift and are unused shall be delivered to the MBL no later than 30 days after termination.

Massachusetts Bay League

Date

Community Boating, Inc.

Date

Attachment #1

High School and Performance Dinghy Sailing Fund

WHEREAS, Community Boating, Inc. (“CBI”) is a nonprofit organization of the Commonwealth of Massachusetts operating at 21 David G. Mugar Way, Boston, MA 02114, and

WHEREAS, certain individuals and organizations may want to provide financial support for the purchase of sailing dinghies suitable for CBI’s general use and for high school sailing:

RESOLVED by the Board of Directors on behalf of CBI:

1. **Establishment.** CBI hereby establishes a fund to be known as the High School and Performance Dinghy Sailing Fund (the “Fund”).
2. **Purpose.** The purpose of the Fund shall be to acquire performance sailing dinghies (“dinghies”) suitable for high school racing and CBI’s general use. The assets of the Fund shall be used as needed to fund dinghy purchases; the Fund shall not be a permanent endowment.
3. **Property.** The Fund will be the property of CBI, held in its corporate capacity, and shall not be deemed a trust fund held by it in a trustee capacity. All donations, gifts, and transfers designated for the Fund and free of all other restrictions shall be added to the Fund. Any donations, gifts, and transfers designated for the Fund that are not free of other restrictions shall be added to the Fund only if CBI agrees to abide by those restrictions.
4. **Investment.** In service to the purpose of the Fund, CBI will hold manage, invest, and reinvest the Fund in accordance with CBI bylaws and policies that are in effect from time to time, and will have final discretion in doing so. The assets of the Fund may be pooled with other CBI funds provided that its identity is preserved. Investment income earned by the assets of the Fund shall be added to the Fund. Given the Purpose of the Fund, assets shall be invested prudently in accordance with the anticipated period between funding and the use of funds to purchase dinghies.
5. **Dinghy purchases.** Dinghy purchases may be funded exclusively from the Fund or may be funded in part from the Fund and in part from other funds of CBI. Dinghy purchases shall be made solely at CBI’s discretion. CBI will monitor the source of funds used for dinghy purchases in accordance with Provisions as cited below. All dinghies acquired shall become the property of CBI.

6. **Transfer.** If for any reason CBI elects not to keep a fleet of dinghies as designated in 2., then CBI hereby promises that each and every dinghy bearing a nonzero FPF either will be donated to another organization suitable for achieving the purpose of the Fund, or will be sold and an amount equal to the result of multiplying the proceeds of the sale by the FPF of that dinghy will be donated to such an organization. Any monies in the Fund shall be donated to such an organization.

We the undersigned do hereby certify that the above resolution was duly adopted on December 20, 2006, by the Board of Directors of Community Boating, Incorporated, at a meeting of the Board duly called and held in compliance with the By-laws and with a quorum present.