Article I: Background and Definitions

1.01 These Rules and Regulations are the Official Rules ("Official Rules") of the Hatteras Cup Million Dollar Sportfish Challenge (the "Hatteras Cup") and the Hatteras Fishing Challenge (the "Challenge") (collectively, the Hatteras Cup and the Challenge may be referred to as the "Event").

1.02 Participant(s) acknowledge and agree that they have reviewed, understand, and will abide by these Official Rules and the Terms and Conditions, as posted on our official website at www.hatterasyachts.com/hatterascup. Participants willingly agree to comply with the Official Rules for participation in the Event.

1.03 All local, State & federal laws shall apply at all times including, without limitation, the penal code.

1.04 All local, State, U.S. Coast Guard, Parks & Wildlife, and federal boating and fishing regulations shall apply at all times.

1.05 In the event of a discrepancy between the printed version and digital version of the Official Rules, the Official Rules posted on the official website at the time of the Event shall prevail.

1.06 <u>Definitions</u>:

a) An "Eligible Angler" is one who has completed and signed an official Angler Entry Form, acknowledged and signed the terms and conditions, has had such registration accepted by the Event Coordinator, and must have a Certificate of Entry number as assigned and issued by the Event Coordinator. Each "Eligible Angler" must provide a valid photo ID and must be aboard a Designated Vessel when he/she catches an Eligible Catch in order to qualify for Prizes.

b) An "Owner" is the legal owner of a Designated Vessel who is registered as the owner pursuant to the Vessel Entry Form. An Owner may also be an Eligible Angler, but is not required tobe.

c) A "Captain" is the captain of a Designated Vessel, who is appointed by the Owner and registered as captain on the Vessel Entry Form. A Captain may also be an Eligible Angler and/or an Owner, but is not required to be.

d) A "Team" consists of an Owner, a Captain, and up to six (6) Eligible Anglers which will all fish from the same Designated Vessel, for the Hatteras Cup. For all other Prizes, there are no limits on the number of Eligible Anglers that can be on a Team.

d) The "Event Coordinator" is Hatteras/CABO Yachts, LLC.

e) A "Designated Vessel" is a Hatteras-brand boat that has been registered by its owner via submission of an official Vessel Entry a Form. The owner of the Designated Vessel may be an Eligible Angler, but is not required to be. If a Designated Vessel is corporately owned, an Officer must complete and sign the Vessel Entry Form. The Hull Identification Number for each Designated Vessel must be provided on the Vessel Entry Form.

f) An "Eligible Catch" is a fish caught by an Eligible Angler while aboard a Designated Vessel, in Designated Waters, with satisfactory Proofs provided to the Event Coordinator.

- g) The "Designated Waters" are the Atlantic Ocean, which includes the Gulf of Mexico
- h) The "Prizes" are:
 - 1. The Hatteras Cup.
 - a. "Hatteras Cup," shall be awarded to the Owner of the Designated Vessel upon which an Eligible Angler catches an Atlantic Blue Marlin with a weight that exceeds the current

IGFA World Record. The catch must outweigh the existing IGFA all-tackle world record by a replacement weight of at least one half of one percent more than the existing record. The Prize for winning the Hatteras Cup is One Million Dollars (\$1,000,000.00), and the Hatteras Cup Trophy.¹

- b. "Heaviest Blue Marlin" shall be awarded to the Owner of the Designated Vessel upon which an Eligible Angler catches the heaviest Atlantic Blue Marlin. The Prize for winning the Heaviest Blue Marlin is the Hatteras Cup Trophy and Fifty Thousand Dollars (\$50,000.00). This Prize shall only be awarded if the Hatteras Cup is <u>not</u> awarded.
- 2. The Hatteras Fishing Challenge.
 - a. "Catch & Release" Prizes shall be awarded to the Owner of the Designated Vessel upon which Eligible Anglers achieve the greatest number of points between the Opening Date and the Closing Date. The winner is determined by the greatest number of points accumulated. The points are awarded as follows: Atlantic Blue Marlin= 400 points, White Marlin=200 points, Sailfish= 100 points. The Prizes awarded are as follows:

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Catch & Release		
Place	Prize	
First	\$10,000	
TISt	\$10,000	
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Second	\$7,500	
Third	\$5,000	
Time	ψ5,000	

b. "Game Fish" Prizes shall be awarded to the Owner of the Designated Vessel upon which an Eligible Angler achieves the heaviest Tuna, Wahoo, Dolphin, Snapper, or Grouper (each a "Species"). The Prizes awarded, per Species, are as follows:

