

SUB-LEASE AGREEMENT

**GOVERNMENT OF THE VIRGIN ISLANDS
DEPARTMENT OF PROPERTY AND PROCUREMENT**

And

VIGL OPERATIONS, LLC

PREMISES : Doctor Randall Nicholas "Doc" James Racetrack, St. Croix, Virgin Islands
Located at Section 5 of Henry Rohlsen Airfield, Estate Manning, St. Croix

SUB-LEASE AGREEMENT

THIS SUB-LEASE AGREEMENT ("Agreement") entered in this 27th day of October, 2016 by and between the GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS, acting through the Commissioner of Property and Procurement on behalf of the VIRGIN ISLANDS DEPARTMENT OF SPORTS, PARKS AND RECREATION, (hereafter referred to as the "Government" or "Sub-Lessor") and VIGL OPERATIONS, LLC, a Virgin Islands limited liability company (hereafter referred to as the "Sub-Lessee"). Each of Sub-Lessor or Sub-Lessee may be referred to in this Agreement as the "Party" and collectively as the "Parties"

WITNESSETH :

In consideration of the mutual covenants and agreements herein set forth it is hereby agreed:

ARTICLE I

PREMISES AND USE

1.01 **Premises:** The Sub-Lessor hereby Sub-Leases to the Sub-Lessee and the Sub-Lessee hires and takes from the Sub-Lessor upon the terms and conditions and covenants hereinafter set forth, that certain premises known as the Doctor Randall Nicholas "Doc" James Racetrack which occupies that certain real property described as follows:

SECTION NO. 5 HENRY E. ROHLSSEN AIRFIELD (formerly ALEXANDER HAMILTON FIELD) ST. CROIX, VIRGIN ISLANDS, consisting of 65.1470 acres commonly known as "Manning Bay", a together with all roads, structures, other improvements, equipment, furniture, furnishings, and other personal property located thereon (collectively "Sub-Sub-Leased Premises"). The aforesaid property is shown on P.W.D. 978, a copy of which is attached and made a part hereof as Exhibit "A."

1.02 **Use:** The Sub-Leased Premises shall be used for the operation of a horse race track and related activities, and other sports and entertainment events for the general public enjoyment, and for no other purposes.

ARTICLE II

TERM

2.01 **Term:** The term of this Lease shall be for a period of **twenty (20) years**, subject to approval by the Legislature, commencing two (2) business days following the effective date of the Franchise Agreement between the Government and the Sub-Lessee, dated as of October

27, 2016 (the "Franchise Agreement") the terms and conditions of which are incorporated in this Agreement and which instruments are mutually dependent, (the "Commencement Date").

2.02 **Possession:** Possession of the Sub-Leased Premises shall be delivered to Sub-Lessee by Sub-Lessor on the Commencement Date.

2.03 **Holding Over:** If Sub-Lessee remains in possession after expiration of the term hereof, without Sub-Lessor's expressed consent and without any distinct agreement between Sub-Lessor and Sub-Lessee, Sub-Lessee shall become a month to month Sub-Lessee. During the period of any such holding over, all provisions of this Lease shall be and remain in effect except the rent provisions. The rent during this hold over period shall be ten percent (10%) above the rent payable for the last calendar month of the term of this Lease, including renewals or extensions. The inclusion of the preceding sentence in this Sub-Lease shall not be construed as Sub-Lessor's consent for Sub-Lessee to hold over.

2.04 **Approvals:** If any approvals are required to authorize the sub-lease of the Sub-Leased Premises to the Sub-Lessee, Sub-Lessor shall obtain such authorization and approval prior to the Commencement Date.

ARTICLE III

RENT

3.01 **Initial Rent :** The Sub-Lessee shall pay to the Sub-Lessor an annual rent of **\$108,000.00** payable monthly in equal monthly installments of **\$9,000.00 per month** during the term of this Agreement, with annual increases of five percent (5%) after the first year of the term. Payment of annual rent shall be made in equal monthly installments in advance on the first day of each and every month during the term thereof, without any previous demand by Sub-Lessor, provided, however, if possession of the premises is granted to the Sub-Lessee at a date after the first of the month, then in such event the rent for such first month and last month shall be prorated. The rent shall be paid at Sub-Lessor's office at #3274 Estate Richmond, Christiansted, St. Croix, Virgin Islands 00820, or by wire transfer to an account designated by Sub-Lessor, together with any other sum due as additional rent as provided herein.

