

MANAGEMENT AGREEMENT

This Management Agreement ("Agreement") is made on the 16th day of May, 2005 at East Hampton, New York. The parties are (1) Trustee of Trust u/a dtd. November 17, 1986, Alexandra Creel Goelet, Settlor and (2) Trustees of Trust u/a dtd. November 17, 1986 Robert G. Goelet, Settlor (each acting severally as to its undivided one-half interest in the full Estate described below together called "Owner") and the TOWN OF EAST HAMPTON, a Municipal Corporation, having a principal office at 159 Pantigo Road, East Hampton, New York 11937 (herein called "Town").

INTRODUCTION

WHEREAS, Owner is the owner in fee simple of certain real property located in the Town of East Hampton, Suffolk County, New York, bearing Suffolk County Tax Map ("SCTM") Parcel Number 0300-203-3-1 (the "Full Estate"); and

WHEREAS, Owner has informally attempted to maintain a portion of the Full Estate identified on Schedule A as a sanctuary for nesting migratory birds; and

WHEREAS, nesting migratory birds require protection from humans, animals and certain other birds; and

WHEREAS, Owner wishes the Town to undertake responsibility for the professional management, maintenance and protection ("Management") of a portion of the Full Estate as a bird sanctuary ("Sanctuary") as hereinafter defined; and

WHEREAS, the Owner is simultaneously herewith granting a Conservation Easement ("Conservation Easement") over a part of the Full Estate to the Town.

NOW THEREFORE:

- 0.01 The Town warrants and represents that it has the authority to enter into and to perform this Agreement, as determined by the Town Board after public hearing and at a duly convened meeting of that Board on May 6th, 2005.
- 0.02 In view of the previously recited facts, mutual promises, undertakings and forbearances contained in this Agreement, the parties agree upon its provisions, intending to be bound by it.

ARTICLE ONE TOWN MANAGEMENT OBLIGATIONS AS TO SANCTUARY

1. The Town shall manage, maintain and protect the Sanctuary as a bird sanctuary in a professional manner and in accordance with standards adopted for other such sanctuaries maintained by the Town and otherwise in accordance with law.

2. Without limiting the foregoing undertaking, the Town will issue public notices, install signs informing the public of the protected status of the Sanctuary and make inspection visits with the overall intention of stabilizing the migratory bird population utilizing the Sanctuary.

3. The Town shall provide the Owner with an annual report detailing the Town's monitoring efforts, the Town's findings during on-site visits including site activity and species productivity rates, and recommendations for future management efforts.

4. In the management of the Sanctuary, no public access is to be provided at any time during the year.

5. Owner shall be permitted to enter into the Sanctuary from time to time upon advance notice to determine whether the Town is performing its obligations under this Agreement.

6. The Town shall not utilize the Sanctuary property for any purpose other than as a bird sanctuary and shall not delegate its responsibilities hereunder to others without the express agreement of the Owner.

ARTICLE TWO OWNER OBLIGATIONS AS TO SANCTURARY

1. The Owner represents that it has full title to the Sanctuary and the right to enter into and perform this Agreement.

2. The Owner will execute and deliver any documents and applications that may be required from time to time to implement this Agreement.

ARTICLE THREE TERMINATION OF TOWN MANAGEMENT OBLIGATION

1. Should the Conservation Easement terminate, either party may on 60 days written notice to the other terminate this Agreement.

2. The Owner may terminate this Agreement should the Town be in continuing default hereunder after written notice for a period in excess of 60 days.

ARTICLE FOUR MISCELLANEOUS

1. Entire Understanding

This Agreement contains the entire understanding between its parties concerning its subject matter. Any prior agreement between the parties concerning its subject matter shall be merged into this Agreement and superseded by it.

2. Amendment

This Agreement may be terminated or modified in accordance with the common law and statutory law of the State of New York. Nothing in this Agreement shall require the Owner or the Town to agree to any amendment or to negotiate with respect to any proposal to amend. The parties may by mutual agreement amend this Agreement.

3. Severability

Any provision of this Agreement restricting Owner's activities, which is determined to be invalid or unenforceable by a court, shall not be invalidated. Instead, that provision shall be reduced or limited to whatever extent that court determines will make it enforceable and effective. Any other provision of this Agreement that is determined to be invalid or unenforceable by a court shall be severed from the other provisions, which shall remain enforceable and effective.

4. Notice

All notices required by this Agreement must be written. Notices shall be delivered by hand or registered mail, return receipt requested, or by certified mail with sufficient prepaid postage. Owners address as recited herein, or to such other address as Owner may designate by notice in accordance with this subsection 5. Mailed notice to the Town shall be addressed to its principal office, recited herein, marked for the attention of the Town Supervisor, or to such other address as the Town may designate by notice in accordance with this subsection 5. Notice shall be deemed given and received as of the date of its manual delivery or five (5) business days after the date of its mailing.

5. Governing Law

New York State Law shall govern this Agreement in all respects, including validity, construction, interpretation, breach, violation and performance.