Game Fish	
Place	Prize
First	\$5,000
Second	\$2,500
Third	\$1,000

¹ The IGFA is an independent entity and is not affiliated with the Event Coordinator in any way. The IGFA does not operate, endorse, sponsor, or participate in the Event in anyway. Any catch winning the Hatteras Cup will NOT be awarded the World Record by IGFA and will be considered ineligible for the World Record designation, as the IGFA is not affiliated with the Event in any way.

i) The "Opening Date" of the Event is May 1, 2019. The "Closing Date" of the Event is December 31, 2019..

j) "Proofs" shall mean:

1. Images and videos of each day Participants are fishing in an attempt to win a Prize, which shall include action shots of fishing, weigh-ins, Captain, crew, Eligible Anglers, Designated Vessel, and the name of the Designated Vessel.

2. Any Participant claiming the Hatteras Cup (a World Record-breaking catch of an Atlantic Blue Marlin) must submit their catch to the Event Coordinatorutilizing and adhering to the IGFA International Angling posted rules, regulations and application forms, using an "All-Tackle" line class.

k) "Participants" shall mean Eligible Anglers, Owners, or Captains that submit at least one Proof to the Event Coordinator.

Article II: Event Participation and Eligibility

2.01 Each Participant must be an Eligible Angler, a Captain of a Designated Vessel, or an Owner of a Designated Vessel.

2.02 All Eligible Anglers, Captains, and Owners must abide by the Official Rules.

2.03 An Eligible Angler must have caught an Eligible Catch on a Designated Vessel in Designated Waters to qualify for consideration for the Event Prizes. Any claim by any person who is not an Eligible Angler having caught an Eligible Catch on a Designated Vessel shall be in ineligible for the Prizes.

2.04 The Event is open to any amateur or professional Angler who is registered for both the Event and a minimum of one (1) additional sportfish fishing tournament in the year 2019. There will be a maximum of one (1) Eligible Angler per entry form.

2.05 Event Coordinator reserves the right to refuse entry to anyone in its sole discretion.

2.06 Anyone who has failed a polygraph examination and/or been disqualified for fraudulent actions in connection with any fishing tournament is not eligible to compete. Chemical substance addiction or abuse, conviction of a felony or other crimes including those involving moral turpitude, or other conduct reflecting unfavorably upon efforts to promote safety, sportsmanship, fair competition and compliance with Official Rules, shall be grounds for rejecting any application for registration and/or for disqualification, suspension from the Event, and/or other disciplinary action.

2.07 Anglers less than 13 years of age may not participate. Anglers aged 13 to 18 must have parental supervision and parental consent to participate.

2.08 Employees of the Event Coordinator and its affiliates, shareholders, employees, directors, officers, and agents are ineligible to participate in the Event.

2.09 For Hatteras Cup eligibility only:

a) There shall be a maximum of six (6) Eligible Anglers per Designated Vessel;

b) There is a maximum of three hundred (300) Eligible Anglers permitted into the Event, and a maximum of sixty (60) Designated Vessels. Event registration will close upon reaching three hundred (300) Eligible Anglers or sixty (60) Designated Vessels.

Article III: Registration, Rules and Regulations

3.01 Participants shall register as a Team. Each Eligible Angler must register its own Angler Entry Form, indicating its Team and its Designated Vessel, and will be given its own Certificate of Entry Number. Each Vessel Registration Form shall indicate the owner of the Designated Vessel, the appointed Captain, and all Eligible Anglers on its Team.

3.02 Registration for the Event closes upon the registration of three hundred (300) Eligible Anglers or sixty (60) Designated Vessels. Participants must register online at least twenty-four (24) hours prior to the start of the Event. Event registration is only complete upon all Eligible Anglers on a Team receiving a Certificate of Entry Number from the Event Coordinator. An Eligible Catch caught before a Certificate of Entry Number is provided to any Participant or before expiration of the twenty-four (24) hour waiting period is ineligible for any Prize.

3.03 Upon receiving a Certificate of Entry Number, all Eligible Anglers shall fish for Eligible Catches in the Hatteras Cup and/or Hatteras Fishing Challenge divisions until the Closing Date.

3.04 Participants shall submit Proofs to the Event Coordinator in order to be considered as a recipient of any Prize. All Eligible Catches must be caught in compliance with all local, state, and federal laws, and the IGFA International Angling Rules. Any fish caught or captured illegally or in violation of the IGFA International Angling Rules will immediately be disqualified, and will not be acknowledged as an Eligible Catch. All caught fish must be kept on ice (but cannot be frozen) at all times. The use of salt or any other preservative is not allowed. Any fish that is altered (by stuffing, injection, etc.) by any means will be immediately disqualified. Mutilated fish will be disqualified.

