

## The Club House & Off Soundings Club Gift Program Agreement

On April 1, 2007 the Officers of the Off Soundings Club (OSC) and The Club House (TCH) agreed to continue a mail order and clothing gift program bearing OSC marks and logos to be offered to its members.

At no cost to OSC, The Club House will produce a catalog or electronic catalog for distribution to members through official Club mailings, WEB site, or E Mails. Member's names and addresses will not be disclosed to third parties.

The Club House agrees to keep full and accurate records on the sale of Club merchandise, and further agrees to make these records available to representatives of OSC for examination on a request basis. The Club House will pay OSC a royalty of 15% of the net sales on all products sold by TCH that bear OSC marks, with the exception of OSC owned inventory that TCH might distribute.

The royalties shall be paid as follows. Spring regatta revenue royalties shall be paid within 30 days of the Spring regatta. Fall regatta revenue royalties shall be paid within 30 days of the Fall regatta. Annually, by 30 January of the following year, TCH agrees to provide annual sales reports that reflect in reasonable detail the sales of merchandise for which the royalty is being paid. Also any royalties due OSC, which have not been previously paid during the year, will be paid in full by 30 January of the succeeding year.

While this agreement is non-exclusive, OSC recognizes the limited market of the Club gift program and the investment in inventory and other related costs that TCH will incur.

It is mutually agreed that this agreement shall be initially be in effect through December 31, 2007, and automatically renewed there after to each December 31<sup>st</sup>. The Club House or Off Soundings Club may terminate this agreement with 90 days notice. If OSC terminates this agreement then it shall give TCH ample time to dispose of inventory bearing OSC marks.

TCH agrees to consult with appropriate OSC representatives on the offerings of merchandise and pricing.

TCH will do its best to insure that OSC merchandise is being sold only to Club members, with the exception being Tee Shirts and related merchandise being sold at the OSC Spring and Fall Regattas.

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The Club House  
Stanley M Cooper

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Off Soundings Club  
Commodore

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Date

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Date

3/29/2007