3.02 **Late Payment Charges :** Sub-Lessee acknowledges that late payment by Sub-Lessee to Government of rent and other charges provided for under this Agreement will cause Government to incur costs not contemplated by this Agreement, the exact amount of such costs including, without limitation, processing and accounting charges. Therefore, if any installment of rent or any other charge due from Sub-Lessee is not received by the Government within five (5) business days of the date due Sub-Lessee shall pay to the Government an additional sum of ten percent (10%) of initial rent as a late charge.

The parties agree that this late charge represents a fair and reasonable estimate of the costs that the Government will incur by reason of the late payment by Sub-Lessee.

Acceptance of any late charge shall not constitute a waiver of Sub-Lessee's default with respect to the overdue amount, nor prevent the Government from exercising any of the other rights and remedies available to the Government.

3.03 **Unpaid Rent, Fees and Charges** : Any installment of rent, additional rent, attorney fees, or other charges or money not received by the 20th day after the day when payment is due shall, bear interest at the rate of ten percent (10%) per year from the date when the same was due according to the term of this Agreement until paid by Sub-Lessee.

ARTICLE IV

IMPROVEMENTS

4.01 **Improvements**: As a part of the consideration of this agreement, the Sub-Lessee shall provide at its own cost and expense the improvements set forth in Article 8 of the Franchise Agreement (the "Improvements") at an estimated cost of FOURTEEN MILLION DOLLARS AND NO CENTS (\$14,000,000.00) which is subject to the prior written consent obtained in each and every case from the Commissioner of Property and Procurement; in addition to whatever other licenses or permits are deemed necessary.

Sub-Lessee shall maintain the Sub-Leased Premises, including all Improvements, in good repair and tenantable condition and make all repairs to all exterior structural repairs, or repairs to heating, plumbing, equipment and electrical facilities. Sub-Lessee agrees to keep the Sub-Leased Premises and appurtenances as repaired, in a clean, sightly and maintained condition, and to return said premises to Sub-Lessor upon the expiration or other termination of this Agreement, in as good condition as it was since the last improvements and repairs were made, less reasonable wear and tear from intervening use.

4.02 **Title to Improvements** : Except as set forth in the Franchise Agreement, at the conclusion of this Agreement or if renewed, any renewal, title to any structure or improvement by Sub-Lessee incorporated into the Sub-Leased Premises shall vest in the Sub-Lessor. Furniture or other items of personalty, if nor removed from the Sub-Leased Premises prior to termination shall become the property of the Sub-Lessor.

4.03 **Location and Improvements** : The above mentioned Improvements are located on the parcels of land described in Section 1.01 above.

4.04 **Repairs and Maintenance by Sub-Lessee** : Sub-Lessee shall at its own cost and expense make all repairs, structural or otherwise, to the interior and exterior of said Premises. Sub-Lessee shall improve, maintain and repair the Sub-Leased Premised in accordance with, and pursuant to this Agreement and the Franchise Agreement. The provisions of this section shall not apply in the case of damage or destruction by fire or other insured casualty or by eminent

domain, in which event the obligations of the Sub-Lessor and Sub-Lessee shall be controlled as hereinafter provided.

4.05 **Failure of Sub-Lessee to Repair** : In the event the Sub-Lessee, after it shall have been given a twenty-day notice, (except in a case of emergency in which event reasonable notice under the circumstances shall be sufficient), refuses and neglects to make any repair for which it is responsible pursuant to the Franchise Agreement, or if repair is necessitated by reason of the Sub-Lessee's negligent acts or omissions, then the Sub-Lessor may make such repairs. Sub-Lessor shall not be responsible for any loss, inconvenience or damage resulting to Sub-Lessee because of Sub-Lessor's repair. The cost of such repairs by Sub-Lessor, together with interest at the rate of ten percent (10%) per year shall be paid by the Sub-Lessee as additional rent.

