



LEASE AGREEMENT

2019-000101

AP- 18-19-(4)-101

In San Juan, Puerto Rico, this 31st day of May, 2019 (the "Effective Date").

I. APPEAR

FOR THE FIRST PART: THE PUERTO RICO PORTS AUTHORITY, a public corporation and instrumentality of the Government of Puerto Rico, created by Act No. 125 of May 7, 1942, as amended, represented by its Deputy Executive Director, Julian Bayne Hernández, of legal age, married, attorney-at-law and resident of San Juan, Puerto Rico (the "Authority" and/or "PRPA").

FOR THE SECOND PART: PRIME ALLIANCE COMPANY, LLC, a limited liability company organized under the laws of the Government of Puerto Rico, represented by its Authorized Representative, Carlos Alejandro Trápaga Fonalledas, of legal age, married, business executive and resident of Dorado, Puerto Rico, who is authorized to appear in this act by the company resolution dated November 16, 2018, a copy of which is attached hereto (the "Lessee" and, together with the Authority and/or the PRPA, the "Parties" and each, individually, a "Party").

The Parties, freely and spontaneously:

II. SET FORTH

WHEREAS: The Authority is the owner in fee simple title ("*pleno dominio*") of the property, buildings and improvements described in the attached **Schedule I** (the "Main Parcel");

WHEREAS: The Lessee is interested in leasing a portion of the Main Parcel with an aggregate area of four hundred seventy eight thousand five hundred thirty eight (478,538) square feet (the "Property" or "Leased Premises"), which is graphically described in the attached **Schedule II**; and

WHEREAS: The PRPA is interested in leasing the Leased Premises to the Lessee.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged by the Parties, the Parties, intending to be legally bound, hereby agree to the following:

III. TERMS AND CONDITIONS

ARTICLE 1. THE PROPERTY

The PRPA does hereby demise and lease to the Lessee, and the Lessee does hereby hire and take from the PRPA, the Property. In furtherance of the foregoing, the PRPA hereby grants a non-exclusive vehicular and pedestrian right of way easement to and from the Main Parcel to the public roads, through the front and the back of the Property.

ARTICLE 2. TERM

The initial term of this Lease Agreement (this "Agreement") shall be fifteen (15) years from the Effective Date. Such initial term shall be automatically renewed and extended for an additional period of five (5) years, under the same terms and conditions set forth herein, upon the Lessee giving written notice to the Authority of its intention to renew at least thirty (30) days prior to the expiration of such initial term. The initial term set forth above, together with any applicable renewal period, shall be hereinafter referred to as the "Term".

ARTICLE 3. AUTHORIZED REPRESENTATIVE

The Director of the Maritime Bureau of the Authority or its authorized representative(s) will be responsible for ensuring faithful compliance with the provisions of this Agreement. Thus, any communications and/or notices pertaining to operational, repair, maintenance and/or management matters related to the Leased Premises shall be directed by the Lessee, with a copy to address of the PRPA set forth in Article 32, to the Director of the Maritime Bureau of the Authority, at the following address:

P.O. Box 362829
San Juan, Puerto Rico 00936-2829
Phone: (787)729-8715
E-mail: JAVazquez@prpa.pr.gov

ARTICLE 4. USE OF THE LEASED PREMISES

A. During the Term, the Lessee shall be entitled to continuously occupy and use the Leased Premises for the following purposes (collectively, the "Commercial Operations"): to conduct activities involved in the day to day functions of the business conducted by the Lessee for purposes of generating profits, including, but not limited to: (i) providing warehouse and storage space to its affiliates, subsidiaries, customers and other vendors; and (ii) providing office space to its affiliates, subsidiaries, customers and other vendors.

B. The Lessee recognizes having been oriented prior to the execution of this Agreement as to the authorized use of the Property, as provided above. The conduct by the Lessee in the

Leased Premises of any material activity not related to the authorized use of the Property shall be cause for the termination of this Agreement, if the unauthorized use of the Property has not ceased within thirty (30) days following receipt of written notice by the Lessee of the Authority's request for cessation of such unauthorized use.

C. Provided that the Lessee fully complies with the terms and conditions of this Agreement, the Lessee shall have, during the Term, the right to the quiet enjoyment and peaceful possession of the Property and the PRPA may not impose requirements additional to those stated in this Agreement or required by applicable law. Furthermore, the PRPA shall not impose any restrictions on the accessories or the Commercial Operations of the Lessee, except by the PRPA guidelines and regulations which are generally applicable to, and enforced against, other similar tenants of the PRPA (collectively, the "PRPA Regulations").

D. The PRPA reserves the right to control, maintain, and manage all the Common Areas (as defined below), it being understood that the manner in which the PRPA exercises such right shall not, in any material respect, adversely affect the Lessee's Commercial Operations, rights and obligations under this Agreement. The Lessee acknowledges that the PRPA may, at its sole cost and expense, change the shape, size, location, number, and extent of the improvements of any portion of the Common Areas (as defined below) without the consent of the Lessee, but with prior written notification to the Lessee; provided, however, that such changes do not: (i) materially and adversely affect the Lessee's Commercial Operations, access to the Leased Premises and/or rights and obligations under this Agreement; (ii) interfere with, or impede in any material respect, the Lessee's ability to engage in the Commercial Operations; and/or (iii) materially alter, impact or compromise the stability, structure or strength of the structure, and/or adversely impact the facilities' attractiveness and/or viability. For purposes of this Agreement, the term "Common Areas" shall mean those facilities and other areas adjacent to the Leased Premises intended for common and non-exclusive use of any tenant of the Main Parcel, including, without limitation, roads for access, ingress and egress to and from public streets, entrances, curbs and curb cuts, parking areas, traffic aisles, drives, fire lanes, parking area lighting, electrical transformer areas, pedestrian-ways, sidewalks, delivery, truck loading areas, ramps, landscaping, utility and sewer lines and facilities and directional signs.

ARTICLE 5. RENT AND OTHER CHARGES

A. The rent (the "Rent") for the Leased Premises shall be as set forth in the attached Schedule III. The annual Rent shall be payable in twelve (12) equal consecutive monthly installments. The first monthly installment of Rent, corresponding to the month of June of 2019,

shall be payable by the Lessee on the Effective Date and, thereafter, on or before the tenth (10th) day of each month (the "Rent Due Date").

B. Any Rent and/or sum due and payable under this Agreement which has not been paid by the Lessee within the grace period of ten (10) days after the corresponding Rent Due Date, shall accrue interest at the rate of six percent (6.00%) per annum (the "Default Rate"), without notice of breach; computed from the due date thereof until the full amount owed is paid by the Lessee.

C. The Lessee shall have the option to make any payments hereunder directly to the PRPA using any standard commercially available form of payment currently accepted by the PRPA, including, without limitation, checks and/or electronic transfers. If the Lessee wishes to make the payments by electronic transfer, the Lessee shall so notify the PRPA and will make the payments using the following information:

Name of the account holder	* Puerto Rico Ports Authority
Name of the bank	* Banco Popular de Puerto Rico
Route number (ABA)	* 021502011
Account number	* 030076242

Nonetheless, the Lessee may change the method of payment with a thirty (30) days prior written notice to the PRPA. In any case, if the Lessee faces any problems using any of these methods, any amount payable hereunder may be paid in the PRPA's Central Office or at any other place designated by the PRPA.

D. No payment by the Lessee or receipt by the PRPA of a lesser amount than the Rent and/or any other amounts herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent and/or other amounts unpaid nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent and/or other amounts be deemed an accord and satisfaction, and the PRPA may accept such check or payment without prejudice to the PRPA's right to recover the balance of such Rent and/or other amounts or pursue any other remedy in this Agreement or by law.

E. On the Effective Date, the Lessee shall deliver to the PRPA, as a guaranty of payment of Rent, charges and other amounts, and the faithful fulfillment of obligations, under this Agreement, a bond in an amount equal to four (4) installments of monthly Rent. Upon the occurrence of a Lessee Event of Default and after expiration of any applicable Cure Period, the PRPA may make a claim under the bond referred to above to pay any amounts required to cure such

Lessee Event of Default. Upon termination of this Agreement and surrender of the Leased Premises, the PRPA shall allow the cancellation of the bond by the Lessee.

F. The Lessee acknowledges that only lessees that are authorized by the Authority and that are engaged in a service company as operator of fixed base or shipping agent may charge applicable operational charges, which must be sent to the Authority, according to the rules in force. Furthermore, the Lessee acknowledges that it is forbidden to alter the rates and charges approved by the Authority or include additional charges for service charge on bills to passenger or cargo vessels, or any other applicable user.

G. In the event that the Lessee cannot enter or use the Leased Premises for its intended purpose and/or to perform normal Commercial Operations therein because of an event of Force Majeure (as defined below), the PRPA shall engage its best reasonable efforts to reestablish and rehabilitate the Leased Premises as soon as practicable, thus, making the same suitable for normal Commercial Operations. If the Leased Premises cannot be rehabilitated promptly and are unusable for a period of fifteen (15) consecutive days, then, during such period, the Lessee shall deduct from the corresponding Rent payments the amounts corresponding to the number of days that the Leased Premises remained unusable.

