

Pure Watercraft Club

Membership Agreement

Pure Watercraft Club
2151 N Northlake Way, Suite 101
Seattle, WA 98103
(800) 930-1225

This Membership Agreement (“Agreement”) is made as of date of Agreement signature (“Agreement Date”) by and between Pure Watercraft, Inc. (“PWC”) and named member (“Member”).

PWC and Member hereby agree as follows:

MEMBERSHIP TERM

1. **Term.** The membership shall commence on Agreement Date and shall after that automatically renew on a month-to-month basis, unless and until the Member provides to PWC written notice of termination at least 30 days before the start of a month or until PWC sooner terminates this Agreement per this Membership Agreement or the PWC Rules and Regulations.
2. **Renewal.** Each automatic renewal of this Membership Agreement shall be considered a separate transaction and shall be governed by the terms and conditions of this Agreement and the then-current PWC Rules and Regulations.

MEMBERSHIP FEES

1. **Initiation Fee.** The Member shall pay PWC a one-time, non-refundable \$3,750 initiation fee, plus applicable sales tax of \$384.38 (10.25%), upon execution of this Agreement.
2. **Monthly Fee.** The Member agrees to pay PWC a monthly, non-refundable \$379 membership fee, plus applicable sales tax currently in the amount of \$38.85 (10.25%), on or before the first day of each month starting on Agreement Date and continuing for the duration of this Agreement. PWC reserves the right to increase the Monthly Fee at any time.
3. **Use Fee.** Upon making a reservation for a club vessel, the Member shall pay PWC the amount of \$35 plus applicable sales tax currently in the amount of \$3.59 (10.25%). PWC reserves the right to increase the Use Fee at any time.
4. **Late Return Fee.** PWC requires Members to return boats before the end of their reserved boating session so PWC can charge the batteries in advance of the next session. If Member returns a boat later than the designated return time, PWC will charge Member a late fee equal to the current Use Fee, plus applicable sales tax. Repeat late returns will be grounds for termination of a Membership Agreement by PWC.

PAYMENT METHOD

1. **Payment Method.** The Member shall make all payments of the initiation fee, monthly fee, use fees, and late fees exclusively through PWC's online payment system.

REFUNDS

1. **Earned Fees.** Except for use fees, all amounts paid by the Member under this Agreement, including the initiation fee, recurring monthly fee, and all other fees, are immediately earned by PWC at the time of payment and are nonrefundable.
2. **Refunds.** Use fees are fully refundable if the Member cancels the reservation at least 24 hours before their scheduled use. PWC does not issue incremental refunds if Member concludes a boating outing before the reserved time has expired.

PAYMENT AUTHORIZATION

1. **Payment Authorization.** By signing this Agreement, the Member authorizes PWC to charge the Member's credit card monthly for the fees specified in this Agreement. The Member acknowledges and agrees that PWC shall automatically charge the Member's credit card for such fees without additional authorization by the Member.
2. **Automatic Billing.** The Member acknowledges and agrees that this automatic billing authorization shall remain in effect until this Agreement is terminated. The Member further agrees that they are solely responsible for ensuring their credit card is current and accurate by providing notice of any changes to PWC.
3. **Payment Declination.** If the credit card company declines a monthly payment, PWC will attempt to process the payment again and may assess a late fee or other charges. The Member acknowledges and agrees they are responsible for all costs, charges, and penalties set by their bank or credit card issuer due to a declined payment.

MEMBERSHIP TERMINATION AND DEFAULT

1. **Membership Termination.** Member may terminate their membership by calling (800) 930-1225. PWC will not charge the monthly membership fee if PWC has received a written termination notice from Member at least 30 days before the start of such month. If Member terminates their membership and then wishes to reactivate their membership later, Member will be required to sign a new Membership Agreement and pay an additional initiation fee applicable for a new member. PWC may terminate this Agreement upon written notice provided to Member if it decides to suspend or terminate the Pure Watercraft Club.
2. **Default.** Any of the following shall constitute an event of default concerning this Agreement: (a) failure by Member to pay, when due, the total amount of any payment under obligation, debt, instrument, installment, or other charges hereunder; (b) failure of Member to abide by and adhere to the Rules and Regulations of PWC or of the marina where PWC boats are located, as now in effect or as hereafter amended; or (c) the failure or inability of the Member and their guests, as demonstrated to PWC in its sole judgment to (1) operate a PWC boat in a safe, alert, and cautious manner; (2) exercise caution to protect the PWC boat and motor from damage; (3) operate the boat within any operational requirements or limitations published by PWC; (4) use a PWC boat in any manner that poses a nuisance upon the water or a substantial risk of personal

injury, death, or property damage; or (5) engage in other activity harmful to PWC or its reputation. No waiver or indulgence by PWC of any given default or breach shall constitute a waiver of PWC's rights concerning any subsequent default or breach.