3.05 In the case of submissions for the Hatteras Cup only, the Event Coordinator will receive the Proofs and will conduct an investigation with the assistance of independent third party adjusters to certify that an Atlantic Blue Marlin exceeding the World Record weight, by at least one half of one percent, has been caught by an Eligible Angler on a Designated Vessel in Designated Waters, in order for the Hatteras Cup to be awarded. Any Eligible Catch must be weighed-in and reported per all the requirements and stipulations of the IGFA International Angling Rules for the fish to be properly recorded as a winning catch. No prize will be awarded until the Event Coordinator and an independent third party adjuster has officially determined and recognized the catch as exceeding the IGFA World Record for weight.

3.06 All Eligible Catches must be officially weighed-in at the marina where Owner's Designated Vessel is docked. The Weighing Requirements are as follows:

- All potential record fish should be weighed on scales that have been checked and certified for accuracy by government agencies or other qualified and accredited organizations. Disinterested witnesses to the weight should be used whenever possible. All scales must be regularly checked for accuracy and certified in accordance with applicable government regulations at least once every twelve months. If at the time of weighing the fish the scale has not been properly certified within twelve months, it should be checked and certified for accuracy as quickly as possible. An official report stating the findings of the inspection prior to any adjustment of the scale must be included with any claim.
- The weight of the sling, platform, or rope (if one is used to secure the fish on the scales) must be determined and deducted from the total weight.
- At the time of weighing, the actual tackle used by the angler to catch the fish must be exhibited to the weighmaster and weight witness.
- No estimated weights will be accepted as proof of claim. Fish weighed only at sea or on other bodies of water will be INELIGIBLE for the prize covered

by this contract.

- Only weights indicated by the graduations on the scale will be accepted. Visual fractionalizing of these graduations is not allowed. Any weights that fall between two graduations on the scale must be rounded to the lower of the two.
- EIIC reserves the right to require any scale to be re-certified for accuracy if there are any indications that the sacle might not have weighed correctly.

All Eligible Catches must be photographed with official weigh-in while on the scale and 3.07 confirmed via photograph at the marina. The catch must outweigh the existing IGFA all-tackle world record by a replacement weight of at least one half of one percent more than the existing IGFA World Record. Photographs showing the full length of the fish, the rod and reel used to make the catch, and the scale used to weigh the fish must accompany any claim. A photograph of the Eligible Angler with the fish is also required. For species identification, the clearest possible photos should be submitted. In all cases, photographs should be taken of the fish in a hanging position and also lying on a flat surface on its side. The fish should be broadside to the camera and no part of the fish should be obscured. The fins must be fully extended and not obscured with the hands, and the jaw or bill clearly shown. When photographing a fish lying on its side, the surface beneath the fish should be smooth and a ruler of marked tape place beside the fish if possible. Photographs from various angles are most helpful. An additional photograph of the fish on the scale with actual weight visible will help expedite the claims process. No weight may be added to any fish in any manner. Any attempt to alter the actual weight of any fish in any manner will immediately disqualify that Eligible Angler from this contest and from any Prize award covered by this contract.

3.08 All Proofs of Eligible Catches must be reported by the Owner of the Designated Vessel to the Event Coordinator within twelve (12) hours of the catch.

3.09 Prizes will be awarded based upon the weight of Eligible Catches, or in the case of the Catch & Release Division, an accumulation of the most number of points. Winners will be selected within 3 business days and notified via email and certified letter by. <u>All Prizes will be awarded to</u> the Owner of the Designated Vessel from which the Proofs were submitted.

Distribution/division of any Prizes amongst Team members shall be the responsibility of and in the sole discretion of the Owner of the Designated Vessel. The Owner agrees to indemnify and hold harmless the Event Coordinator from any and all claims, suits, disputes, losses, costs, fees, etc. that may arise from any dispute regarding the distribution of Prizes amongst Participants on Owner's Team.

3.10 Tie-Breaking. In the event of a tie the winner will be the first Participant to submit Proofs of its Prize winning Eligible Catch(es). In the case of Prizes based on Points, in the event of a tie, the first Participant to have reached the winning number of Points, determined by the timing of the submission of Proofs, shall be the winner.

3.11 Prizes will be awarded at an awards ceremony on February 14, 2020, at the Miami International Boat Show in Miami, Florida, at the Event Coordinator's display.