ARTICLE 6. PUBLIC SERVICES AND OTHER REGULAR EXPENSES

The PRPA shall be responsible for the installation and proper operation up to the point of entry of electricity and water and sewer utilities for the Leased Premises. The Parties acknowledge that individual meters number _____ or electricity and individual meters number 03UF017073 and 16041451 for water and sewer are currently installed in the Leased Premises. The Lessee shall be responsible for payment of the cost of the electricity and water and sewer utilities consumed by the Lessee in the Leased Premises in connection with its Commercial Operations, as reflected by the aforementioned meters.

ARTICLE 7. RELOCATION OF LESSEE

The PRPA reserves the right to, during the Term, relocate the Lessee to another site (the "Relocation Right"). The exercise of the Relocation Right shall be subject to the following terms and conditions:

A. The PRPA's Board of Directors shall have approved the relocation of the Lessee and a certified copy of the resolutions evidencing such approval shall have been delivered by the PRPA to the Lessee.

B. The PRPA shall have given the Lessee written notice of the relocation at least one hundred eighty (180) days prior to the proposed effective date of such relocation.

C. The PRPA shall use its best efforts to relocate the Lessee to premises that: (i) are located within the Main Parcel, and preferably adjacent to or near the Leased Premises; (ii) may be suitable for the immediate conduct of the Lessee's Commercial Operations therein; (iii) have facilities and improvements equal or comparable to those existing at the Leased Premises at the time the Relocation Right is exercised; and (iv) have a superficial area of approximately the same size as the area of the Leased Premises, subject to a variation of up to five percent (5.00%).

D. There shall have occurred an event of significant importance for the economic development of Puerto Rico and the PRPA, in accordance with an economic development plan approved by the PRPA's Board of Directors, and such event shall make the relocation necessary.

E. The Lessee shall bear all costs and expenses related to its relocation to the new premises, including, but not limited to, all costs and expenses associated with the conditioning of the new premises for the Lessee's occupation and the conduct of the Lessee's Commercial Operations therein (the "Relocation Costs"); provided, however, that the Lessee shall be entitled to receive a reimbursement from the PRPA in the form of a dollar per dollar credit of the Relocation Costs (the "Relocation Credit") against any unpaid Tenant Liabilities. The Relocation Credit shall be: (i) calculated on a monthly basis on or before the last day of each month, starting on the date of effectiveness of the relocation and, thereafter, as the Lessee incurs in the Relocation Costs and submits reasonable evidence and certifications to the PRPA of the work performed; and (ii) applied to each succeeding month's Tenant Liabilities as deemed appropriate by the Lessee in its sole discretion and the Lessee shall notify to the PRPA how the Relocation Credit calculated will be applied to the succeeding month's Tenant Liabilities on or before the Rent Due Date. The Lessee may apply the Relocation Credit available during any specific month to the succeeding month's Tenant Liabilities up to the maximum amount of **TWENTY ONE THOUSAND EIGHT HUNDRED FIFTY FOUR DOLLARS AND FIFTY THREE CENTS (\$21,854.53)** (the "Relocation Credit Cap"); provided, however, that any portion of the Relocation Credit in excess of the amount so applied shall be rolled over to the succeeding month, and so forth, until the full amount of the Relocation Credit is duly accredited to the Lessee. Notwithstanding the foregoing, if at the beginning of the last year of the Term the aggregate amount remaining under the Relocation Credit and the Tenant Credits exceeds the Rent that would be payable by the Lessee during such year, the Relocation Credit Cap shall not be applicable and the Lessee shall be entitled to apply the full amount of the remaining Relocation Credit to the Rent payable during each succeeding month until the full amount of the Relocation Credit is duly accredited to the Lessee. In the event that the PRPA unreasonably denies its approval in connection with any Relocation Costs, the Lessee shall

have the right to terminate this Agreement without being subject to any premium or penalty of any kind, and being entitled to the amount referred to in subparagraph F of this Article and to cancel the bond referred to in Article 5.E of this Agreement.

F. If upon exercise of the Relocation Right there are any amounts corresponding to Improvement Costs (as defined below), and/or Compliance Costs (as defined below) that have not been reimbursed to the Lessee as provided in this Agreement, in addition to any other amounts to which the Lessee shall be entitled to pursuant to this Agreement, at law or in equity, the Lessee shall be entitled to receive from the PRPA an amount equal to the Improvement Costs (as defined below), and/or Compliance Costs (as defined below) not so reimbursed as of the date of exercise of the Relocation Right.

G. During the relocation period, the PRPA will use commercially reasonable efforts to avoid unduly interfering with the Lessee's Commercial Operations.

H. The PRPA shall not act in bad faith in making its determination to relocate the Lessee or exercise the Relocation Right in an unreasonable, arbitrary or capricious manner.

I. Except as set forth in this Article, upon exercise of the Relocation Right, this Agreement and each of its terms and conditions will remain in full force and effect and be applicable to the new premises and such new premises will be deemed to be the Leased Premises demised hereunder.

In the event the Relocation Right is not exercised by the PRPA in compliance with this Article 7, the Lessee shall, in addition to any other rights available to the Lessee hereunder, at law or in equity, have the right to terminate this Agreement without being subject to any premium or penalty of any kind, and being entitled to the amount referred to in subparagraph F of this Section and to cancel the bond referred to in Article 5.E of this Agreement.

ARTICLE 8. BOOKS AND RECORDS; AUDIT

A. The Lessee shall maintain during the Term books and records of accounting in accordance with generally accepted accounting principles in the United States of America, and such books and records of accounting shall be maintained at all times in the Leased Premises.

B. The Authority reserves the right to, during business hours and in order to ensure that Commercial Operations are carried out in the Leased Premises in accordance with the applicable laws, procedures and regulations, and in compliance with the provisions of this Agreement, have the staff of the Office of the Authority's Internal Auditors review and audit the compliance books and records kept by the Lessee in connection with the Leased Premises, upon the giving of written

notice to the Lessee at least five (5) days prior to the beginning of such review and audit. If the audit commences before the expiration of the Agreement and the return of the Lease Bond, the Authority may retain the Lease Bond until it concludes the audit.

ARTICLE 9. ACCESS TO RECORDS AND REPORTS

The Lessee agrees to maintain all books, records and reports required under this Agreement for a period of not less than three (3) years after final payment is made hereunder and all pending matters are closed.

ARTICLE 10. INSPECTION BY THE AUTHORITY

A. Upon the giving of at least five (5) days prior written notice to the Lessee, the Authority shall have the right to enter the Property with the purpose of making repairs, replacements or alterations thereto. Such action by the Authority will not release the Lessee of its responsibility to maintain or repair the Leased Premises and Tenant’s personal property, including, but not limited to, equipment and machinery located therein, as required hereunder.

B. The PRPA shall have the right to enter the Leased Premises with the purpose of inspecting the condition thereof, subject to a five (5) days prior written notice to the Lessee. Such inspection may be made by the PRPA from time to time through its representatives and authorized agents in order to determine if the Lessee is in compliance with the obligations it has assumed under this Agreement, but only during normal business hours and without disrupting the Commercial Operations of the Lessee.

ARTICLE 11. INDEMNITY

A. The Lessee agrees to indemnify, save and hold harmless the Authority, its officers, directors, members, employees, agents, contractors, subcontractors, assignees, sub-lessees, guests or invitees (collectively, the “Lessee Indemnified Persons”), from any and all losses, claims, liabilities (including any environmental liabilities), penalties, fines, damages and related reasonable costs and expenses (including reasonable costs of suit and expenses of legal services) sustained, paid, suffered or incurred by any Lessee Indemnified Person in connection with, caused by, resulting from or arising out of: (i) any breach, non-fulfilment, inaccuracy or misrepresentation by the Lessee of any material representations, covenants, undertakings and/or warranties provided by the Lessee in this Agreement; (ii) injury to, or death of, any person or persons or third parties, or damage to, destruction or loss of use of any property of the Authority, only to the extent arising or resulting from the negligent behavior or willful misconduct of the Lessee in connection with the use of the Leased Premises; and/or (iii) material violation by the Lessee of any applicable law or regulation

(including, without limitation, any environmental law) or any environmental liability with respect to its operations at the Leased Premises. The Lessee shall assume the defense of any judicial or administrative claims arising against any of the Lessee Indemnified Persons for any of the foregoing, and will pay any compensation or judgment that may be granted. If the Lessee does not comply with the aforementioned provision and this results in the imposition of fines or penalties against any of the Lessee Indemnified Persons, the Lessee agrees to reimburse to the corresponding Lessee Indemnified Person(s) all of the fine or penalty imposed.