3. **Remedies On Default.** In the event of any default by the Member, PWC may, at its option, take any of the following actions: (a) terminate the Membership Agreement and all membership rights of Member hereunder, and or (b) retain as liquidated damages, not as a penalty, all sums previously paid to PWC by Member under this Agreement.
4. **Arbitration of Disputes.** Any dispute, whether in contract, tort, statutory, or otherwise, arising under or related to this Agreement, including but not limited to the Rules and Regulations and your membership in PWC, shall be resolved through binding arbitration in Seattle, Washington, per the Commercial Arbitration Rules of the American Arbitration Association by a single arbitrator.

The PWC and Member will select an arbitrator by mutual agreement within 20 days following the initiation of arbitration or, if there is no agreement, appointed by the American Arbitration Association. The United States Arbitration Act shall govern the arbitration procedure, 9 U.S.C. SS 1-16. The arbitrator's award shall be final and binding on the parties and may be entered in any court having jurisdiction.

Each party shall have discovery rights as provided by the Federal Rules of Civil Procedure, subject to the arbitrator's limitations. All discovery shall commence and conclude within 90 days of the arbitrator's selection or appointment.

The parties intend to complete the arbitration process as quickly as reasonably practicable. Accordingly, unless otherwise agreed, the hearing on the disputed matters shall be held four days a week until concluded, with each hearing date starting at 9:00 AM and ending at 5:00 PM. The arbitrator shall make all reasonable efforts to issue the final award within five business days after the proceedings are closed. Failure of the arbitrator to meet the time limits of this section shall not be a basis for challenging the award.

The non-prevailing party shall be responsible for paying all costs of the proceedings, including the fees and expenses of the arbitrator and the reasonable attorneys' fees and costs of the prevailing party. If the arbitrator determines that there is no prevailing party, each party shall bear the costs and share the arbitrator's fees and expenses equally.

MISCELLANEOUS

1. **Limitations on warranties and liability.** PWC provides no representations or warranties, express or implied, except as included in this Agreement.

Member acknowledges that PWC provides all boats on an "as is" basis, without any warranties or representations of any kind, including but not limited to the warranties of merchantability or fitness for a particular purpose.

Without limiting the preceding paragraph, PWC makes no representations or warranties regarding the qualities, capacity, or other attributes of any boats furnished to Member under this Agreement.

PWC is not responsible or liable for any loss or damage to personal property brought by Member or any of Member's family, guests, invitees, or third parties aboard PWC boats used by Member.

PWC is not responsible or liable to Member for any defect, latent or otherwise, in any boat or equipment, appliances, or apparatus utilized in connection with the said boat. Additionally, PWC shall not be responsible or liable for any injury or damage caused by or resulting from any defect, act, or omission in the construction, maintenance, operation, or use of any such equipment or apparatus.

2. **Force Majeure.** PWC shall be excused from performance or any delays in performance under this Agreement due to events beyond its reasonable control, including but not limited to fire, flood, earthquakes, hurricanes, acts of God, unavailability of materials, equipment, or fuel, war, declaration of hostilities, revolt, civil strife, altercation or commotion, strike, labor disputes, epidemic, lack of or failure of transportation facilities, mechanical breakdowns, any law, order, proclamation, regulation, or ordinance of any government or subdivision thereof, or for any other cause whether similar or dissimilar to those enumerated.
3. **Non-transferability.** Membership and its privileges are non-transferable and may not be assigned or transferred by the member to any other party for any reason.
4. **No Ownership Rights.** Members' rights are limited to the prepaid use of PWC boats only, and this Agreement does not create any rights of ownership, legal or equitable, in any of the boats, or PWC, its stock, or assets.
5. **Governing Law.** This Agreement shall be interpreted, governed by, and enforced in accordance with the laws of the State of Washington without giving effect to its conflicts of law principles or comity.
6. **Rules and Regulations.** By signing this Agreement, the member acknowledges receipt of the Membership Rules and Regulations and agrees to comply with the terms and conditions outlined in them, both for themselves and for each and every guest they bring onto a boat. The Member understands that any changes to the Rules and Regulations will become effective upon adoption by PWC, with the most current version available at www.club.purewatercraft.com.
7. **Binding Effect; Entire Agreement; Amendments.** If any provision of this Agreement is declared invalid or unenforceable for any reason, the remainder shall remain in full force and effect. This Agreement is binding on the parties, their heirs, legal representatives, successors, and permitted assigns. The parties acknowledge that this Agreement, together with the Rules and Regulations, contains their entire understanding and agreement. There are no other oral or written agreements, warranties, or representations except as outlined in writing and signed by all parties to this Agreement. Any waiver or consent shall be effective only in the specific instance and for the particular purpose. This Agreement contains all understandings and agreements between the parties and may be executed in counterparts, each of which shall be deemed an original, and all shall constitute one instrument.

