

ASSIGNMENT OF CONCESSION CONTRACT

This Agreement is made this 22nd day of January, 2013, by and between Patriot Sportfishing, Inc., a California corporation (herein referred to as "Assignor"), and Wade Gavin, Glenna Gavin and Jeffrey Gray dba Patriot Sportfishing (hereinafter referred to as "Assignee").

Recitals

WHEREAS, Port San Luis Harbor District, as ("Landlord" or "District"), and Patriot Sportfishing, Inc., a California corporation, as Concessionaire, now the assignor executed a Concession Contract on January 22, 2008, a copy of which is attached hereto as Exhibit A ("Original Agreement") and as amended on July, 27, 2010, a copy of which is attached hereto as Exhibit B ("Extension"). By the terms of the Agreement, the premises were leased to Assignor as Concessionaire for a term which automatically extends year-to-year at the end of each year for no more than seven years. The term automatically terminates on December 31, 2017.

WHEREAS, Wade Gavin, Glenna Gavin and Jeffrey Gray dba Patriot Sportfishing (collectively referred to as Assignee), now wish(es) to purchase said Original Agreement and Extension (collectively referred to as Agreements) from Patriot Sportfishing, Inc., Concessionaire and Assignor; and

WHEREAS, Assignor now desires to assign the Agreements to Assignee, and Assignee desires to accept the assignment thereof;

NOW, THEREFORE, Assignor and Assignee agree as follows:

Agreement

1. Assignment. For value received and the agreement of Assignee, hereinafter set forth, Assignor hereby assigns and transfers to Assignee all of its right, title, and interest in and to the Agreements.
2. Assumption. Assignee expressly assumes and agrees to keep, perform, and fulfill all the terms, covenants, conditions, and obligations required to be kept, performed and fulfilled (1) by Assignee under this Agreement, and (2) by Assignor as Concessionaire under the Agreements including the making of all payments due to or payable on behalf of under the Agreements when due and payable.

3. Assignor's Continuing Liability. The Assignor agrees that Assignor shall remain liable under the covenants of the Agreements.
4. Premises and Improvements; Title. Assignee understands and agrees that the facility designated by the District, pursuant to Section 1 of the Original Agreement shall be the entire premises for the purpose of this agreement.
5. Maintenance. Assignee understands and agrees that, under Section 2 of the Original Agreement, Assignee is obligated, among other things, to maintain in good condition and in substantial repair, at Assignee's own cost and expense and to the satisfaction of Landlord, the premises and all improvements existing or erected, installed, or made thereon, including, but not limited to, the premises described in Section 1 of the Original Agreement. Assignee understands that the Landlord is not obligated to maintain or repair the premises or the improvements located within or near the premises, and acknowledges that the Landlord may, at its sole discretion, replace or repair District-constructed facilities, including, but not limited to, the pier, in order to protect the premises or other property in the District.

Assignee and Assignor specifically recognize that the Assignee shall take full responsibility for maintenance, upkeep and liability for any and all camels located adjacent to the premises.

6. No Parking. Assignee understands and agrees that no parking privileges or rights of any kind outside the lease site are conferred under the Agreements.
7. No Rights Other Than Those Declared. All parties to this agreement agree that no other future rights are provided to the Assignor or the Assignee other than those written in the Assignment of the Agreements or in the original Concession Contract itself and Extension itself.
8. Consent to Assignment Required. Neither Assignee nor its assigns shall, directly or indirectly, give, assign, hypothecate, encumber, transfer or grant control of the Lease or any interest, right or privilege therein, or sublet the whole or any portion of the demised premises or reassign the use of the same or whole or in part without obtaining the prior written consent of the Assignor and the District.
9. Release of Claims by Assignor. Assignor acknowledges that it has no claims or offsets against Port San Luis Harbor District and hereby and forever releases and discharges any and all claims or setoff it may have, whether known or unknown, against Port San Luis Harbor District and its Commissioners, employees, agents, consultants, successors and assigns.
10. Possessory Interest Taxes. ASSIGNEE ACKNOWLEDGES THAT THE AGREEMENT WHICH IS THE SUBJECT OF THIS ASSIGNMENT MAY

RESULT IN A POSSESSORY INTEREST TAX ASSESSMENT. ASSIGNEE FURTHER ACKNOWLEDGES AND AGREES THAT IT SHALL BE SOLELY RESPONSIBLE FOR THE PAYMENT OF SAID POSSESSORY INTEREST TAX.

11. Miscellaneous. Assignee acknowledges the Port San Luis Harbor District's intent to continue ongoing maintenance and complete a major overhaul of the Harford Pier and that this may at times affect vehicular access to the lease site. Assignee recognizes and fully understands that an open and public bidding process will be required for any Agreement beyond December 31, 2017.
12. Assignor and each assignee, by their execution below, do hereby acknowledge their joint and several liability to Landlord under the Agreements and agree and acknowledge that their joint and several liability to Landlord thereunder is not waived discharged, modified, released, amended or otherwise altered by the assignment described herein except as specifically set forth.

ASSIGNOR:

Patriot Sportfishing, Inc., a California corporation

By: _____
Steve Moore

Date: _____

By: _____
Cathe Moore

Date: _____

ASSIGNEE:

By: _____
Wade Gavin, individually and doing
business as Patriot Sportfishing

Date: _____

By: _____
Glenna Gavin, individually and doing
business as Patriot Sportfishing

Date: _____

By: _____
Jeffrey Gray, individually and doing
business as Patriot Sportfishing

Date: _____

CONSENT OF DISTRICT

The undersigned, as the District in the Concession Contract and Extension described in the foregoing Assignment, and based on the terms and conditions of the assignment, hereby consents to the assignment of the Concession Contract and Extension to Wade Gavin, Glenna Gavin, and Jeffrey Gray, waiving none of the District's rights under the Concession Contract and Extension as to the Assignor or the Assignee.

DISTRICT:

PORT SAN LUIS HARBOR DISTRICT

By: _____
Steve McGrath
Harbor Manager

Date: _____