B. The PRPA agrees to indemnify, save and hold harmless the Lessee, its officers, directors, members, employees, agents, contractors, subcontractors, assignees, sub-lessees, guests or invitees, or the Lessee's parent company or affiliated companies (collectively, the "PRPA Indemnified Persons"), from any and all losses, claims, liabilities (including any environmental liabilities), penalties, fines, damages and related reasonable costs and expenses (including reasonable costs of suit and expenses of legal services) sustained, paid, suffered or incurred by any PRPA Indemnified Person in connection with, caused by, resulting from or arising out of: (i) any breach, non-fulfilment, inaccuracy or misrepresentation by the PRPA of any material representations, covenants, undertakings and/or warranties provided by the PRPA in this Agreement; (ii) injury to, or death of, any person or persons or third parties, or damage to, destruction or loss of use of any property of the Lessee, only to the extent arising or resulting from the negligent behavior or willful misconduct of the PRPA in connection with the use of the Main Parcel and/or the Leased Premises; and/or (iii) material violation by the PRPA of any applicable law or regulation (including, without limitation, any environmental law) or any environmental liability with respect to its operations at the Main Parcel or the surrounding areas. The PRPA shall assume the defense of any judicial or administrative claims arising against any of the PRPA Indemnified Persons for any of the foregoing, and will pay any compensation or judgment that may be granted. If the PRPA does not comply with the aforementioned provision and this results in the imposition of fines or penalties against any of the PRPA Indemnified Persons, the PRPA agrees to reimburse to the corresponding PRPA Indemnified Person(s) all of the fine or penalty imposed.

C. The Lessee will not do, or allow others to make, on or in connection with the Leased Premises, any action that will result in a lien or right in rem over such property, other than those authorized under this Agreement; and the Lessee shall promptly take the necessary action to lift any embargo, lien or right in rem arising out of, or that may exist at any time with respect to, the Leased Premises or any alteration, addition, improvement or changes thereto. If the PRPA has to resort to any legal action of eviction, collection of moneys, damages, or any other action related to this

section, the Lessee shall be responsible for the reasonable costs, expenses and attorneys' fees pertaining thereto.

ARTICLE 12. INSURANCE POLICIES

A. The Lessee will keep in force (annually), during the Term, a policy of General Liability and Commercial General Liability to be issued by an insurance company acceptable to the Authority and authorized to do business in Puerto Rico to insure the Lessee against liability for damage to property and personal injury, including personal injury or death caused by the use and occupation by the Lessee of the Property.

B. The limits of the General Liability and Commercial General Liability policies referred to above shall not be less than **ONE MILLION DOLLARS (\$1,000,000.00)** each occurrence.

C. The General Liability and Commercial General Liability policies referred to above will contain coverage for Fire Damage or Damage to Rented Premises in an amount of no less than **FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00)** ("Any one Fire") to answer for damages caused to the Property, including any movable object permanently embedded or affixed to the Property, if such damage arises as a result of the negligence of the Lessee, its employees or any other person acting under the Lessee's direction.

D. The General Liability and Commercial General Liability policies referred to above will contain the following endorsement: "The coverage of this policy may not be amended for the purpose of decreasing the protection below the specified limits, or under any other circumstances, nor can it be canceled, without prior notification in writing to the Authority thirty (30) days in advance." In addition, the Lessee agrees to notify the Authority in writing thirty (30) days in advance in case of non-renewal of the policy.

E. The aforementioned policies will also include an endorsement of "Hold Harmless" in favor of the Authority and will include the Authority as an additional insured. Furthermore, such policies shall not require a deductible, unless the Lessee provides another policy covering the risk not covered by the deductible amount.

F. The Lessee shall maintain workers' compensation insurance, according to a policy issued by the Puerto Rico State Insurance Fund Corporation, evidence of which it shall file annually with the Authority, accompanied by its corresponding certification or electronic validation, which is obtained at www.cfse.gov.pr.

G. The Lessee further agrees that, no later than thirty (30) days prior to the expiration of any of the policies required by this Agreement, it shall submit to the Authority an insurance certificate or a certified copy of such policy.

H. At or before the execution of this Agreement, the Lessee will provide the Authority copy of an insurance certificate for the abovementioned policies of insurance. If these are to expire in less than thirty (30) days from the date of execution of this Agreement, the Lessee must submit evidence of the renewal of the same.

I. If any obligations on insurance and bonds set forth in this Agreement are not covered, or if the Authority is obliged to incur expenses to cover the risks described here, the Lessee will be obligated to pay or reimburse to the Authority any expenditure or dispensing incurred by the Authority as a result of the Lessee's breach of such provisions of this Agreement.

J. In the event the Lessee disregards its obligation to maintain the insurance and bonding required by this Agreement current and in force, the Lessee will be assessed a penalty of **ONE THOUSAND DOLLARS (\$1,000.00)** per month until the Lessee complies with such obligation.

K. Non-compliance with any of the obligations set forth in this Article 12, including, but not limited to, submitting insurance policies thirty (30) days prior to expiration, shall be deemed a violation of the terms and conditions of this Agreement. The Lessee expressly accepts that, in such a case, the Authority may immediately terminate this Agreement and, at the same time, file the corresponding action of eviction, in addition to requiring the payment of the penalty referred to above.

ARTICLE 13. COMPLIANCE WITH LAWS; FIRE EXTINGUISHING EQUIPMENT

The Lessee hereby agrees to, during the Term, maintain the Leased Premises in compliance with all applicable laws, rules, regulations, ordinances and local codes, including, without limitation, having available at the Leased Premises the fire control equipment required by applicable laws and regulations, the Puerto Rico Fire Department and safety codes for the type of operations of which the Commercial Operations are part (including, but not limited to, those set forth by the National Fire Protection Association); provided, however, that, in the event that, during the Term, any governmental authority issues a notice of non-compliance with any requirements of those laws, rules, regulations, ordinances or local codes in connection with the Leased Premises, the Lessee shall be entitled to engage the contractors, consultants and/or other professionals that it deems appropriate in order to take the measures necessary to put the Leased Premises in compliance with

the applicable laws, rules, regulations, ordinances and local codes and to receive a reimbursement from the PRPA of all amounts incurred by the Lessee in connection therewith, including, but not limited to, any cost of obtaining financing with respect thereto, as set forth in Article 16 of this Agreement (the "Compliance Costs").

ARTICLE 14. LESSEE'S OBLIGATIONS

A. The Lessee shall comply with the PRPA Regulations that are applicable to the Lessee and/or the Leased Premises.

B. The Lessee must operate the Leased Premises in compliance with all applicable local and federal laws and regulations.

C. The Lessee will obtain use permits from the Government of Puerto Rico and/or the Municipality of San Juan for its operations in the Leased Premises, to the extent applicable.

D. The Lessee will not place signs/advertising on the façade of the buildings forming part of the Leased Premises, other than those approved in writing by the Authority, which approval shall not be unreasonably withheld, conditioned, delayed or denied by the Authority. The Lessee shall be entitled to place signs/advertising inside the buildings forming part of the Leased Premises without having to notify the Authority or obtain its consent.

E. To the extent the Lessee deems it to be necessary, the Lessee shall install and maintain its own surveillance and/or security system for the Leased Premises. The Lessee shall be responsible for the surveillance of its property located within the Leased Premises.

F. The Lessee will make commercially reasonable efforts to ensure that none of its employees or visitors locates, parks or deposits waste, materials or equipment in the Common Areas in which there is vehicular or pedestrian traffic.

ARTICLE 15. CONSERVATION AND MAINTENANCE

A. The Lessee shall keep at all times the Leased Premises in a clean and orderly condition and appearance, in accordance with applicable law and local regulations and good industry practices.

B. Except as provided in Article 6 of this Agreement, the Lessee shall be responsible for the maintenance of the Leased Premises. The PRPA shall be responsible for any and all structural repairs to the Leased Premises.

C. The Lessee shall repair any damage (which is not considered normal wear and tear) which is caused by the Lessee or its invitees, permitted sub-lessees, permitted assignees, or contractors in the Leased Premises.

D. The Lessee will preserve, protect and keep in good use the Leased Premises, and will be responsible for disposing of garbage, assuming its cost. The Lessee's failure to comply with the foregoing will result in the imposition of a daily penalty equivalent to three point three percent (3.3%) of the monthly Rent established in this Agreement, if not cured within thirty (30) days after written notification thereof by the PRPA is delivered to the Lessee.

ARTICLE 16. REPAIRS, ALTERATIONS AND IMPROVEMENTS

A. The Lessee acknowledges that the Authority has not made any representation on conditions or current status of the Property, other than as set forth in this Agreement.

B. The Authority reserves the right to make any repairs or improvements to the Property during the Term of this Agreement, if the Authority deems it proper and necessary and to extent that performing those repairs or improvements does not interfere with the conduct of the Lessee's Commercial Operations in the Leased Premises.

C. The Parties agree that any and all equipment and/or machinery acquired by the Lessee and installed and/or located at the Property shall remain the property of the Lessee, and no such equipment or machinery shall become a fixture on the Main Parcel and/or the Property, notwithstanding its installation on, or attachment to, real property or any improvement thereon. The PRPA shall not acquire any interest, title or equity in or to any such equipment or machinery. Furthermore, the PRPA hereby acknowledges that the Lessee shall be entitled to grant liens over such equipment and machinery without having to obtain the PRPA's consent and agrees that the PRPA shall grant to the holders of such liens access to the Property for the purpose of inspecting the equipment and machinery and, in the event of foreclosure of such liens, to take possession thereof. Following the date of termination of this Agreement, the Lessee shall have thirty (30) days to remove from the Leased Premises all equipment, personal property, accessories, advertisements and movable improvements, machinery and items or merchandise built, made, kept or deposited by the Lessee in the Leased Premises. If the Lessee does not proceed with the removal of such property, as indicated herein, it shall be understood that the Lessee has relinquished such property to the PRPA and the PRPA may dispose of it in the form that it deems advisable or desirable.