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Pure Watercraft Club

Membership Rules and Regulations

MEMBERSHIP RULES AND REGULATIONS

1. **Eligibility.** A Member must be at least 25 years of age and have signed the Membership Agreement, acknowledging and agreeing to be bound by the terms and conditions of these Rules and Regulations, to operate a boat. In addition, Member must have completed the new member orientation program and obtained a Boater Education Card, if applicable, before being allowed to operate club boats.
2. **Use.** Members may reserve and use the boats using PWC's online reservations system as frequently as they wish, any day of the week, including holidays, subject to availability. Member may hold no more than two reservations at one time. PWC reserves the right to change reservations and pull boats from the reservation system anytime for maintenance, repair, or other reasons. If PWC cancels a Member reservation because the boat becomes unavailable, PWC will refund the Use Fee.
3. **Cancellations.** As a courtesy to other club members, Member agrees that if they need to cancel a reservation, they must do so at least 24 hours before the reserved time to make the boat available to other members.
4. **Authorized Vessel Operators.** We require a named member of the Pure Watercraft Club to be on the boat when the boat is in use. A guest of Member may operate the vessel so long as they have a Boater Education Card and are at least 25 years of age, but the Member shall still retain all responsibility for the boat's safe operation.
5. **Check Out.** Before departing from the dock, the Member must thoroughly inspect the boat and report any damage to the PWC staff. The Member is also responsible for ensuring the battery is unplugged and fully charged. Additionally, the Member must check and confirm the availability and functionality of safety equipment, including life preservers, fire extinguishers, visual distress signals (such as flares and flags), and sound-producing distress signals (like whistles). Finally, the Member must supply child passengers onboard with appropriate life vests.
6. **Passengers.** Unless noted on the vessel, the maximum number of passengers allowed on a PWC boat is 10.
7. **Boat Use.** Members and guests are only allowed to cruise and swim. If the Member or their guests choose to swim, they agree to turn off the motor and follow all applicable safety protocols. These protocols include ensuring that the water is not too cold for swimming and displaying a bright orange or red flag on the boat to signal to other vessels that swimmers are in the area.
8. **Boating Area.** PWC only permits boating in the following areas: Ship Canal, Lake Union, Portage Bay, Montlake Cut, Union Bay, and Lake Washington. PWC prohibits Members from taking boats through the Ballard Locks to Puget Sound. Suppose a Member decides to take a boat onto Lake Washington. In that case, they are responsible for monitoring their battery, power, and time so that they can safely return the boat to its moorage before the end of their designated boating

session. PWC equips each boat with a navigation chart that includes estimated distances and travel times between waterways and points of interest.

9. **Alcohol and Drugs.** Operation of any PWC boat while under the influence of alcohol or drugs is strictly prohibited. This rule is in place to prevent serious injury to others and damage to the PWC boat or other boats. Additionally, our insurance coverage has severe restrictions when alcohol or drugs are involved. As such, PWC reminds each Member continuously to operate the PWC boats while sober and alert. PWC reserves the right to suspend or terminate any Member's membership found violating this rule.
10. **Returning the Boat on Time.** Member agrees to return the boat on time after each use, as defined in the booking system. Member acknowledges that returning the vessel on time is critical to ensure ample time to recharge the batteries before the following member's reservation. If Member fails to return the boat on time, Member may be charged a late fee or have their membership terminated.
11. **Charging the Boat.** Member shall ensure that the PWC boat's battery is adequately charged before and after each use. Member is responsible for plugging in the charging cord to recharge the battery after each use. Failure to do so may result in the following user not having enough power to sustain their outing, disrupting the other members' schedules. Members shall take care of the boats as if they were their own, and failure to do so will result in a fine, suspension, or termination of membership privileges.
12. **Cleaning the Boat.** Member is responsible for cleaning up after themselves after each time they use a club boat. This rule includes removing personal items or trash from the boat, wiping soiled surfaces, and disposing of food or beverage containers. Failure to do so creates an unpleasant environment for the next member to use the vessel and can result in additional cleaning fees, which PWC may charge Member.
13. **Reporting Damage.** Member is responsible for reporting lost or damaged safety equipment before using the boat. Member must also report any damage or injuries while operating the boat.
14. **Towing.** PWC will be responsible for reasonable towing charges as defined by PWC unless PWC determines that the need for towing is due to Member's recklessness or ignorance (e.g., leaving the radio on all day or operating the boat at high speed and draining the battery).