Provided, however, if such repairs cannot be reasonably made by Sub-Lessee within such twenty day period, then Sub-Lessor shall not make such repairs as long as Sub-Lessee has commenced making the repairs and thereafter is diligently performing such repairs.

4.06 **Excavation and Sorting** : If any excavation shall be made or contemplated to be made for building or other purposes upon property or streets adjacent to or nearby the Sub-Leased Premises, Sub-Lessee either:

- a. shall afford to the person or persons causing or authorized to cause such excavation the right to enter upon the Sub-Leased Premises for the purpose of doing such work as such person or persons shall consider to be necessary to preserve any of the walls or structures of the improvements on the demised premises from injury or damage and support the same by proper foundation, or
- b. shall, at the expense of the person or persons causing or authorized to causing or authorized to cause such excavation, do or cause to be done all such work as may be necessary to preserve any of the walls or structures of the improvements on the Sub-Leased Premises from injury or damages and to support the same by proper foundations.

Sub-Lessee shall not by reason of any such excavation or work, have any claim against Sub-Lessor for damages or indemnity or for suspension, diminution, abatement or reduction of rent under this Agreement.

4.07 **Casualty**. If the Sub-Leased Premises are totally destroyed by fire, windstorm, lightning, earthquake, or other casualty (collectively "casualty") during the Term of this Agreement, then Sub-Lessee shall have the right to elect to: (i) repair the damaged property to at least as good a condition as the property existed prior to the casualty using insurance proceeds as may be received and any additional funds as may be required to make such repairs; (ii) not repair the damaged property and to pay any insurance proceeds received for such damaged to the Sub-

Lessor; or (iii) terminate this Agreement. If the Sub-Lease is terminated, then the Rent and all other amounts due hereunder shall be prorated as of the date of the damage or the date Sub-Lessee is last able to occupy the Sub-Leased Premises, whichever occurs later. If Sub-Lessee elects to repair or restore the damaged Sub-Leased Premises or if the Sub-Lessee elects not to make such repairs and pays the insurance proceeds to Sub-Lessor, then the provisions of this Agreement shall remain in full force and effect, except that the rent shall be proportionately reduced from the date of the damage and while such repairs are being made to the Sub-Leased Premises. The proportionate reduction shall be based upon the extent to which the damage and the making of such repairs to the Sub-Leased Premises shall reasonably interfere with Sub-Lessee's ability to occupy that portion of the Sub-Leased Premises.

ARTICLE V

MECHANIC'S LIEN

5.01 **Mechanic's Lien:** Nothing contained in this Agreement shall be deemed, construed or interpreted to imply any consent or agreement on the part of Sub-Lessor to subject Sub-Lessor's interest or estate to any liability under any mechanic's lien. Should any notice of intention to file a lien under Title 28, Chapter 12 of the Virgin Islands Code or any mechanic's or other lien be filed against the property of the Sub-Lessor, for any work, labor, services or materials performed at or furnished to the property for or on behalf of the Sub-Lessee or anyone holding any part of the property through or under Sub-Lessee, Sub-Lessee shall cause the same to be cancelled and discharged of record by payment, bond or order of a court of competent jurisdiction within thirty (30) days after notice by Sub-Lessor to Sub-Lessee. If Sub-Lessee fails to discharge said lien then the Sub-Lessee shall forthwith reimburse the Sub-Lessor the total expenses incurred by the Sub-Lessor in discharging the said lien, as additional rent hereunder.

ARTICLE VI

INSURANCE AND INDEMNITY

6.01 **Liability Insurance:** Sub-Lessee shall, during the term hereof, keep in full force and effect a policy of commercial general liability and property damage insurance in which the limits of the commercial general liability policy shall be no less than one million dollars (\$1,000,000.00) property damage per occurrence and two million dollars (\$2,000,000.00) in the annual aggregate, and one million dollars (\$1,000,000.00) for one person and two million dollars (\$2,000,000.00) for any number of persons injured or killed in any one accident. All of said insurance shall be in a form satisfactory to Sub-Lessor and shall provide that it shall not be subject to cancellation, termination, or change, except after thirty (30) days prior written notice to Sub-Lessor. Sub-Lessee shall furnish Sub-Lessor, or Sub-Lessor's designee, with a certificate of insurance evidencing the coverage required hereunder on the day Sub-Lessee commences occupancy or work in or about the Leased Premises.