D. Title to all alterations, additions or substantial or structural improvements made and installed by the Lessee in the Leased Premises shall be vested in the Lessee during the Term of this Agreement, but, upon termination of this Agreement, such title will be transferred to the Authority, free of charge and free of liens. The PRPA may require the Lessee to remove or demolish all or part of any unauthorized alterations, additions or improvements made by the Lessee in the Leased Premises and/or the Common Areas, and return the Leased Premises and/or the Common Areas,

as applicable, to their original condition, except for the deterioration due to normal wear and tear and any deterioration caused by any of the following events (each, "Force Majeure"): (i) acts of God; (ii) war, hostilities (whether war be declared or not), invasion or acts of foreign enemies; (iii) strikes, labor unrest, riot, civil disobedience, commotion, disorder, strike or lockout by any persons; (iv) natural catastrophes such as hurricanes, fires, droughts, floods, washouts, typhoons, water spouts, earthquakes, landslides, lightning or volcanic activity; (v) lockouts or other industrial disturbances; (vi) acts of public enemies; (vii) acts of terrorism; (viii) orders or restraints of any kind of the government of the United States of America or Puerto Rico, or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; (ix) insurrections; civil disturbances; riots; epidemics; arrests or restraint of government and people; (x) explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; or partial or entire failure of utilities not attributable to an act or omission of the Lessee; (xi) shortages of labor, materials, supplies or transportation; and/or (xii) any cause, circumstance or event not reasonably within the control of any Party.

E. The PRPA has agreed to reimburse to the Lessee the cost of certain alterations, changes, additions or improvements to the Leased Premises and the Common Areas that are: (i) in the discretion of the Lessee, required and/or necessary during the Term; (ii) informed to the PRPA prior to the undertaking of any work pertaining thereto; and (iii) approved by the PRPA in writing (the "Improvement Costs").

F. The PRPA acknowledges that the Leased Premises and the Common Areas required certain conditioning works and improvements which have been contracted by the Lessee prior to the Effective Date and have been completed or will be completed by the contractors engaged by the Lessee for such purposes, and the cost of which has already been duly certified by the PRPA and its Board of Directors. Thus, the PRPA acknowledges and agrees that, as of the Effective Date, the Lessee is entitled to reimbursement of the amount of **THREE MILLION NINE HUNDRED NINETEEN THOUSAND FIVE HUNDRED EIGHTY ONE DOLLARS AND FIFTY NINE CENTS (\$3,919,581.59)** (the "Pre-Approved Credit") pursuant to the provisions of this Article, but without having to comply with the provisions of Subparagraph J of this Article. Notwithstanding the foregoing, the Parties acknowledge and agree that, as of the Effective Date, the Lessee owed to the Authority the amount of **ONE MILLION FOUR HUNDRED SIXTY TWO THOUSAND EIGHTY FOUR DOLLARS AND SEVENTY FOUR CENTS (\$1,462,084.74)** as accumulated rent in connection with the Leased Premises for periods occurring up to and including the month of May of 2019 (the "Accumulated Rent"). Furthermore, the Parties

have agreed that, upon execution of this Agreement, a portion of the Pre-Approved Credit shall be credited to pay in full the Accumulated Rent. Therefore, upon execution of this Agreement, the Accumulated Rent shall be deemed to have been paid in full by the Lessee to the PRPA and the amount of the Pre-Approved Credit that shall remain outstanding to be used by the Lessee during the Term shall be **TWO MILLION FOUR HUNDRED FIFTY SEVEN THOUSAND FOUR HUNDRED NINETY SIX DOLLARS AND EIGHTY FIVE CENTS (\$2,457,496.85)** (the "Remaining Pre-Approved Credit").

G. The Parties herein agree that any reimbursement under this Article and Article 13 of this Agreement shall be made by the PRPA in the form of a dollar per dollar credit of the Remaining Pre-Approved Credit, the Improvements Costs (the "Improvements Credit") and/or the Compliance Costs (the "Compliance Credit" and, together with the Remaining Pre-Approved Credit and the Improvements Credit, the "Tenant Credits"), as applicable, against the unpaid installments of Rent and/or any other amount due by the Lessee to the PRPA in connection with this Agreement (collectively, the "Tenant Liabilities"). The Tenant Credits shall be: (i) calculated on a monthly basis on or before the last day of each month, starting on the Effective Date and, thereafter, as the Lessee incurs in the expenses and submits reasonable evidence and certifications to the PRPA of the work performed; and (ii) applied to each succeeding month's Tenant Liabilities as deemed appropriate by the Lessee in its sole discretion and the Lessee shall notify to the PRPA how the Tenant Credits calculated will be applied to the succeeding month's Tenant Liabilities on or before the Rent Due Date.

H. The Lessee may apply the Tenant Credits available during any specific month to the succeeding month's Tenant Liabilities up to the maximum amount of **TWENTY ONE THOUSAND EIGHT HUNDRED FIFTY FOUR DOLLARS AND FIFTY THREE CENTS (\$21,854.53)** (the "Tenant Credits Cap"); provided, however, that any portion of the Tenant Credits in excess of the amount so applied shall be rolled over to the succeeding month, and so forth, until the full amount of the Tenant Credits is duly accredited to the Lessee. Notwithstanding the foregoing, if at the beginning of the last year of the Term the aggregate amount remaining under the Relocation Credit and the Tenant Credits exceeds the Rent that would be payable by the Lessee during such year, the Tenant Credits Cap shall not be applicable and the Lessee shall be entitled to apply the full amount of the remaining Tenant Credits to the Rent payable during each succeeding month until the full amount of the Tenant Credits is duly accredited to the Lessee.

I. If upon termination of this Agreement there are any amounts corresponding to the

Remaining Pre-Approved Credit, Improvement Costs and/or Compliance Costs that have not been reimbursed to the Lessee as herein provided, in addition to any other amounts to which the Lessee shall be entitled to pursuant to this Agreement, at law or in equity, the Lessee shall be entitled to receive from the PRPA an amount equal to the Remaining Pre-Approved Credit, Improvement Costs and/or Compliance Costs not so reimbursed as of the date of termination of this Agreement. In the event that the PRPA unreasonably denies its approval in connection with any Improvement Costs and/or Compliance Costs, the Lessee shall have the right to terminate this Agreement without being subject to any premium or penalty of any kind, and being entitled to receive the amount referred to in the previous sentence and to cancel the bond referred to in Article 5.E of this Agreement.

J. Notwithstanding any other provision of this Agreement, in order to be entitled to receive payment of a Tenant Credit, the Lessee shall have: (i) obtained at least three (3) quotes in connection with the corresponding works to be performed; and (ii) sent a notice via certified mail, return receipt requested, to the PRPA (the "Credit Notice"): (1) setting forth a description of the works to be performed; (2) including a complete copy of each of the quotes obtained; (3) indicating which quote is, in the judgment of the Lessee, the more responsive and the one that provides the better economic terms and warranties (the "Selected Quote"); and (4) included in an envelope bearing conspicuously the following legend: **"ENCLOSED IS IMPORTANT INFORMATION REQUIRING YOUR REVIEW AND APPROVAL WITHIN THE NEXT THIRTY (30) DAYS. YOUR FAILURE TO RESPOND TO THIS NOTICE WITHIN SUCH THIRTY (30) DAY PERIOD SHALL BE DEEMED AS AN APPROVAL OF THE PROPOSED ACTION"**. The PRPA shall have thirty (30) days from the receipt of the Credit Notice to approve or disapprove the works to be performed and the Selected Quote. If the PRPA fails to respond to the Credit Notice within such thirty (30) day period, the works to be performed and the Selected Quote shall be deemed to have been approved by the PRPA and the Lessee shall be entitled to receive the corresponding Tenant Credit in connection therewith.

ARTICLE 17. SUBORDINATION PROVISIONS

A. The PRPA shall use commercially reasonable efforts to request from any current or future lender providing mortgage financing or re-financing to the PRPA for a subordination, non-disturbance and attornment agreement for the benefit of the Lessee.

B. The PRPA hereby represents to the Lessee that, as of the Effective Date, there are no mortgages encumbering the Main Parcel or the Leased Premises.

ARTICLE 18. LEASEHOLD MORTGAGE

The Lessee shall be allowed to mortgage its leasehold interest for the benefit of a lender in order to finance the operation of the Leased Premises or any part thereof, or any re-financing thereof.

ARTICLE 19. CONVERSION OF LEASE TO PUBLIC DEED

The PRPA herein authorizes the Lessee to perform the recording of this Agreement in the corresponding Section of the Registry of the Property of Puerto Rico (the "Registry"), pursuant to Article 5 of the Real Estate Registry of the Property Act of the Commonwealth of Puerto Rico, Act No. 210 of December 8, 2015, as amended. Accordingly, the PRPA agrees and consents, upon prior written notice, to execute with the Lessee the corresponding public deed or instrument for the conversion of this Agreement into a public instrument suitable for recording in the Registry (the "Deed of Conversion"). The Deed of Conversion shall be prepared by, and executed before, a Notary Public to be designated by the Lessee, at the Lessee's expense; and the Lessee shall be responsible for the costs of the internal revenue and legal assistance stamps required to be cancelled on the original and first certified copy thereof, in addition to the filing and recordation fees paid to the Registry in connection therewith. The PRPA agrees and authorizes the Lessee to attach and/or insert a certified legal description of the Leased Premises to the Deed of Conversion. The Parties agree to obtain or execute any other document that may be necessary and/or convenient for the recordation of this Lease in the Registry.