6. Disputes

Any dispute arising hereunder shall be resolved in New York State Supreme Court. The Town shall not object to any motion to set venue outside of Suffolk County.

7. Interpretation

Regardless of any contrary rule of construction, no provision of this Agreement shall be construed in favor of one of the parties because it was drafted by the other party's attorney. No alleged ambiguity in this Agreement shall be construed against the party whose

attorney drafted it. If any provision of this Agreement is ambiguous or shall be subject to two or more interpretations, one of which would render that provision invalid, then that provision shall be given such interpretation as would render it valid and be consistent with the purposes of this Agreement.

8. Public Access

Nothing contained in this Agreement grants, nor shall be interpreted to grant, or to empower the Town to grant to the public any right to enter upon any part of Full Estate including the Sanctuary Property.

9. Headings

The headings, titles and subtitles herein have been inserted solely for convenient reference, and shall be ignored in its construction.

IN WITNESS WHEREOF, the Owner and the Town have each executed and delivered this Agreement on the day and year set forth above

OWNER:

Trustees of Trust u/a dtd
November 17, 1986
Alexandra C. Goelet, Settlor

Trustees of Trust u/a dtd
November 17, 1986
Robert G. Goelet, Settlor

By Alexandra C. Goelet

By [Signature]

By [Signature]

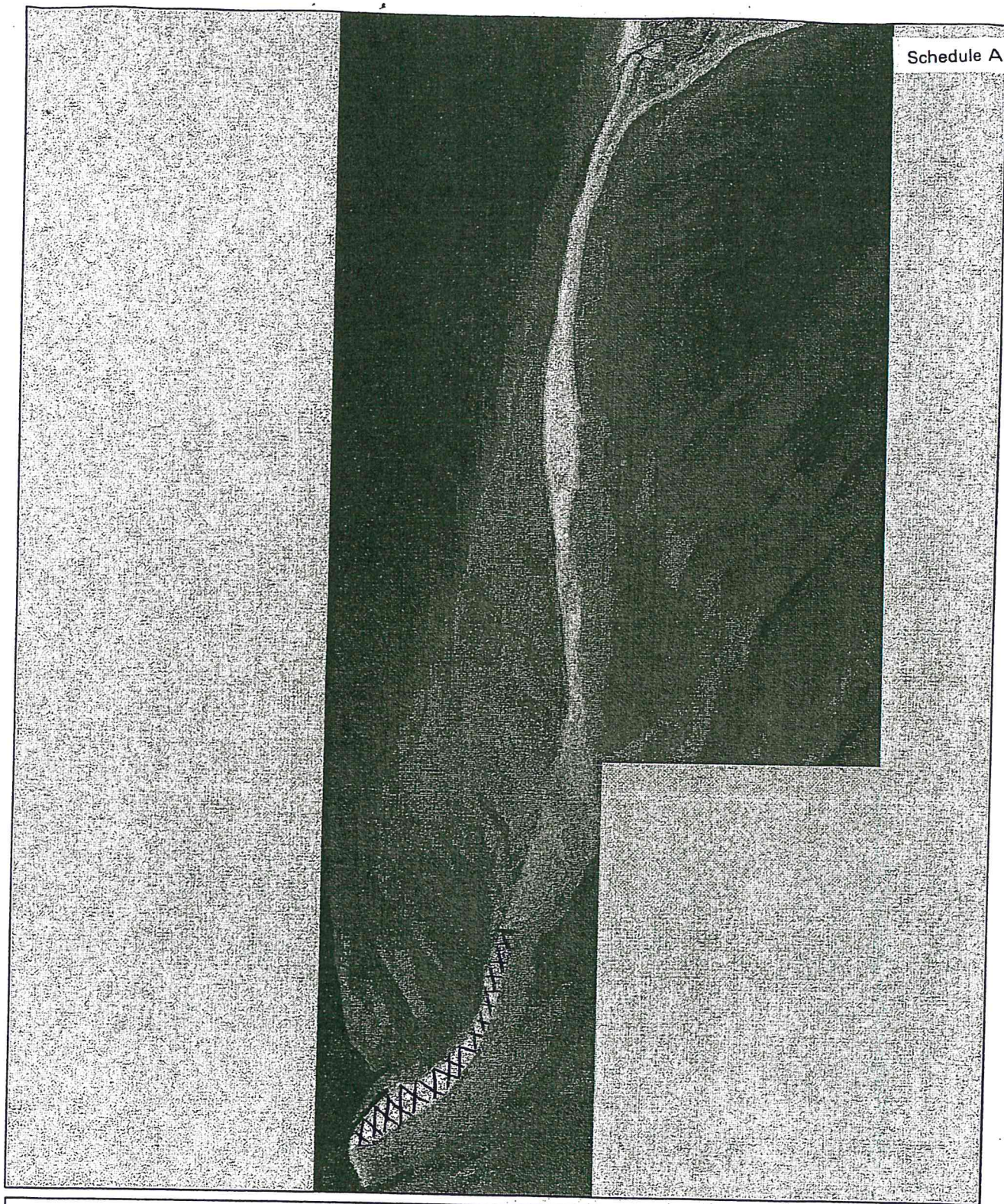
By [Signature]

