

Lake Powell

April 24, 2003

Dear Slip/Buoy/Dry Storage Customer:

The purpose of this letter is to notify all our moorage customers about the policies and rules that surround boats and shares on boats that are for sale on Lake Powell.

Up to this time, boat brokerage services have been operating unauthorized and uncontrolled for vessels located in permanent storage at Lake Powell. The practice of selling boats in slips and buoys utilizes National Park Service property, assigned through the Concessions Contract to ARAMARK, without a permit or authorization to do so.

The Code of Federal Regulations (36 CFR 5.3) states, "Engaging in or soliciting any business in park areas, except in accordance with the provisions of a permit, contract, or other written agreement with the United States except as such may be specifically authorized under special regulations applicable to the park area, is prohibited." There have been cases where vessels were purchased for the sole purpose of gaining rights to the slip or buoy and therefore bypassing the waitlist. It also includes cases where moorings are transferred to people associated with businesses for the sole purpose of profiting from the brokering of slips, boats and shares of boats.

Current Boat Storage Agreement language along with the policies and procedures clearly outlines that that moorage on Lake Powell is to be used for recreational purposes only. New procedures have been in place for the last few months to help identify transactions where possible commercial activity may be involved and the terms of the Boat Storage Agreement have been violated. In these cases, we have begun assigning moorages from the waitlist.

Three distinct types of ownership have been identified and defined by the National Park Service:

- Single Owner: One person or more than one where primarily assets are jointly held (i.e. husband and wife.)
- Multiple Ownership Group: No more than six owners with equal shares and equal investment in the vessel.
- Timeshare/Interval/Vacation Ownership: More than 6 owners who own a specific interval week or weeks at different values determined by the particular week sold.

The National Park Service has directed Lake Powell Resorts & Marinas to not lease or transfer slips when corporate entities are formulated for the purpose of brokering shares on multi-owner boats. They have also asked Lake Powell Resorts & Marinas to reduce the number of Moorages allocated to boats with more than 6 owners because Timeshare/Interval/Vacation Ownership encourages commercial activity to occur within the National Recreation Area without NPS authorization. NPS has directed us to require the existing number of owners that are currently involved in this type of ownership on Lake Powell be "frozen in time" and be the maximum allowed for the boat that is currently listed under a Boat Storage Agreement. When those boats with more than 6 owners are sold or are replaced, they will be required to have a maximum of 6 owners.

Additionally, the National Park Service has notified all known brokers for vessels located in permanent storage on Lake Powell that they have been operating unauthorized and are therefore required to cease such activity. The National Park Service has reviewed the concession contract that Lake Powell Resort & Marinas operates under and has determined that Lake Powell Resort & Marinas is the only entity with the right to provide boat brokering services within Glen Canyon National Recreation Area at this time.

Based on the preferential rights granted Lake Powell Resorts & Marinas under the terms of the concessions contracts, boat owners may not use any other brokers in the sale of their vessel while it is moored or stored within the boundaries of Glen Canyon National Recreation Area. The National Park Service had directed Lake Powell Resorts & Marinas not to lease or transfer moorages when known brokers or immediate family of known brokers are involved in the sale of boats or shares on a boat.

Currently a Boat Brokerage Department is being developed to accommodate the needs of those owners who wish to sell their vessel or existing shares on their vessel within the boundaries of the Glen Canyon National Recreation Area. Once this program is finalized, information on boat sales within Glen Canyon National Recreation Area will be available to you. In the mean time, if you have a vessel to be sold you may contact one of the individual listed below for the marina your boat is located in. This individual will direct you on how to list a boat with Lake Powell Resorts and Marinas at this time.

- Wahweap Marina – Brandy Neisess (928) 645-1085
- Bullfrog / Halls Crossing Marinas – Jon Coulter (435) 684-3062
- Hite Marina – Mike Craig (435) 684-2270

If you have any questions, please feel free to contact Director of Marina Operations, Jon Maris, at (928) 645-1026

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. Seney". The signature is fluid and somewhat stylized, with overlapping loops and a long horizontal stroke at the end.

Robert J. Seney

VP Operations

Lake Powell Resorts & Marinas-ARAMARK