ARTICLE 20. TERMINATION OF THE AGREEMENT AND/OR CANCELLATION AND EVICTION

A. In addition to any other right or remedy that the Lessee may have under the provisions of this Agreement, the Lessee may declare this Agreement resolved in case any of the following events (each, a "PRPA Event of Default") occurs:

1. liquidation of all of the assets of the PRPA;
2. occupation or embargo by a third party under court order, or seizure, of all or substantially all of the assets of the PRPA, if such occupation, embargo or seizure is not terminated within fifteen (15) days subsequent to the date on which it began;
3. breach by the PRPA of any of its material obligations, covenants or agreements under this Agreement, if such breach is not corrected within fifteen (15) days subsequent to the date on which the Lessee so required it in writing;
4. non-compliance by the PRPA with any material environmental laws and regulations applicable to Main Parcel and/or the Leased Premises, including, but not limited to,

those enforceable by the Environmental Protection Agency (“EPA”), Coast Guard, Federal Maritime Commission, the Puerto Rico Environmental Quality Board, the Puerto Rico Department of Natural and Environmental Resources, the Puerto Rico Department of Transportation and Public Works and its federal counterpart, among others;

5. submittal by the PRPA of certifications under this Agreement that include materially false or fraudulent statements; or
6. a voluntary or involuntary proceeding shall be commenced, or a voluntary or involuntary petition shall be filed, in a court of competent jurisdiction seeking: (a) relief in respect of the PRPA, or of a substantial part of the PRPA’s property, under any federal, Puerto Rico or foreign bankruptcy, insolvency, receivership or similar law; (b) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the PRPA or for a substantial part of the PRPA’s property; or (c) the winding-up or liquidation of the PRPA; and such proceeding or petition shall continue undismissed for sixty (60) days, or an order or decree approving or ordering any of the foregoing shall be entered.



Upon the occurrence of a PRPA Event of Default, the Lessee will notify the PRPA in writing of the breach and its intention to resolve the Agreement for cause (the “PRPA Notice of Default”). The PRPA Notice of Default will give the PRPA the opportunity to cure the breach within a period of thirty (30) days from the receipt of the PRPA Notice of Default (the “PRPA Cure Period”). If the PRPA Event of Default is not substantially cured within the PRPA Cure Period, then, the Lessee may terminate this Agreement by giving written notice to the PRPA at any time before the breach is substantially cured; it being understood by the PRPA that, in the event of termination, the Lessee will be reimbursed for its investment in the Leased Premises and/or the Common Areas until then not offset or recovered, as per the terms of Article 16 of this Agreement.

B. In addition to any other right or remedy that the Authority may have under the provisions of this Agreement, the Authority may declare this Agreement resolved in case any of the following events (each, a “Lessee Event of Default”) occurs:

1. abandonment by the Lessee, in whole or in part, of the Leased Premises for a period of two (2) months or more, in the absence of: (a) an event of Force Majeure; or (b) a satisfactory explanation which is accepted, in good faith and in writing, by the PRPA, including, but not limited to, the repair, refurbishing or improvement of all or any portion of the Leased Premises;

2. liquidation of all of the assets of the Lessee;
3. occupation or embargo by a third party under court order, or seizure of all of the assets of the Lessee located on the Property subject to this Agreement, if such occupation, embargo or seizure is not terminated within fifteen (15) days subsequent to the date on which it began;
4. breach by the Lessee of any of its material obligations, covenants or agreements under this Agreement, if such breach is not corrected within fifteen (15) days subsequent to the date on which the Authority so required it in writing;
5. non-compliance by the Lessee with any material environmental laws and regulations applicable to the Commercial Operations conducted in the Leased Premises, including, but not limited to, those enforceable by the EPA, Coast Guard, Federal Maritime Commission, the Puerto Rico Environmental Quality Board, the Puerto Rico Department of Natural and Environmental Resources, the Puerto Rico Department of Transportation and Public Works and its federal counterpart, among others;
6. submittal by the Lessee of certifications under this Agreement that include materially false or fraudulent statements; or
7. a voluntary or involuntary proceeding shall be commenced, or a voluntary or involuntary petition shall be filed, in a court of competent jurisdiction seeking: (a) relief in respect of the Lessee, or of a substantial part of the Lessee's property, under any federal, Puerto Rico or foreign bankruptcy, insolvency, receivership or similar law; (b) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Lessee or for a substantial part of the Lessee's property; or (c) the winding-up or liquidation of the Lessee; and such proceeding or petition shall continue undismissed for sixty (60) days, or an order or decree approving or ordering any of the foregoing shall be entered.

Upon the occurrence of a Lessee Event of Default, the Authority will notify the Lessee in writing of the breach and its intention to resolve the Agreement for cause (the "Lessee Notice of Default"). The Lessee Notice of Default will give the Lessee the opportunity to cure the breach within a period of thirty (30) days from the receipt of the Lessee Notice of Default (the "Lessee Cure Period"). If the Lessee Event of Default is not substantially cured within the Lessee Cure Period, then, the PRPA may terminate this Agreement by giving written notice to the Lessee at any time before the breach is substantially cured; it being understood by the PRPA that, in the event of

termination, the Lessee will be reimbursed for its investment in the Leased Premises and/or the Common Areas until then not offset or recovered, as per the terms of Article 16 of this Agreement.

C. Upon termination of this Agreement as herein provided, the Lessee shall have one hundred fifty (150) days to vacate and deliver the Leased Premises to the PRPA in compliance with the provisions of subparagraphs C and D of Article 16 of this Agreement. If the Lessee fails to vacate and deliver the Leased Premises as herein provided, the Lessee will pay to the Authority a penalty for occupation of ten percent (10.00%) of the Rent for each day subsequent to the one hundred fifty (150) day period indicated above in which the Lessee remains in possession of the Leased Premises. Payment by the Lessee of the foregoing penalty does not prevent the Authority from taking the corresponding legal actions to force the Lessee to vacate the Leased Premises. Furthermore, the acceptance by the Authority of the amounts described in this subparagraph shall not be construed to mean that this Agreement has been amended, extended or renewed, nor that a tacit renewal thereof has occurred.

D. In the event that the Lessee does not vacate or deliver the Leased Premises to the Authority as herein provided upon the termination of this Agreement, the Lessee accepts to be submitted to the summary eviction procedure under the jurisdiction of the Puerto Rico Court of First Instance in San Juan.

E. The Lessee agrees to pay any reasonable costs and attorneys' fees actually incurred and evidenced by the PRPA in the event the Authority files, and ultimately prevails, in an action for eviction, collection of money, damages, or any other legal action based on the occurrence of a Lessee Event of Default.

ARTICLE 21. ASSIGNMENTS AND SUBLEASES

A. Except as set forth herein, any assignment of this Agreement by the Lessee shall require the PRPA's prior written consent or approval, which consent or approval shall not be unreasonably withheld, denied, conditioned or delayed. Neither a change in control in the Lessee nor any Commercial Operations shall be considered a transfer, assignment and/or a sublease for purposes of this Article, nor shall such change in control or Commercial Operations require the consent of the PRPA.

B. Except for the conduct of the Commercial Operations, the Lessee shall not be permitted to sublease the Leased Premises without the prior written consent of the PRPA; provided, however, that, notwithstanding the foregoing, the PRPA shall not unreasonably withhold, deny, condition or delay the approval of the sublease of any portion, or all, of the Leased Premises by the

Lessee. In all events, upon execution of a sublease, the Lessee shall remain liable to comply with its obligations under the Lease.

C. Prior to any transfer or assignment of the Leased Premises or any rights of the Lessee under this Agreement (other than in the context of Commercial Operations or a sale of all or substantially all of the Lessee's assets), the Lessee or the permitted assignee that shall assume this Agreement must, in accordance with the agreement reached by such parties and unless a waiver to such effect from the PRPA's Board of Directors has been obtained, which waiver shall not be unreasonably withheld, conditioned, delayed or denied, settle any amounts due and owing to the PRPA under this Agreement as of the date of the transfer or assignment.

D. The transferee or assignee, prior to any transfer or assignment, in whole or in part of the Leased Premises or rights under this Agreement, shall request and obtain credit with the Authority as an indispensable prerequisite for the approval of the transfer or assignment.

E. Other than in the context of Commercial Operations, the Lessee shall not allow, nor authorize, the occupation by any other person or entity of any portion of the Leased Premises, or the offering of goods or services therein by such other person or entity, without first having formalized the assignment or sublease in writing and in compliance with all the above-mentioned requirements. If the Authority has to seek any legal action for the eviction, collection of money, damages or any other action related to such assignment or sublease, and it ultimately prevails in such action, the Lessee shall pay the reasonable costs, expenses and attorneys' fees actually incurred and evidenced by the PRPA in connection therewith.