Article IV: Interpretation and Discipline

4.01 Participants agree to abide by the Official Rules and any decisions of the Event Coordinator.

4.02 Interpretation and enforcement of the Official Rules shall be left to the sole and exclusive discretion of the Event Coordinator and/or his/her designee at the Event. In the event a Participant(s) violates any rule set forth in the Official Rules or, at the discretion of the Event Director, other rule not

specifically codified herein, the Event Director may impose a penalty and/or sanction on the Participant (including but not limited to any other participant competing from the same boat). Such penalties and sanctions may include disqualification from the Event and future events. Penalties and sanctions for violation of any rule set forth in the Official Rules or, at the discretion of the Event Director, other rule not specifically codified herein may include, but are not limited to, 1) reduction of competition hours; 2) loss of one or more fish; 3) loss of Eligible Catches; 4) disqualification from the Event; 5) disqualification from future events which may include a specific number of events, a specific time period, or a lifetime disqualification; 6) forfeiture of Event winnings and/or prizes; and 7) any other penalty determined by the Event Director or his/her designee.

4.03 Each Participant agrees to report to the Event Director immediately any violation or infraction of the Official Rules. Failure to report violations, suggestions that another Participant violated these Official Rules, or false verification of weigh-in forms, may be cause for disqualification.

Article V: Safety

5.01 Participants are aware he/she/they are participating in a physical activity in the sport of fishing that may be dangerous and can cause injury. These activities may involve severe cardiovascular stress and possible violent contact. Participants understand and acknowledge the activities involve certain risks including, but not limited to, death, serious neck and spinal injuries resulting in complete or partial paralysis, brain damage, and/or serious injury to virtually all bones, joints, muscles and internal organs, and property damage. Although particular equipment and personal discipline may reduce the risks associated with participating in the Event, the risk of serious injury does exist and cannot be completely eliminated.

5.02 During Event hours no alcoholic beverages or drugs (other than those purchased over-the-counter or prescribed by a licensed physician) are to be consumed by Participants or allowed in Participants' boat until the final hourly weigh-in is complete and/or polygraph examinations are complete, where required.

5.03 U.S. Coast Guard approved life jackets are required for each person on board a boat during competition. Life jackets must be worn and strapped, snapped, or zippered securely, and maintained in that condition until the combustion engine is out of gear or shut off. Participants shall check inflatable life vest indicators daily during the Event. Any Participant in violation of this rule will receive one (1) warning and may be prohibited from participation in the Event. Any subsequent violation of this rule will result in the participant(s) being disqualified for the remainder of that day of competition.

5.04 If Participants observe any significant hazard, condition or activity during his/her presence or participation in the Event, Participants shall remove himself/herself from participation and bring it to the attention of a representative of the Event immediately.

5.05 Safe boat conduct must be observed at all times by Participants.

5.06 No boat shall have a motor of higher horsepower than approved by the U.S. Coast Guard.

5.07 No firearms will be allowed in Participant's boat during Event hours, unless you have an active licensed concealed carry permit or are a credentialed law enforcement officer.

5.08 In the event of significant weather conditions during competition, the Event Coordinator will advise regarding any change, delay, suspension and/or cancellation of one or more hours or day(s).

6.01 Sportsmanship, courtesy, and safety are required from every Participant. Participants shall demonstrate professionalism and integrity in support of the sport of fishing. This includes any and all social media content that may be shared now or in the future. Any Participant found compromising the integrity of the sport and/or the Event may be subject to disciplinary action and/or disqualification.

6.02 The favorable public reputation of the Event, the sport of fishing, the Event Coordinator is of paramount importance. Accordingly, Participants shall refrain from making unreasonable attacks, accusations, and comments that disparage the integrity of the Event, the sport of fishing, and the Event Coordinator and its designees/officials. This includes but is not limited to the Participants social media accounts and digital sites.

6.03 Participants shall act in a courteous manner at all times, especially with regard to boating and angling in the vicinity of non-participants who may be on Event waters.

6.04 Any Participants attempting to manipulate the outcome of the Event or defraud the Event will be disqualified and may be subject to prosecution.

Article VII: Communications

7.01 Participant's entry into an Event online represents your express consent to receive email, phone, and text message communication from the Event Coordinator and any of its successors, directors, members, officers, agents, contractors, affiliates, employees, sponsoring agencies, sponsors, advertisers before, during, and after an Event. Participants who remain in the Event Coordinator's database after an Event understand and acknowledge that they will receive ongoing Event and event series updates. In order to discontinue communication, it is Participant's responsibility to notify the Event Coordinator in writing to opt out of the Event Coordinator's mail, email, text message, and other databases.