By [Signature]
Town of East Hampton

ATTEST:

By [Signature]

[Signature]
Town Clerk



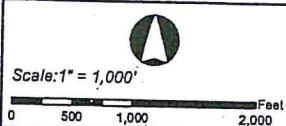
Base Plan Orthophotograph

Cartwright Island

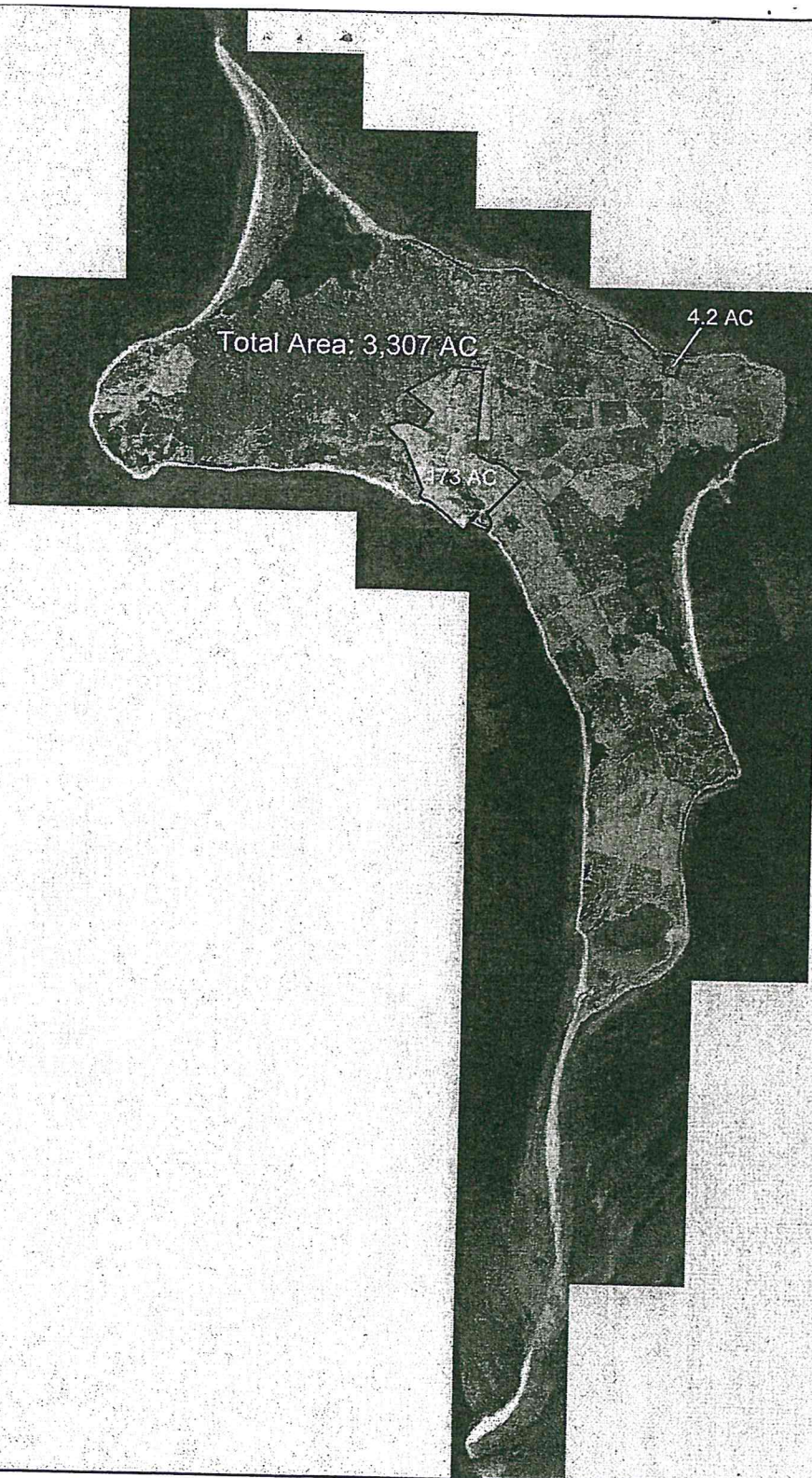
Total Area with Water: 3,307 Acres

Date: May 13, 2005

This plan is conceptual only and is not represented as an engineered plan.



Gardiners Island
East Hampton, New York

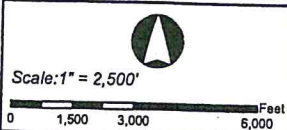


Base Plan Orthophotograph

Total Area with Water: 3,308.28 +/- Acres

Date: May 18, 2005

This plan is conceptual only and is not represented as an engineered plan.



Gardiners Island
East Hampton, New York