F. The Lessee warrants that, unless it has obtained a waiver to such effect from the PRPA's Board of Directors, which waiver shall not be unreasonably withheld, conditioned, delayed or denied, it will not request, nor receive, money, payment or any economic benefit in connection with the sublease of one hundred percent (100.00%) of the Leased Premises. Failure to comply with this condition will be sufficient cause to cancel the sublease and terminate any agreement that, by reason of such sublease, the PRPA has granted the sublessee. In such case, the PRPA reserves the right to reject the request of the sublessee of license of the PRPA.

G. If the PRPA desires to enter into a public private partnership, administrative concession or other similar formal procurement process pursuant to the provisions of the applicable laws and regulations of the Government of Puerto Rico in connection with the Main Parcel (the "Procurement Process"), and such Procurement Process includes all or any portion of the Leased Premises, or if, in connection with the restructuring of the PRPA's debts (the "Debt Restructuring"), the PRPA organizes a wholly-owned subsidiary (a "PRPA Subsidiary"), the PRPA

shall be entitled to assign its rights and obligations under this Agreement to the grantee under the Procurement Process or to a PRPA Subsidiary organized in connection with the Debt Restructuring, to the extent that such grantee or PRPA Subsidiary, as applicable, agrees to assume all of the rights and obligations of the PRPA under this Agreement and confirms that, after such assignment and assumption, this Agreement shall continue to be in full force and effect, without any modification or amendment of the terms hereof, except as otherwise agreed between the grantee or the PRPA Subsidiary, as applicable, and the Lessee.

ARTICLE 22. SECURITY CLAUSE

A. The Lessee shall not allow unauthorized personnel to enter into any area within the Leased Premises that is designated as restricted on state or federal regulations. In case that the Authority is penalized or fined by any local or federal agency, or by a court of justice, for the violation of any law or regulation related to the access to restricted areas and that such violation is the result of the failure of the Lessee to comply with this Article, the Lessee shall reimburse such penalty or fine to the PRPA within five (5) days of being notified in writing with respect thereto.

B. The Lessee expressly agrees to prevent any use of the Leased Premises which would materially interfere with or adversely affect the operation or maintenance of the port forming part of the Main Parcel or otherwise constitute a port hazard.

ARTICLE 23. ENVIRONMENTAL CLAUSE

A. The Lessee shall comply in all material respects with all laws and regulations of the state and federal agencies relating to the protection of the environment and the workplace and/or that regulate the handling, use, generation, treatment, storage, transport or disposal of hazardous and toxic substances, including fuel, solid waste and other regulated substances (collectively, "Environmental Laws"), within the Leased Premises, in order to have, during the Term, the authorizations, endorsements and permits that are issued by those agencies and applicable to the conduct of the Commercial Operations (collectively, "Environmental Permits").

B. During the Term and upon the giving of at least a five (5) days prior written notice, the Authority, its employees or agents, shall have the right to, during normal business hours and without disrupting the Commercial Operations of the Lessee, enter the Property and verify the compliance of the Lessee with all Environmental Laws and Environmental Permits. These confirmation activities shall be performed at no cost to the Lessee and shall include, among other things: conduct physical inspections, testing and sampling; installation, service and inspection of devices or environmental compliance plans; inspect and copy records and documents dealing with the compliance of the Lessee with Environmental Laws and Environmental Permits; and interviews

with the staff of Lessee and contractors with respect to the performance and environmental compliance of the Lessee. The Authority reserves the right to require and receive notices and reports concerning the performance and environmental compliance of the Lessee.

C. The Lessee shall notify and inform to the Authority any breach of the applicable Environmental Laws and/or Environmental Permits, or any other matter, that may bring about an environmental liability of the Authority with regards to the Leased Premises. This notification shall be made in writing within five (5) days from the date on which the violation or non-compliance occurs; provided, however, that, in case of an emergency situation, the Lessee shall notify such event on the same day to the operations personnel and/or rescue of the Authority and, subsequently, shall notify in writing within the next five (5) days.

D. If during the Term the Lessee violates any applicable Environmental Laws and/or Environmental Permits, or acts in any way which could reasonably bring about environmental liability for the Authority, the Authority reserves the right, at the expense of the Lessee, to:

- i. execute corrective actions, as defined in Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and the Resource Conservation and Recovery Act ("RCRA"), to immediately remedy the environmental damage caused; or
- ii. compel the Lessee to take any remedial action necessary to repair the environmental damage caused, either through the implementation of the measures contained in the provisions of the laws referred to in paragraph (i) above or under any another regulation on the subject.

Such actions shall not constitute under any circumstance a right to receive a reduction of the Rent while any investigative or remedial action is being conducted.

E. The Lessee shall not cause or allow the use, storage, generation or disposal of any Hazardous Substance (as defined below) on or within the Leased Premises by its agents, employees, contractors or invitees, other than in compliance with applicable Environmental Laws. In the event that Hazardous Substances (as defined below) are used, stored, generated or disposed of on or within the Leased Premises, or that the Property becomes contaminated in any way, as a result of actions or omissions solely attributable to the Lessee, the Lessee will be legally responsible to the Authority and any other person that is affected by such action, and the Lessee shall indemnify and keep the Authority free of responsibilities and of any and all claims, damages, fines, judgments, penalties, expenses, responsibilities, or losses (including, without limitation, a decrease in value of the Property, damages caused by the loss or restriction of usable or profitable space, or any damage caused by the adverse impact in the market space, and any and all sums paid for the settlement of claims, reasonable attorneys' fees and reasonable fees of experts and consultants) arising during or after the Term and that are the direct result of said contamination. This indemnification includes,

without limitation, the reasonable expenses incurred by the PRPA in connection with any investigation, cleaning, removal or restoration ordered by a federal, state or local agency or political subdivision with regards to the Leased Premises as a direct result of said contamination.

F. For purposes of this Agreement, the term "Hazardous Substance" shall mean any substance that is toxic, inflammable, reactive or corrosive and that is regulated by any competent authority of the Government of Puerto Rico or the Government of the United States, including any and all material or substance defined as "hazardous waste", "extremely hazardous waste" or a "hazardous substance" in accordance with state or federal law, RCRA or regulations promulgated thereunder; and any "dangerous substance" as defined by CERCLA and the regulations promulgated thereunder.

G. All Hazardous Substances that are allowed on the Leased Premises will be in safe containers properly designed and labeled for such purposes, and they will be used, maintained, stored and disposed of in compliance with all applicable Environmental Laws and Environmental Permits.

H. The Lessee will provide the Authority a copy of any lawsuit, notice of regulatory violation, order to show cause, or any other regulatory or legal action, whether state or federal, against the Lessee in any case or matter relating to compliance with Environmental Laws or Environmental Permits in connection with the Leased Premises.

I. The Lessee shall not be responsible for latent or patent environmental conditions, including any Hazardous Substances on or in the Leased Premises, known or unknown, or for any remediation of such latent or patent environmental conditions of the Leased Premises, existing or resulting from acts or omissions that occurred prior to the date when the Lessee took possession of the Leased Premises, and the PRPA shall defend, indemnify and hold harmless the Lessee from any and all claims, liabilities, costs, damages, expenses, penalties, orders, directives and demands, including attorneys' fees, arising out of, or related to, such environmental conditions. The Lessee shall be responsible for any environmental condition resulting from its use of the Leased Premises from the date that the Lessee took possession thereof and during the Term.

ARTICLE 24. AIR AND WATER POLLUTION CONTROL

The Lessee agrees to comply in all material respects with all applicable standards, orders, and regulations issued in connection with the conduct of the Commercial Operations within the Leased Premises pursuant to the Clean Air Act (42 U.S.C. §§ 740-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251-1387). The Lessee agrees to report any violation to the Authority immediately upon discovery. The Authority assumes responsibility for notifying the EPA

and the United States Coast Guard. The Lessee must include this requirement in all subcontracts that exceed **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00)**.

ARTICLE 25. DISCRIMINATORY PRACTICES

A. The Lessee, in relation to its Commercial Operations at the Leased Premises, shall not discriminate against any person, employee, or applicant for employment because of race, gender, sexual orientation, religion, color or nationality. This provision shall include, but is not be limited to: employment, promotion, demotion, transfer, recruitment or commercial advertisement, suspensions, dismissals or layoffs, salaries, wages or any other form of compensation or selection for training, including apprenticeship. The Lessee agrees to post notices in places accessible to its employees and employment applicants containing the provisions of this non-discrimination clause.

B. The Lessee ensures that it will carry out an affirmative action program as required by 14 CFR, part 152, sub-part E, to guarantee that no person may be excluded on the basis of race, religion, color, national origin or sex, from participating in any employment activity covered by 14 CFR part 152, sub-part E. The Lessee ensures that no person shall be excluded on this basis from participating or receiving the services or benefits of any program or activity covered by this sub-part.

C. The Lessee does hereby covenant and agree that the Lessee shall use the Leased Premises in material compliance with all applicable requirements imposed by, or pursuant to, 49 CFR part 21, as may be amended.

D. In the event of breach of any of the above non-discrimination covenants, the Authority shall have the right to terminate this Agreement and re-enter the Property as if it had never been leased hereunder. This provision shall not be effective until the procedures set forth in 49 CFR part 21 are completed, including the exercise or expiration of appeal rights.