6.02 **Indemnity**: Sub-Lessee agrees to indemnify and hold Sub-Lessor harmless from and against any and all claims and demands (except such as result from the negligence or willful misconduct of the Sub-Lessor or its agents, contractors, servants or employees or the failure of Sub-Lessor to comply with the terms of this Agreement) for or in connection with, any accident, injury or damage whatsoever caused to any person or property arising, directly or indirectly, out of the business conducted on the property leased herein or occurring in, on or about said property or any adjacent area under the exclusive control of the Sub-Lessee or arising, directly or indirectly, from any act or omission of Sub-Lessee or subtenant or their respective servants, agents, employees, or contractors, and from and against any and all costs, expenses and liabilities incurred in connection with any such claim or proceeding brought thereon. Nothing herein makes the Sub-Lessor liable for such acts or omissions, except as provided by law.

6.03 **Non-Liability**: Sub-Lessor shall not be responsible or liable to Sub-Lessee for any loss or damage that may be occasioned by the acts or omissions of persons occupying any property adjacent to or adjoining the property, or any part thereof, or for any loss or damage resulting to Sub-Lessee or its property from water, gas, steam, fire or the bursting, stoppage, or leaking of pipes, provided such loss or damage is not occasioned by the negligence of Sub-Lessor or its agents, contractors, servants or employees.

6.04 **Fire and Extended Coverage by Sub-Lessee**: Sub-Lessee shall keep all buildings on the Sub-Leased Premises insured against loss or damage by fire with the usual extended coverage endorsements, in amounts not less than eighty percent (80%) of the full insurable value thereof, above foundation walls. A Certificate of Insurance evidencing such coverage and Endorsement naming the Government of the Virgin Islands as an additional insured shall be delivered to the Sub-Lessor within twenty (20) days after Sub-Lessee commences occupancy or work in or about the Leased Premises.

6.05 **Additional Insured**. The Government shall be named as an additional insured on Sub-Lessee's commercial general liability policy and property damage policy for the full insured amount. Sub-Lessee shall submit evidence of the Government being named as an additional insured within twenty (20) days of the commencement of this Sub-Lease.

ARTICLE VII

ENTRY BY SUB-LESSOR

7.01 **Access to Premises**: Sub-Lessor or Sub-Lessor's agents shall have the right to enter upon the Sub-Leased Premises at all reasonable times, with reasonable advance notice, to examine the same and to show them to prospective purchasers, lenders or Sub-Lessees.

ARTICLE VIII

CONDEMNATION

8.01 **Notice of Condemnation:** The Party receiving any notice of the kind specified below which involves the Sub-Leased Premises shall promptly give the other Party the receipt, contents, and date of the notice received, which shall include:

- a. **Notice** of Intent Taking.
- b. Service of any legal process relating to condemnation of the premises for improvements.
- c. Notice in connection with any proceedings or negotiations with respect to such a condemnation.

8.02 **Rights of Sub-Lessor and Sub-Lessee:** Sub-Lessor and Sub-Lessee shall each have the right to represent its respective interest in each proceeding or negotiation with respect to a taking or intended taking and to make full proof of its claims. No agreement, settlement, sale or transfer to or with the condemning authority shall be made without the consent of both parties. Sub-Lessor and Sub-Lessee each agree to execute and deliver to the other any instrument that may be required by the provisions of this Agreement relating to the condemnation.

8.03 **Taking of Leasehold:** Upon a total taking, Sub-Lessee's obligation to pay rent and other charges hereunder shall terminate on the date of taking, or possession given, whichever is earlier, but Sub-Lessee's interest in the Sub-Leasehold shall continue until the taking is completed by deed, contract or final order of condemnation.