Member is responsible for towing charges that exceed the regularly accepted towing limit by the tow company in that geographic area. For example, each Seattle boat has a Boat U.S. membership with a tow radius of 25 miles. Members are responsible for all towing charges beyond a 25-mile radius of the boat's moorage if used, regardless of the reason for the towing.

15. **Responsibility for Boat.** The Member assumes full responsibility for any loss or damage to PWC boats and accessories from receiving them until the proper check-in at PWC. **The Member agrees that only they should be responsible for the operation of the PWC boat, as per PWC's Hull and Machinery Insurance coverage. PWC's policy limits Member liability, subject to appropriate conduct, to the greater of either 2% of the boat's insured value or \$5,000 for each boat damaged per incident, plus sales tax per boat per incident.** If alcohol or drugs contribute to a collision, the Member is entirely responsible. PWC will charge the accountable member for any damage discovered during check-in. However, some damage, particularly to the engine, may only be

noticed later. If PWC deems the Member responsible for the damage, PWC will charge Member for all costs incurred to restore the PWC boat to its initial condition. In case of non-payment, PWC may deny boat usage, require the Member to attend a meeting, or take any necessary action, including suspension or termination of membership.

16. **Injury and Damage to Property.** The Member acknowledges and agrees that operating a PWC boat is a specialized activity involving risks of injury and damage to property. The Member is responsible for the safety of all persons and property on board the PWC boat and all persons who may encounter the PWC boat, including Member, Member's passengers, and the public in general.

The Member is deemed automatically to be additionally insured on PWC's Hull and Machinery, and Protection and Indemnity policies for personal injuries, subject to the co-assurance clause. Accordingly, the Member will be afforded the same coverage and protection afforded to PWC under such an insurance policy.

The Member acknowledges and agrees that PWC's insurance coverage is for the Member and guests only while the Member is operating the boat. Insurance coverage does not apply if a non-member uses a PWC-insured boat during a collision. The Member agrees to release, indemnify, defend, and hold PWC, its officers, directors, employees, and agents harmless from and against all claims, loss, damage, and expense, including reasonable attorneys' fees and costs and expenses of litigation for injury, or loss of any sort, including bodily injury, death, property, damage, or other loss of any kind, or nature whether known or unknown, foreseen or unforeseen, patent or latent arising from or relating to the use or operation of a PWC boat in violation of the membership agreement or these rules and regulations. This release and indemnification of PWC, its officers, directors, employees, and agents shall extend to any injury occasioned wholly or in part by any act or omission of PWC, its officers, directors, employees, and agents.

The Member further understands and acknowledges that PWC is not responsible for the death, injury, property loss, or damages resulting from or arising out of the acts or omissions of any third party. Additionally, PWC is not responsible for any such loss or damages resulting from the Member's boat operation and related water sports activities, including, but not limited to, swimming, diving, snorkeling, water skiing, knee-boarding, wakeboarding, and tubing. Accordingly, the Member shall hold PWC harmless and indemnify PWC against any claims by any persons arising from such water sports activities.

17. **Commercial Use.** The use of PWC boats is strictly limited to personal and recreational purposes only. Furthermore, PWC prohibits Member from using boats for any commercial purpose, including but not limited to charging passengers for rides or any other commercial activities.
18. **Compliance with Laws and Regulations.** Members shall comply with all applicable government laws, regulations, ordinances, and requirements related to PWC boats' use, operation, and utilization. Members shall also comply with all requirements of any insurance companies providing insurance for PWC and the rules and regulations of any marina or other docking facility where PWC locates boats or Members visit. Failure to comply with any applicable laws, regulations, or requirements may result in the termination of the membership.

19. **Fines.** Members shall be responsible for any fines or penalties imposed by any regulatory authority because of their use or operation of PWC boats and shall indemnify and hold PWC harmless from any claims, damages, or liability arising from their failure to comply with such laws, regulations, or requirements.

20. **Amendments.** PWC reserves the right to modify these Rules and Regulations as is necessary or appropriate, in its sole discretion, from time to time.

SIGNATURE FORM

I agree to the Membership Agreement, Rules, and Regulations.

Member	
First name:	
Last name:	
Phone:	
Email:	
Signature:	
Date:	