ARTICLE 26. CIVIL RIGHTS

The Lessee agrees to comply in all material respects with applicable statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with, or benefiting from, Federal assistance, including, but not limited to, the Title VI List of Pertinent Nondiscrimination Acts and Authorities set forth in Article 27 of this Agreement, as it may be amended from time to time. If the Lessee transfers its obligations hereunder to another person or entity, the transferee shall be obligated in the same manner as the Lessee. This provision obligates the Lessee for the period during which the Property is used or leased by the Lessee. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

**ARTICLE 27. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS
AND AUTHORITIES**

During the Term, the Lessee agrees to comply in all material respects with the following nondiscrimination statutes and authorities, as the same may be applicable to the conduct of the Commercial Operations in the Leased Premises:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Nondiscrimination in Federally-assisted programs of the Department of Transportation; Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of displaced persons or whose properties have been acquired through federal aid programs);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §§ 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) (prohibits discrimination on the basis of age);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadens the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the federal-aid recipients, sub- recipients and contractors, whether such programs or activities are federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12131–12189) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities), as implemented by the United States Department of Transportation regulations at 49 CFR parts 37 and 38;
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high

and adverse human health or environmental effects on minority and low-income populations); and

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance national origin discrimination includes discrimination because of limited English proficiency (“LEP”) (70 Fed. Reg. at 74087 to 74100) (to ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs).

ARTICLE 28. GOVERNMENT ETHICS, CRIMES AGAINST PUBLIC TREASURY AND OTHERS

A. The Parties declare that no official or employee of the Authority, or any member of its respective household, has pecuniary interest, direct or indirect, in the profits or benefits that result from this Agreement.

B. The Authority certifies that none of its officials or employees with the power to approve or authorize this Agreement, or any member of their household, has or has had over the last four (4) years prior to his or her position, directly or indirectly, pecuniary interest with the Lessee.

C. The Lessee certifies that neither it nor any of its members, managers, officers, key employees, subsidiaries or parent companies:

- has been convicted, nor probable cause has been found for his/her arrest, for any offence against the public treasury, faith and service; against the Government function; or that involves public funds or public property, at the federal or state level;
- has been convicted of offences against the public integrity, as defined in the Puerto Rico Criminal Code, or misappropriation of public funds; and that it has not plead guilty of a crime in Courts of the Government of Puerto Rico, in the Federal Courts or the Courts of any other jurisdiction of the United States of America, or any other country;
- has a family member that, being a public servant, is involved or has access to the decision making process to determine the need for the services covered by this Agreement, or in the process of negotiating and granting this Agreement, or has particular interest in any case or matter of any kind that might create a conflict of interest or of public policy during the performance of the services agreed to in this Agreement and shall not accept any agreement that may cause a conflict of interest or of public policy with the Authority; or

- has served as civil servant or public employee related to the specific services to be performed by virtue of this Agreement, within two (2) years preceding the signing of the same.

D. The Lessee certifies that in the act of signing this Agreement it received a copy and agrees to be bound by the provisions of Act No. 2 of January 4, 2018, which establishes the Anti-Corruption Code for the New Puerto Rico, Title III of the Ethics Code for Contractors, Suppliers of Economic Incentives of the Government of Puerto Rico.

E. The Lessee certifies that it does not receive compensation as a regular employee of any agency, public corporation, municipality or government dependency, and that the Lessee has not signed any agreement with another agency, public corporation, municipality or government dependency of the Government of Puerto Rico, except as permitted by law. The Lessee also certifies that it is not an *ad honorem* official of any agency, public corporation, or government dependency of the Government of Puerto Rico.

F. The Lessee acknowledges its duty to inform the Authority on an ongoing basis during the Term of any fact that relates with this Article. This obligation is of a continuous nature during all stages of the negotiation and performance of this Agreement.

G. The Lessee certifies and guarantees, for itself and on behalf of its members and officers, that the Lessee is not the subject of an investigation, or civil or criminal proceedings, for events related to crimes against the public treasury, faith and public service. The Lessee acknowledges that it has the obligation to inform the Authority in this respect, both during the negotiating stage of this Agreement, and during the Term, and of any investigation or civil or criminal procedure that is related to public funds, testimony, public functions and public property at the federal or state level.

H. If the Lessee or any of its members or officers are found guilty of crimes as defined by Act No. 2 of January 4, 2018, as amended, this Agreement shall be terminated immediately and the Authority shall be entitled to demand the return of the considerations that had been made in relation to this Agreement directly affected by the commission of the crime.

I. The Lessee and its authorized representatives shall treat the officials or public employees of the Authority in a professional and respectful manner at all times.

ARTICLE 29. CERTIFICATIONS AND REQUIRED DOCUMENTS

A. The Lessee certifies that, as of the Effective Date, it has no lawsuit with any government agency nor relationship of any kind that might create a conflict of interest during the Term.

B. This Agreement does not constitute an agency agreement, partnership nor employment between the Parties, and will not have the effect of granting the status of Authority employee to officers, employees or any other person employed by the Lessee.

C. The Lessee acknowledges that the payment of wages or salaries to the personnel engaged by the Lessee in connection with this Agreement is its exclusive responsibility. It will also be its exclusive responsibility the payment of insurance premiums of the Puerto Rico State Insurance Fund Corporation, unemployment insurance and any other insurance required by law in connection with any persons employed by the Lessee. The Lessee will perform the corresponding deductions required for the Social Security and those related to income taxes for wages or salaries of its personnel.

D. The Lessee certifies that it is duly organized and validly registered as a limited liability company under the laws of the Government of Puerto Rico, with complete power and authority to perform all activities that it performs (or contemplated to be performed) hereunder. The Lessee owns, possesses or has obtained all material licenses, permits, orders or other governmental authorizations necessary to conduct its business in Puerto Rico. The Lessee certifies that the transactions contemplated in this Agreement are within its powers and have been duly authorized by company resolution to that effect.

E. The Lessee certifies and guarantees that, as of the Effective Date, it has met its tax responsibilities during the last five (5) years prior to this Agreement, including filing a return for its income taxes and filing of sales and use tax return for the prior sixty (60) contributory periods (months), as applicable, and that it has no current debt of any kind with the Government of Puerto Rico, such as income taxes, sales and use taxes, personal or real property taxes or excise taxes, or that it is subject to a payment plan in connection therewith and is in compliance with the terms of such plan, and that it has no debts in connection with applicable unemployment contributions, temporary disability and social security for drivers required by the Department of Labor and Human Resources of Puerto Rico, nor alimony or pension debt with ASUME, as applicable, as this concept is defined in the administrative Bulletin No. OE-1991-24 issued on June 18, 1991, as amended, and the Circular Letter 1300-25-14 of the Department of the Treasury.

F. The Lessee certifies that, in case of having an obligation to satisfy a food pension for elderly people, said obligation is current or complying with a payment plan to that effect, and that it has not failed to comply with orders, citations, requirements, resolutions or judgments of a court or from the administrator of the Administration for the Child Support, as required by Act No. 168 of August 12, 2000.

G. The following documents are made part of this Agreement:

- Certification of Absence of Debt issued by the Department of the Treasury (Model SC 6096);
- Tax Return Filing Certification for the last five (5) years issued by the Department of the Treasury (Model SC 6088);
- Sales and Use Tax-IVU Return Filing Certification for the past sixty (60) months (Model SC 2942);
- Sales and Use Tax-IVU Debt Certification (Model SC 2927);
- Copy of the Merchants' Registration Certificate (Model SC 2918)
- Personal Property Tax Return Filing Certification issued by the Municipal Revenues Collection Center ("CRIM");
- Absence of Debt for all Concepts issued by CRIM;
- Certification of Registration as an Employer and Debt for Concept of Unemployment Insurance and Disability Insurance of the Department of Labor and Human Resources;
- Certification of Registration as an Employer and Debt by Concept of Driver's Social Security;
- Certificate of Good Standing issued by the Puerto Rico Department of State;
- Certification of Existence issued by the Puerto Rico Department of State;
- Certificate of Formation;
- Company resolution that authorizes the person signing this Agreement on behalf of the Lessee; and
- Negative Certification for Child Support Cases issued by the Child Support Administration/Certification of Account Status (ASUME).

ARTICLE 30. OTHER PROVISIONS

A. Neither Party will be relieved of the past, present or future fulfillment of obligations hereunder by the fact that the other Party in one or more circumstances does not require or insist on compliance with the same, nor will it be understood therefor that any Party has waived to demand, at any time, the performance or implementation of the terms, covenants or conditions of this Agreement; it being understood that the contractual obligations of the Parties will continue in full force and effect; provided, however, that the receipt and acceptance of the Rent shall not be a relief for any breach or violation by the Lessee under this Agreement nor will invalidate or prejudice the effectiveness of any cancellation or notification given hereunder, unless it is expressly agreed in

writing by the PRPA. The successors, trustees, administrators and assignees of the Lessee will be bound by the covenants and conditions herein contained.

B. This Agreement shall not come into effect until: (i) the Lessee meets the requirements set forth herein, (ii) this Agreement is signed by the Executive Director of the PRPA, and (iii) this Agreement is registered with the Office of the Comptroller of Puerto Rico. The Parties acknowledge and agree that the PRPA shall remit a copy of this Agreement to the Office of the Comptroller of Puerto Rico within fifteen (15) days following the Effective Date and shall provide evidence of such remittance to the Lessee within five (5) days thereof, and that no provision or consideration of services object of this Agreement may be demanded until the same has been filed for registration with the Office of the Comptroller of Puerto Rico pursuant to the provisions of Act No. 18 of October 30, 1975, as amended.