8.04 **Total Taking:** Upon a total taking, all sums including damages and interest awarded for the fee, leasehold, or both shall be distributed and disbursed as Sub-Lessor and Sub-Lessee may agree, or in the absence thereof, in accordance with the laws of the Virgin Islands.

8.05 **Partial Taking:** Upon a partial taking, all sums including damages and interest awarded for the fee, Leasehold or both shall be distributed and disbursed to Sub-Lessor and Sub-Lessee as they may agree or, in the absence thereof, in accordance with the laws of the Virgin Islands. Upon partial taking Sub-Lessee shall have the option of terminating this Agreement upon thirty (30) days' notice to Sub-Lessor.

ARTICLE IX

CANCELLATION, TERMINATION AND ASSIGNMENT AND TRANSFERS

9.01 **Cancellation:** This Agreement shall be subject to cancellation by Sub-Lessor in the event Sub-Lessee shall:

- a. Be in arrears in the payment of the whole or any part of the amount agreed upon hereunder for a period of forty-five (45) days after Sub-Lessor has notified Sub-Lessee in writing that payment was not received when due.
- b. File in any court a petition in bankruptcy or insolvency or for the appointment of a receiver or trustee of all or a portion of Sub-Lessee's property.
- c. Make any general assignment for the benefit of creditors.
- d. Abandon the Sub-Leased Premises.
- e. Default in the performance of any of the covenants and conditions required herein (except rental payments) to be kept and performed by Sub-Lessee, and such default continues for a period of forty-five (45) days after receipt of written notice from Sub-Lessor to cure such default, unless during such forty-five (45) day period, Sub-Lessee shall commence and thereafter diligently perform such action as may be reasonably necessary to cure such default. If default by Sub-Lessee in the performance of its obligations hereunder is precipitated, in whole or in part, by activities for which Sub-Lessor is solely responsible, the period herein established to commence a cure for the said default will be extended for a reasonable period to account for the effect of Sub-Lessor's activities.
- f. Be adjudged a bankrupt in involuntary bankruptcy proceedings.
- g. Be made a party to any receivership proceeding which a receiver is appointed for the property or affairs of Sub-Lessee where such receivership is not vacated within sixty (60) days after the appointment of such receiver.

In any of the aforesaid events, Sub-Lessor may take immediate possession of the Sub-Leased Premises and remove Sub-Lessee's effects, to the extent permitted by law, without being deemed guilty of trespassing.

Failure of Sub-Lessor to declare this Agreement terminated upon the default of Sub-Lessee for any of the reasons set out shall not operate to bar or destroy the right of Sub-Lessor to cancel this Agreement by reason of any subsequent violation of the terms of this Agreement.

9.02 **Termination:** This Agreement is coterminous with the Franchise Agreement and shall terminate upon the termination or cancellation of the Franchise Agreement.

9.03 **Repossessing and Reletting:** In the event of default by Sub-Lessee hereunder which shall remain uncured after the required notices have been given pursuant to this Agreement, and for such time as provided herein, Sub-Lessor may at once thereafter, or at any time subsequent during the existence of such breach or default:

- a. Enter into and upon the Sub-Leased Premises or any part thereon and repossess the same, expelling therefrom Sub-Lessee and all personal property of Sub-Lessee (which property may be removed and stored at the cost and for the account of Sub-Lessee), to the extent permitted by law.
- b. **Either** cancel this Agreement by notice or, without canceling this Agreement, relet the Sub-Leased Premises or any part thereof upon such terms and conditions as shall appear advisable to Sub-Lessor. If Sub Lessor shall proceed to relet the Sub-Leased Premises during any month or part thereof, at less than the rent due and owing from Sub-Lessee during such month or part thereof under the terms of this Agreement, Sub-Lessee shall pay such deficiency to Sub-Lessor upon calculation thereof, providing Sub-Lessor has exercised good faith in the terms and conditions of reletting. Payments of any such deficiency notice shall be made monthly within ten (10) days after receipt of deficiency notice.

If any suit or action is brought by Sub-Lessor against the Sub-Lessee to enforce any of the provisions hereof, the Sub-Lessor shall be entitled to collect reasonable costs and attorney's fees in the action or proceeding.

9.04 **Assignment and Transfer** : Sub-Lessee shall not assign or transfer this Agreement or any interest therein, without the prior written consent of Sub-Lessor which shall not be unreasonably withheld. Any consent of any assignment shall not be deemed a consent to any subsequent assignment.

ARTICLE X

GENERAL TERMS AND CONDITIONS

10.01 **Notices** : All notices provided to be given under this Agreement shall be given certified or registered mail return receipt requested, postage fully prepaid, addressed to the proper party at:

SUB-LESSOR : Commissioner
 Department of Property and Procurement
 #3274 Estate Richmond
 Christiansted
 St. Croix, Virgin Islands 00820

SUB-LESSEE :
 VIGL Operations, LLC
 2006 Eastern Suburb
 Suite 5

Christiansted, VI 00820

The address of either party may be changed from time to time by giving written notice to that effect.

10.02 **Non-discrimination**: Sub-Lessee in exercising any of the rights or privileges granted by this Agreement, shall not, on the grounds of race, color, creed, sex, or national origin, discriminate or permit discrimination against any person.

10.03 **Officials not to Benefit**: No member of the U.S. Congress or the Territorial Legislature, no official or officer of the United States or the Virgin Islands Government, or any of their instrumentalities shall be admitted to any share of this Agreement or any benefit of value that may arise therefrom.

10.04 **Agreement made in the Virgin Islands**: The laws of the U.S. Virgin Islands shall govern the validity, performance, and enforcement of this Agreement.

10.05 **Counterparts**: This document can be executed in counterparts, but there shall only be one deemed to be an original, which the Government shall retain.

10.06 **Cumulative Rights and Remedies**: All rights and remedies of Sub-Lessor or Sub-Lessee herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. Likewise, the exercise by Sub-Lessor or Sub-Lessee of any right or remedy provided for herein or allowed by law shall not be to the exclusion of any other right or remedy.

10.07 **Interpretation**: Words of gender used in this Agreement shall be held to include the plural and vice versa unless the context otherwise requires.

10.08 **Agreement made in Writing**: This Agreement contains all of the agreements and conditions made between the parties hereto concerning the Sub-Lease of the Sub-Leased Premises and may not be modified orally or in any manner other than by agreement in writing signed by the parties hereto or their respective successors in interest.

10.09 **Paragraph Headings**: The table of contents of this Agreement and the captions of the various articles and paragraphs of this Agreement are for convenience and ease of use, and do not affect the scope, content, or intent of this Agreement or any part or parts of this Agreement.

10.10 **Invalidity or Illegality of Provisions**: The invalidity or illegality of any provisions shall not affect the remainder of this Agreement.

10.11 **Successors and Assigns**: All of the terms, provisions, covenants, and conditions of this Agreement shall inure to the benefit of and be binding upon Sub-Lessor and Sub-Lessee and their respective successors, assigns, and legal representatives.

10.12 **Broker** : Sub-Lessee covenants, warrants, and represents that there was no broker instrumental in consummating this Agreement, and that no conversations or prior negotiations were had with any broker concerning the renting of the Premises. Sub-Lessee agrees to hold harmless against any claims for brokerage commission arising out of any conversation or negotiation had by Sub-Lessee with any broker.

10.13 **Approvals Required** : This Agreement shall not become effective unless approved by the Governor and the Legislature of the Virgin Islands.

ARTICLE X

MISCELLANEOUS

11.01 **Conflict of Interest** : Sub-Lessee covenants that it has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its obligations under this Agreement.

a. Sub-Lessee further covenants that it is :

1. not a territorial officer or employee (i.e. the Governor, Lieutenant Governor, member of the Legislature or any other elected territorial official; or an officer or employee of the legislative, executive or Judicial branch of the Government or any agency, board, commission or independent instrumentality of the Government, whether compensated on a salary, fee or contractual basis); or
2. a territorial officer or employee and, as such, has :
 - i. familiarized itself with the provisions of Title 3 Chapter 37, Virgin Islands Code, pertaining to conflicts of interest, including the penalties provisions set forth in Section 1108 thereof;
 - ii. not made, negotiated or influenced this contract, in its official capacity;
 - iii. no financial interest in the contract as that term is defined in Section 1101 of said Code chapter.

11.02 **Rights of Holder of the Leasehold Mortgage** : Notwithstanding anything to the contrary herein contained, Sub-Lessee agrees to obtain the Sub-Lessor's advance written consent prior to securing a leasehold mortgage. In the event that Sub-Lessee secures a leasehold

mortgage and thereafter defaults in the performance of any of the terms and conditions of this Agreement, Sub-Lessor will give notice of such default to any holder of the leasehold mortgage (where Sub-Lessor has been notified of the identity of the holder of the leasehold mortgage) and a like notice of the default to the Sub-Lessee. The Sub-Lessee or the holder of the leasehold mortgage shall have the right to remedy any such default within a period of forty-five (45) days from the date that the notice is mailed by registered or certified mail, return receipt requested, to the holder of the leasehold mortgage and the Sub-Lessee.

In every case where the holder of the leasehold mortgage elects to acquire possession of the premises or to foreclose the leasehold mortgage, such holder shall, prior to the acquiring of possession or the foreclosing of the leasehold mortgage, (i) give Sub-Lessor the right of first refusal to purchase and assume Sub-Lessee's leasehold mortgage interest and obligation, or (ii) provide a purchaser for Sub-Lessee's leasehold mortgage interest and obligation. The Sub-Lessor shall exercise the rights herein set out within one hundred twenty (120) days from the date that the Sub-Lessor is notified by the holder of the leasehold mortgage that these rights may be exercised.

In the event that this Agreement is terminated, Sub-Lessor may enter into a new Sub-Lease of the Sub-Leased Premises with the holder of the leasehold mortgage, or its designee, within thirty (30) days after receipt of such request, which new Lease shall be effective as of the date of such termination of this Agreement and shall run for the remainder of the same terms, covenants, conditions and agreements; provided that the holder of the leasehold mortgage, or its designee, contemporaneously with the delivery of such request, shall pay to Sub-Lessor (i) all the installments of basic rent and all other items of additional rent which would have been due from Sub-Lessee had the Sub-Lease not been terminated and (ii) all sums due from the date of termination to the date of the execution of the new Sub-Lease.

11.03 **Compliance with Laws:** The Sub-Lessee shall comply with all laws and regulations of the U.S. Government and the Government of the Virgin Islands including but not limited to: zoning, Coastal Zone Management (CZM), building codes, environmental and American Disabilities Act (ADA).

The Sub-Lessee shall obtain all licenses and permits required to use the property and to do business in the Virgin Islands as are required.

11.04 **Waiver:** The waiver by Sub-Lessor or Sub-Lessee of any breach of any term, condition or covenant of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, condition or covenant of this Agreement. No delay or omission to exercise any right or power hereunder shall impair any right or power; every right and remedy conferred under this Agreement may be exercised from time to time and as often as may be deemed expedient by the holder of such right or remedy.

11.05 **Enforcement of Sub-Lease Terms:** The waiver by either Party of any breach of any term, condition or covenant of this Agreement, during the term of the Sub-Lease, shall not be deemed to be a waiver of any subsequent breach of the same or any term, condition or covenant of this Sub-Lease. No delay or omission to exercise any right or power shall be

construed to be a waiver of any such right or power and every right and remedy conferred under this Sub-Lease may be exercised from time and as often as may be deemed expedient by the holder of such right or remedy.

11.06 **Governing Law:** This Agreement and the rights and duties of the parties arising out of this Agreement shall be governed by, and construed in accordance with, the applicable laws of the U.S. Virgin Islands without reference to the conflict of laws rules thereof that would direct the application of the laws of another jurisdiction.

11.07 **Dispute Resolution.** Any dispute between the Parties as to the interpretation or effect of this Agreement (which shall include for the purposes of this Agreement any subsequent written modification thereof unless otherwise expressly provided by such written modification) and any controversy between them or claim by either of them, whether sounding in tort or contract, arising out of or relating to this Agreement or the conduct of the Parties, their agents and/or representatives, (collectively, a "Dispute") shall be the subject of the following dispute resolution procedures:

(A) Following written notice by one Party to another of a Dispute, the Parties shall attempt to settle such Dispute in the first instance by mutual discussions between their respective designated representatives. Failing such resolution, the authorized representative(s) of the Government and the chief executive officer (or a person holding a similar position) of Sub-Lessee (or their duly appointed representatives) shall meet to resolve such Dispute. If a settlement of any such Dispute or difference is not reached pursuant to this Section 11.07(A) within sixty (60) days after such notice of Dispute is delivered, then the provisions of Sections 11.07(B) and 11.07(C) below shall apply.

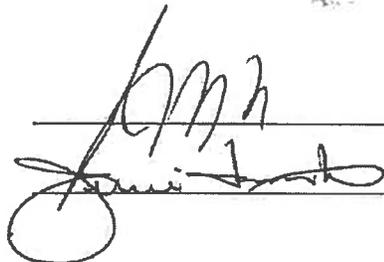
(B) If the settlement of any Dispute is not reached pursuant to Section 11.07(A), then the Parties agree to mediate the disputed matter. Should mediation not result in a mutually accepted resolution of the disputed matter, then either party may file an action, suit or proceeding in a court of competent jurisdiction in the United States Virgin Islands.

(C) Each of the Parties hereby irrevocably waives and shall cause its Affiliates to waive all right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement or the transactions contemplated hereby.

[Signature Lines Continued on Next Page]

IN WITNESS WHEREOF, the parties herein have hereunto set their hands and seals on the day and year first above written.

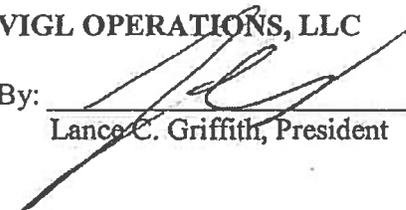
WITNESSES:



SUB-LESSEE :

VIGL OPERATIONS, LLC

By:


Lance C. Griffith, President

ACKNOWLEDGEMENT

TERRITORY OF THE U.S. VIRGIN ISLANDS
ISLAND OF ST. CROIX

This instrument was acknowledged before me on 10/27/2016 (date) by
LANCE C. Griffith (name/s) of person/s)
as PRESIDENT (type of authority, e.g.,
officer, trustee, etc.) of VIGL OPERATIONS LLC (name of
party on behalf of whom instrument was executed.



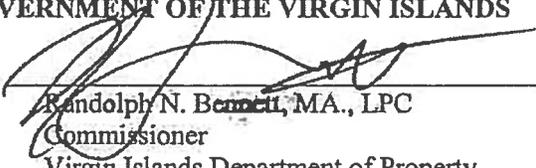
Notary Public
My Commission Expires: _____

NOTARY PUBLIC
JERRI FARRANTE
Commission Exp: September 3, 2019
NP-93-15

SUB-LESSOR :

GOVERNMENT OF THE VIRGIN ISLANDS

BY:

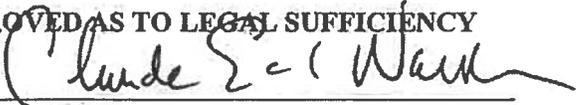


Randolph N. Bennett, MA., LPC
Commissioner
Virgin Islands Department of Property
and Procurement

Date : October 27, 2016

APPROVED AS TO LEGAL SUFFICIENCY

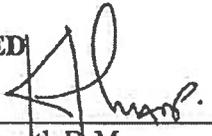
BY:



Claude Earl Walker, Esquire
Attorney General
Virgin Islands Attorney General's Office

Date : October 27, 2016

APPROVED



Kenneth El Mapp
Governor of the Virgin Islands

Date : October 27, 2016

APPROVED:

Legislature of the U.S. Virgin Islands

By: _____

Title: _____

