

**FRACTIONAL YACHT CO-OWNERSHIP
LIMITED LIABILITY MEMBERS AGREEMENT**

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Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

MEMBERS

An agreement was made this ____ day of _____, 20__, among the following persons whose mailing addresses appear next to their respective names:

Name	Address	% of Ownership

VESSEL:

Year: _____ Mfg: _____ Model: _____

Hull ID # _____ Registration # _____

BERTHED AT:

Marina: _____ Slip #: _____

City / State / Country: _____

MANAGEMENT COMPANY: _____

Address: _____

City / State / Zip: _____

Phone / Fax / Email: _____

Contact Person: _____

INSURANCE COMPANY: _____

Address: _____

City / State / Zip: _____

Phone / Fax / Email: _____

Name of Agent: _____

SECTION I - NAME AND PURPOSE

The parties hereto do hereby form a limited liability company ("LLC"), the name of which shall be _____.

The LLC shall be conducted for all legal purposes. The official business address shall be _____ [address] unless changed by a majority consent of the Members.

SECTION II - TERM OF THE LLC

The LLC shall commence on _____ (date) and shall continue indefinitely thereafter from year to year until terminated by mutual consent of the Members or by the provisions of this Agreement.

SECTION III - MEMBER'S CONTRIBUTIONS

Each Member has initially contributed to the capital of the LLC the sum of _____ US dollars (\$_____). In addition, the Members shall contribute quarterly sums in advance to cover overhead expenses of the Vessel, including but not limited to dockage fees, maintenance, yacht management fees and insurance premiums.

These installments shall be payable on the first (1st) day of each calendar quarter commencing _____ [date] and shall be deposited into an established escrow account in the LLC's name. These funds shall be used to pay estimated recurring monthly or annual expenses, by way of scheduled automatic bank debits to the vendor or service provider for the Vessel.

Each Member shall be assessed a use fee of \$_____ per day that he or she has occupied the Vessel to cover expenses, including but not limited to consumable supplies, paper products, propane, cleaning supplies, and occasional replacement of bedding, such as pillows, linens, towels, galley supplies and other miscellaneous items which wear out over time.

Upon the vote of a majority of the Members, special assessments may be made equally against each Member for such purpose, as the LLC shall determine. Each special assessment so made shall be payable on the date the assessment is made.

No Member shall be permitted to contribute personal services or property other than cash for the purposes of paying the initial, quarterly or special assessment fees, unless agreed upon by a majority of the remaining Members.

If any Member is more than thirty (30) days in arrears of the payment of the quarterly contribution, use fees or special assessments, said Member shall lose the right to vote at all regular or special meetings of the LLC. The Member in arrears shall also be charged interest at the rate of ___% per annum, from the due date until the date that the Member's payments are brought up to date. Arrears in the payment of the quarterly contributions or special assessments are subject to the buy-out provisions of Section VII herein.

Any Member whose account is in arrears 30 days or more shall be prohibited from use of the Vessel until the outstanding bill is paid in full. Any Member whose account is in arrears 30 days or more on two or more occasions may be dropped from the LLC by the LLC under the withdrawal provision of the Agreement, and his or her keys and sailing privileges revoked immediately. The outstanding bill will become due immediately and/or withdrawn from the proceeds of the buyout or sale to a buyer obtained by the remaining Members.

SECTION IV - OFFICERS AND THEIR DUTIES

Officers shall be elected by vote of a majority of the Members. Each person shall serve for a period of one (1) year. The President shall preside over each meeting. The Vice President shall preside over each meeting in the President's absence. The Executive Secretary shall have physical possession of the books and records and shall give such notices to the Members as may, from time to time, be required or deemed advisable, and shall perform the necessary ministerial functions of the LLC. The Member-at-Large shall be responsible for any miscellaneous duty or responsibility found necessary in the absence of one of the other officers or by majority vote.

SECTION V - MEETINGS

The President or Vice President may call special meetings as a majority of the Members find necessary. Members may attend meetings via telephone conference call, if they are unable to attend in person.

SECTION VI - MANAGEMENT, DECISION-MAKING AND REPRESENTATION

Each Member shall have an equal voice in the operation of the LLC. No less than a majority of the Members shall be present at each regular or special meeting to constitute a legal meeting and for the continuance of the affairs of the LLC. Except as provided in this Agreement, all decisions shall be made by a majority vote of the Members. Each Member shall have one (1) vote, regardless of the size of his or her respective capital account.

Any changes or amendments to this Agreement shall be attached hereto and signed by each Member, who shall then receive a copy.

Each Member shall receive a copy of this Agreement governing the operation of the LLC. Any expenses in excess of \$_____ per month must be authorized by the LLC.

SECTION VII - CAPITAL ACCOUNTS

An individual capital account shall be maintained for each Member. The capital account shall consist of his or her initial capital contribution, increased or decreased (as the case may be) for any increase or decrease in the net value of the Member's assets. The net value of the Member's assets shall be determined as of January 1st of each year, such date to be known as the valuation date. Adjustments to the capital account of each Member shall be made regularly on each valuation date on the basis on the ratios of the respective capital accounts on that date.

THIS IS A 9-PAGE DOCUMENT.