C. This Agreement constitutes the only agreement between the Parties on the subject of this Agreement and it shall not be changed, modified or extended, except by a supplemental agreement duly granted in writing by both Parties.

D. The Lessee certifies that, as of the Effective Date, it has no pending litigation against the Authority, the Government of Puerto Rico, or any of its dependencies.

ARTICLE 31. STATUTORY AUTHORITY OF THE PRPA AND OTHER REPRESENTATIONS, COVENANTS AND WARRANTIES

The PRPA represents, covenants and warrants to the Lessee that:

- A. it has statutory authority to enter into and perform the terms of this Agreement;
- B. when executed in compliance with the provisions hereof, this Agreement shall be binding and enforceable upon the PRPA in accordance with its terms;
- C. this Agreement does not violate or conflict with any law, rule, regulation, statement of public policy, development plan or requirement applicable to the PRPA or with any agreement to which the PRPA is a party;
- D. the PRPA has fully observed, and complied with, all applicable statutes, by-laws and regulations in connection with the execution of this Agreement;
- E. all notices and approvals required for the PRPA to enter into and perform this Agreement have been made and obtained, as applicable, and are in full force and effect;
- F. the Leased Premises have and will have during the Term unrestricted access to and from the public road;
- G. any changes and/or amendments after the Effective Date to any of the PRPA Regulations applicable to the Lessee and/or the Leased Premises shall be notified to the Lessee at

least thirty (30) days prior to their effective date and shall not have a material adverse effect on the Commercial Operations; and

H. as of the Effective Date, the Leased Premises are free of all possessors, tenancies, leases, licenses, rights of access and any other occupancy or use agreements, and the Lessee shall have exclusive possession of the Leased Premises.

ARTICLE 32. NOTICES

A. Notifications to the Authority hereunder shall be made in writing and delivered by courier or sent by mail, addressed to the Executive Director, Puerto Rico Ports Authority, P.O. Box 362829, San Juan, Puerto Rico, 00936-2829. Notifications to the Lessee hereunder shall be made in the same manner addressed to: Prime Alliance Company, LLC, garden Hills Plaza, PMB 342 #1353, Ave. Luis Vigoreaux, Guaynabo, Puerto Rico 00966, Attention: Leyda Fresse, with a copy to: O'Neill & Borges LLC, 250 Muñoz Rivera Avenue, Suite 800, San Juan, Puerto Rico 00918-1813, Attention: Alfredo Álvarez Ibáñez. Those notifications shall be deemed to have been duly given when delivered at hand or deposited in the mail, by registered or certified mail, return receipt requested, to the addresses set forth above.

B. In the event that the Lessee may have a complaint or claim in relation to this Agreement, or of any other nature, it will do so in writing, addressed to the Executive Director of the Authority as set forth above.

ARTICLE 33. COMPLIANCE WITH LAWS AND REGULATIONS

A. The Lessee shall obey and comply in all material respects with the applicable laws and regulations of the Government of Puerto Rico, federal laws and regulations, as well as the municipal ordinances, regulations and resolutions of the Authority, including those regulations or resolutions that the Authority may approve or modify from time to time which are generally applicable to, and enforced against, all of its tenants, and any judicial or administrative mandate related to the occupation and operation of the Leased Premises.

B. The Lessee shall be obligated to pay or reimburse to the Authority any fine or penalty imposed on the Authority as a result of a breach by the Lessee of the provisions of this Article.

ARTICLE 34. JURISDICTION AND APPLICABLE LAW

A. The Parties irrevocably submit to the jurisdiction of the Court of First Instance of San Juan for any dispute related to this Agreement.

B. This Agreement shall be governed and must be interpreted in accordance with the laws of the Government of Puerto Rico. The laws and regulations of this jurisdiction are incorporated by reference in this Agreement to the extent that those laws, rules and regulations are

required and/or applicable, and shall prevail over any provision in conflict with this Agreement. If required by any law or regulation, the Parties may amend this Agreement for the sole purpose of complying with the provisions of the law or regulation. Furthermore, the Authority may require amendments to this Agreement to render it in conformity to the requirements of courts and/or federal or state agencies with jurisdiction over the Authority, if such agencies so require it.

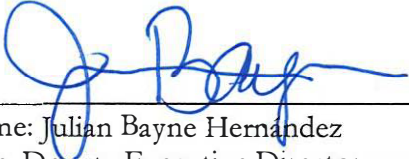
ARTICLE 35. SEPARABILITY CLAUSE

If any provision or condition of this Agreement is determined by court or administratively to be null and illegal by reason of any regulation, law or public policy, all other provisions and conditions of this Agreement shall continue to have validity and be in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered on the date first stated above.

PUERTO RICO PORTS AUTHORITY

PRIME ALLIANCE COMPANY, LLC

By: 
Name: Julian Bayne Hernandez
Title: Deputy Executive Director

By: 
Name: Carlos Alejandro Trápaga Fonalledas
Title: Authorized Representative

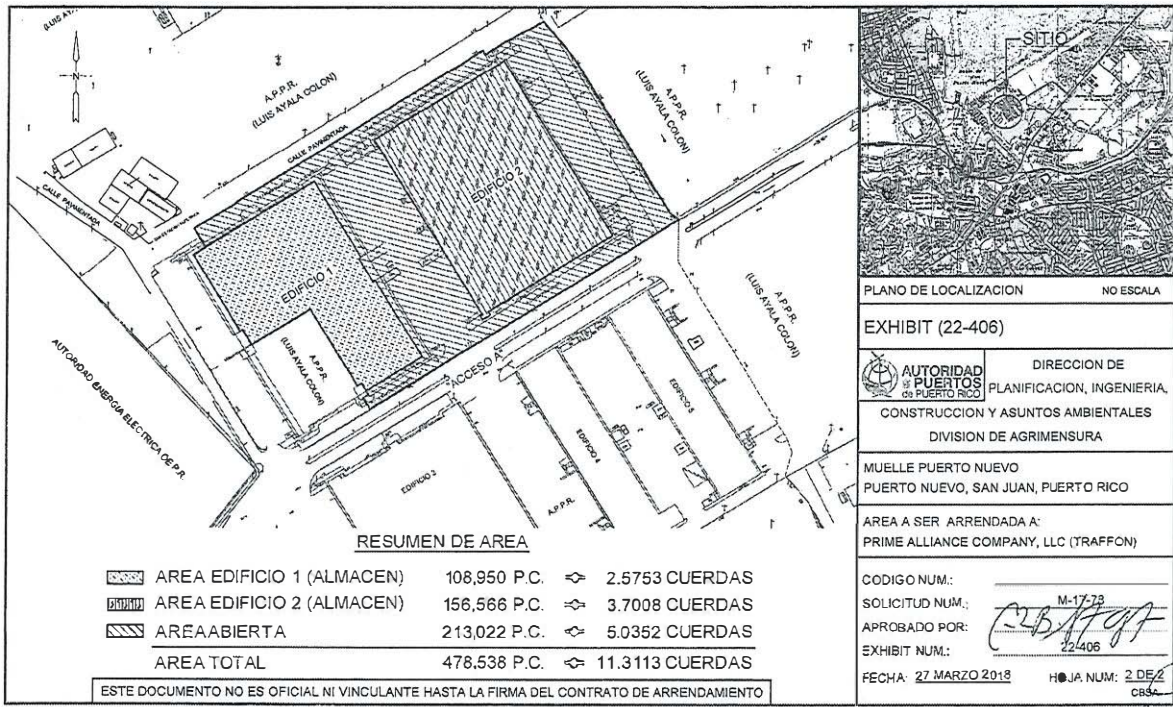
SCHEDULE I

MAIN PARCEL DESCRIPTION

Parcel of land within the Puerto Nuevo Port that is owned by the PRPA and is located to the south of Piers C and D, and the portion of land adjacent thereto, and to the east of a parcel of land wherein the Puerto Rico Electric Power Authority operates an electric power central. The Leased Premises and other adjacent buildings shown in the attached **Schedule II** are located within the Main Parcel.



**SCHEDULE II
PROPERTY/LEASED PREMISES DESCRIPTION**



[Handwritten signatures in blue ink]

SCHEDULE III

RENT

DESCRIPTION OF AREAS	SUPERFICIAL AREA	UNIT	RATE	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT 5 YEARS	ANNUAL RENT 10 YEARS	ANNUAL RENT 15 YEARS
ÁREA ABIERTA 4.7315 cdas.	213,022.00	S/F	\$0.65	\$11,538.69	\$138,464.30	\$692,321.50	\$1,384,643.00	\$2,076,964.50
ÁREA EDIFICIO 1 ALMACÉN	108,950.00	S/F	\$2.50	\$22,697.92	\$272,375.00	\$1,361,875.00	\$2,723,750.00	\$4,085,625.00
ÁREA EDIFICIO 2 ALMACÉN	156,566.00	S/F	\$2.50	\$32,617.92	\$391,415.04	\$1,957,075.20	\$3,914,150.40	\$5,871,225.60
TOTAL	478,538.00			\$66,854.53	\$802,254.34	\$4,011,271.70	\$8,022,543.40	\$12,033,815.10