7.02 Text and Mobile App updates and Event communication may be an added service provided by the Event. The Event and the Event Coordinator cannot guarantee delivery of any text messages or communications. It is the Participant's responsibility to manually enter themselves into the text system, if instituted. Some carriers/providers block text messaging services and it is the Participant's sole responsibility to check with his/her respective provider to determine text delivery services. If Participant is unable to receive text messages, please contact your provider prior to the Event.

7.03 Cell phones and other communication devices may NOT be used for the purposes of locating or finding fish and/or communicating with other Participants or Non-Participants regarding such.

Article VIII: Polygraph Examination (for Hatteras Cup Only)

8.01 In the event of a winning Eligible Catch of the Hatteras Cup, Participant agrees that a polygraph examination may be required for verification of the Prize. Participant agrees to submit for a third-party administered polygraph examination within 48 hours after weigh-in and agrees to provide truthful and honest responses as to be determined by the third-party polygraph examiner.

8.02 Refusing to take a polygraph examination or to submit to the examination within a 48 hour period for any reason will result in immediate disqualification and forfeiture of the Prize.

8.03 Any Participant taking medication should notify the polygraph examiner prior to examination.

8.04 Any Participant determined by the polygraph examination and/or other Event Coordinator to be intoxicated and/or under the influence of any type of illegal drug(s) at the time said Participant is required to take the polygraph examination or in violation of the Rules, will be disqualified from this Event.

8.05 Participants acknowledge and agree that Event may disclose the results of the polygraph exam. Whether disclosure occurs is at the sole discretion of the Event Coordinator.

8.06 By his/her signature on the Event entry form and/or other required documents or entering the Event online, each Participant agrees to submit for a third-party administered polygraph examination. Each participant shall abide by the conclusion reached by the third-party administrator administering the polygraph examination and, specifically, whether the Participant provided honest and truthful responses.

8.07 Any polygraph examination which reveals any type of fraudulent activity or any noncompliance with any of the terms and conditions outlines herein will result in forfeiture of the Prize.

Article IX: Boat Inspection

9.01 All Participants, by entering this Event, hereby agree to allow their boat to be boarded and inspected by Event Coordinator at any time prior to, during, or following the Event, to include, but not limited to, their boat registration, U.S. Coast Guard horsepower rating plate, live-well, rod boxes, closed storage compartments, tackle boxes, life jackets, personal floatation devices, and safety equipment.

9.02 The Event cooperates with local law enforcement, park rangers and fish/wildlife officers during the Event. If any Participant is found to be in violation of local, state or federal law during Event hours, he/she/they will immediately be disqualified and unable to compete in future tournaments.

Article X: Protests and Disputes

10.01 All protests or disputes relating to any matter involving the Official Rules and/or the Event must be registered in writing with the Event Coordinator within fifteen (15) minutes of the designated weigh-in and prior to delivery of any prizes or winnings. Protests made after the deadline will be disregarded and the protesting Participant may be subject to disqualification.

10.02 Any protest filed by a Participant shall be heard by the Event Coordinator. After reviewing the protest submitted, the Event Coordinator shall inform the protesting Participant of its decision. The Event Coordinator's decision is final and not subject to further appeal.

10.03 The interpretation and enforcement of the Official Rules will be the sole responsibility of the Event Coordinator.

Article XI: Miscellaneous

11.01 The headings, captions, titles, and numbering system are inserted only as a matter of convenience and may under no circumstances be considered in interpreting the provisions of this Agreement.

11.02 The Rules shall be governed by and construed in accordance with the laws of the State of North Carolina in all respects, including matters of construction, interpretation, validity, and enforcement.

11.03 Event Coordinator reserve the right to cancel, suspend or modify the Event if ten (10) or less Eligible Anglers register prior to the Event, or if any issue prevents the Event from running as planned.

11.04 The Participants agree to release and hold the Event Coordinator harmless from and against any claim, loss, liability, suit, action, or the like arising from its participation in the Event.

11.05 The Event Coordinator shall not be responsible and cannot be held liable for technical errors related to registration, weighing, or other issues that may prevent the Event from running as planned.

11.06 The Event Coordinator reserves the right to substitute any Prize with another Prize of equal or greater value if the advertised Prize is not available.

No Purchase Necessary. No Entry Fee Required. Void Where Prohibited.