

# EXHIBIT B

## USS DULUTH LOAN AGREEMENT BETWEEN THE CITY OF DULUTH AND THE ST. LOUIS COUNTY HISTORICAL SOCIETY

THIS AGREEMENT, is by and between the CITY OF DULUTH, a municipal corporation, the (“City”), and the St. Louis County Historical Society, a Minnesota non-profit corporation, the (“Society”).

WHEREAS, the USS Duluth (LPD 6), an Austin-class amphibious transport dock ship, served the U.S. Navy and the nation for 39 years before being decommissioned on September 28, 2005; and

WHEREAS, the USS Duluth’s primary mission was transporting ground forces with their equipment and vehicles to enemy shores and supporting combat operations in the Vietnam war, Operation Desert Storm, and Operation Iraqi Freedom; and

WHEREAS, the USS Duluth also supported Operation Unified Assistance delivering 210 tons of supplies to Sumatra and Sri Lanka after a tsunami devastated the area in December of 2004; and

WHEREAS, Captain Laurence H. Grimes, Jr, U.S. Navy (retired) built a scale model of the USS Duluth (“USS Duluth Model”) and donated the model and a display case to the City

WHEREAS, the Society oversees the Veterans Memorial Hall at the St. Louis County Heritage & Arts Center (“Depot”) and has built a display window for the purpose of displaying the USS Duluth Model as part of the Veterans Memorial Hall program; and

WHEREAS, the Society has represented that it is qualified and willing to protect and display the USS Duluth Model under the terms and conditions hereinafter set forth; and

WHEREAS, the City desires to utilize the Society to protect and display the USS Duluth Model.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

A. Representations and Duties of the Society.

(1) The Society is a Minnesota non-profit corporation duly organized and existing under the laws of the State of Minnesota and shall remain so.

(2) The Society will protect and display the USS Duluth Model. The USS Duluth Model may be placed off display for up to one month for facility maintenance, rehabilitation or repairs. If the Society is unable to display the USS Duluth Model for more than one month, the Society shall notify with the City of the same in writing.

(3) The Society will display the USS Duluth Model free to the public.

(4) The Society will be responsible for all costs associated with its duties set forth herein.

(5) The Society will not sell, encumber, loan or otherwise dispose of the USS Duluth Model.

(6) The Society will obtain and at all times maintain insurance for the benefit of the City against all risks of physical loss or damage for an amount equal or greater than the value of the USS Duluth Model. The level, terms and limitations of the required insurance shall be approved, in writing, by the Duluth City Attorney's Office.

(6) Society agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and their respective agencies which are applicable to its activities under this Agreement.

B. Representations and Duties of City

(1) The City has been duly authorized to execute and deliver this Agreement.

(2) The City is the owner of the USS Duluth Model.

(3) The City seeks to protect and preserve the USS Duluth Model for the citizens of Duluth and to ensure that the USS Duluth Model is properly displayed within the City of Duluth.

(4) The City grants the Society the license to photograph and reproduce images of the USS Duluth Model for archival, educational, and publicity purposes.

C. Term.

This Agreement shall be effective upon the date of attestation by the City Clerk and shall remain in effect until December 31, 2027, unless terminated earlier as provided for herein.

D. Termination of Services.

Either party may by giving 120 days' written notice terminate this Agreement without cause.

E. Standard of Performance.

The Society agrees that all services to be provided to City pursuant to this Agreement shall be in accordance with the generally accepted standards of the museum profession.

F. Records and Inspection.

(1) Records shall be maintained by Society in accordance with the requirements prescribed by the City and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after the termination of this Agreement.

(2) The Society shall be responsible for furnishing to City copies of records, data and information as City may require pertaining to matters covered by this Agreement.

G. Notices.

Notice to City or Society provided for herein shall be sufficient if sent by the regular United States mail, postage prepaid, addressed to the parties at the addresses hereinafter set forth or to such other respective persons or addresses as the parties may designate to each other in writing from time to time.

City: Chief Administrative Officer  
City of Duluth  
Room 402 City Hall  
411 West First Street  
Duluth, MN 55802

Society: Executive Director  
St. Louis County Historical Society  
506 West Michigan Street

Duluth, MN 55802

H. Waiver.

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

I. Applicable Law.

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

J. Assignment.

This Agreement may not be assigned without the prior written consent of the other party.

K. Amendment.

This Agreement may not be amended except by a written agreement duly executed by each of the parties hereto.

L. Severability.

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

M. Entire Agreement.

It is understood and agreed that the entire agreement of the parties is contained herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

**CITY OF DULUTH**

**ST. LOUIS COUNTY HISTORICAL SOCIETY**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Its \_\_\_\_\_  
Dated \_\_\_\_\_

Attest \_\_\_\_\_  
City Clerk  
Dated \_\_\_\_\_

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney