

COMMERCIAL LEASE AGREEMENT  
(Pure Adventure)

This Lease Agreement, made and executed as of this 30th day of September, 2014, by and between THE LOCAL REDEVELOPMENT AUTHORITY FOR NAVAL STATION ROOSEVELT ROADS, a public corporation established under Act No. 508 of September 29, 2004, as amended, represented herein by María de L. Blázquez, in her capacity as Executive Director, hereinafter referred to as "Landlord," and PURE ADVENTURE "If you really Want to Know Puerto Rico", CORP.;, represented herein by its president, Carlos C. Castro Torres whose address is PO Box 1987 Ceiba, P.R. 00735 (hereinafter referred to as "Tenant").

-:PREAMBLE:-

WHEREAS: On December 20, 2011, the United States of America, acting by and through the Department of the Navy ("Navy"), and the Landlord entered into that certain *Economic Development Conveyance Memorandum of Agreement between the United States of America acting by and through the Navy and the Local Redevelopment Authority for Naval Station Roosevelt Roads* ("EDC Agreement"); and

WHEREAS: on January 25-26, 2012, the Government transferred to the Landlord approximately one thousand and three hundred and seventy (1,370) acres in Parcel 3 via 31 quitclaim deeds (hereinafter referred to as "Parcel 3"), and that certain *Lease in Furtherance of Conveyance between the United States of America and the Local Redevelopment Authority for Naval Station Roosevelt Roads* (as amended, the "LIFOC"); and

WHEREAS: On May 6, 2013, the Navy conveyed to the Landlord one parcel of approximately one thousand, five hundred and forty-two (1,542) acres at NSRR referred to as "Parcel 1" and a parcel consisting approximately of four and ninety-seven (497) acres at NSRR referred to as "Parcel 2" (hereinafter in conjunction with "Parcel 3" referred to as the "Roosevelt Roads Premises"); and

WHEREAS: The Leased Premises (as defined below) are within the Roosevelt Roads Premises; and

WHEREAS, except for those portions of Parcel 1 and Parcel 3 that are subject to on-going environmental remediation and are leased to the Landlord via the LIFOC collectively, the portions of Parcel 1, Parcel 2 and Parcel 3 that are leased to the Landlord pursuant to the LIFOC, the Landlord owns Parcels 1, 2, and 3 by deed; and

WHEREAS: Tenant recognizes that the Roosevelt Roads Premises are currently undergoing a process of redevelopment and environmental remediation. Furthermore, Tenant recognizes that the Roosevelt Roads Premises are being redeveloped to maximize the resources located within, take full advantage of the commercial and touristic value that the Roosevelt Roads Premises offer and to comply with the purposes set forth in that certain "Roosevelt Roads Redevelopment Addendum to the 2004 Reuse Plan" (the "Reuse Plan"), as amended; and

WHEREAS: The Landlord desires to insure the highest quality use of the Leased Premises for the public; and

WHEREAS: The Tenant desires to lease the Leased Premises from Landlord to operate a diving and snorkeling business.

NOW THEREFORE, based on the foregoing, the parties hereto freely and voluntarily agree to carry out this Agreement subject to the following:

**-:Terms and Conditions:-**

1. GRANT OF LEASE. Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the Tenant, does hereby lease to the Tenant and the Tenant does hereby lease and take from the Landlord the property described in Exhibit "A" attached hereto and by reference made a part hereof (the "Leased Premises"), together with, as part of the parcel, all improvements located thereon.

2. TERM. Landlord leases to Tenant and Tenant leases from Landlord the above described Leased Premises together with any and all appurtenances thereto, for a term of 5 year(s), such term beginning on October 1, 2014, (the "Effective Date") and ending at 12 o'clock midnight on September 30, 2019, with an option to renew for one year as agreed to by both parties.

3. RENT. The total rent for the term hereof is the sum of FIFTY TWO THOUSAND DOLLARS (\$52,000.00) payable as follows: (i) \$100.00 for each one of the first five (5) months for a total of five hundred dollars (\$500.00); (ii) \$500.00 for each of the following seven months for a total of three thousands five hundred dollars (\$3,500.00); (iii) and the monthly amount of \$1,000.00 thereafter until the end of the lease for a total of forty eight thousand dollars (\$48,000.00) each monthly rent installment payable on or before the fifth (5<sup>th</sup>) day of each month of the term, and the first installment to be paid upon the due execution of this Agreement. All such payments shall be made to Landlord at Landlord's address as set forth hereunder on or before the due date and without demand.

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4. LATE CHARGE. In the event that any payment required to be paid by Tenant hereunder is not made within three (3) days of when due, Tenant shall pay to Landlord, in addition to such payment or other charges due hereunder, a "late fee" in an amount equal to five percent (5%) of the monthly rent then due

5. DEPOSIT. Upon the due execution of this Agreement, Tenant shall deposit with Landlord an amount equal to one hundred dollars (\$100.00), as security for any damage caused to the Leased Premises during the term hereof. Such deposit shall be returned to Tenant, without interest, and less any set off for damages to the Leased Premises upon the termination of this Agreement.

6. USE OF LEASED PREMISES. The Premises shall be used and occupied by Tenant exclusively to engage in a business offering diving, snorkeling, swimming, CPR and first-aid classes, excursions, tours and any other services related to these activities, such as, but not limited to, equipment rental or sales and any other product related to such business.

7. CONDITION OF LEASED PREMISES. The Landlord provides the Leased Premises in condition "as is, "where is". Therefore, subject to any provisions herein to the contrary, and except for maintenance or replacement necessitated as the result of the act or omission of sub-lessors, licensees or contractors of Landlord, the Landlord shall not be required to repair any defects, deficiencies, deviations or failures of materials or workmanship in the Leased Premises. Notwithstanding the foregoing any damage to, or defective condition to any plumbing or electrical system located within the Leased Premises caused by any defective condition to any plumbing or electrical system located without the Leased Premises and in control of Landlord shall be remedied by Landlord with reasonable diligence, but if such damage or defective condition was caused by, or resulted from the use or manner of use by, Tenant or by the employees, licensees or invitees of Tenant, the cost of the remedy thereof shall be paid by Tenant as additional rent promptly upon receipt of Landlord's bill therefor. Tenant shall not be entitled to claim any damage arising from any such damage or defective condition unless the same

shall have been caused by the willful gross negligence of Landlord and the same shall not have been remedied by Landlord with reasonable diligence after written notice thereof from Tenant to Landlord; nor shall Tenant be entitled to claim any eviction by reason of any such damage or defective condition.

8. PERSONAL PROPERTY TAXES. The Tenant shall be liable for all taxes levied against any leasehold interest of the Tenant or personal property and trade fixtures owned or placed by the Tenant in the Leased Premises.

9. ALTERATIONS, IMPROVEMENTS AND CHANGES PERMITTED. Tenant shall have the right to make such alterations, improvements and changes to any building, structure or improvement which may from time to time be on the Leased Premises as Tenant may deem necessary, or to replace any such building, structure or improvement with a new one of at least equal value, provided that prior to making any structural alterations, improvements or changes, or to replacing any such building, structure or improvement, Tenant shall obtain written approval of plans and specifications therefor from the Landlord, which approval the Landlord shall not unreasonably withhold, provided that the value of the building, structure or improvement shall not be diminished and the structural integrity of the building, structure or improvement shall not be adversely affected by any such alterations, improvements or changes, or that any proposed new building, structure or improvement is at least equal in value to the one which it is to replace, as the case may be. In the event of disapproval, the Landlord shall give to Tenant an itemized statement of reasons therefor. Tenant will in no event make any alterations, improvements or other changes of any kind to any building, structure or improvement on the premises that will decrease the value of such building, structure or improvement or that will adversely affect the structural integrity of the building, structure or improvement. Prior to commencing any work, Tenant shall furnish the Landlord, on demand, with a good and sufficient surety bond insuring the completion of such work and the payment of all bills therefor.

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10. UTILITIES. Tenant shall pay for all water, sanitation, garbage, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenant's use of the Leased Premises, whether or not the cost thereof be a charge or imposition against the Leased Premises.

A. Electricity

a. Basic System. In the event that the Leased Premises are not connected to the power lines of the Puerto Rico Electric Power Authority (hereinafter "PREPA"), said connection shall be made by Tenant in coordination with Landlord, at Tenant's expense, including the purchase and installation of any equipment necessary to make the connection, which equipment must meet PREPA's requirements.

b. Energy Monitoring Device. If Tenant is not to open a direct account with the Puerto Rico Electric Power Authority (hereinafter "PREPA") for electricity service, but will receive electricity service through Landlord's master account and master meter with PREPA, the Tenant shall pay a pro rata share, based on usage, of any charge made for such electricity service, for which purposes Landlord shall install an energy monitoring device and a protection casing. Lessee shall reimburse Landlord the installation expense so incurred by Landlord, within the 60-day period following such installation. Payment of monthly utility service invoice will be due to Landlord within 10 days of Tenant's receipt of Landlord's invoice based on the actual rate and invoice received from PREPA. The energy monitoring device and the protection casing shall become the property of Landlord and shall remain for the benefit of Landlord at the expiration or earlier termination of this Lease.

c. Utility Demands Estimation. Until such time as the energy monitoring device is installed, Tenant shall pay on a monthly basis, a fixed amount of \$49.77 for electricity usage, which amount has been calculated on Tenant's consumptive estimation of electricity usage, as reflected in the Utility Demands Estimation, included hereto as

Exhibit "B". If necessary, the estimated service fee shall be revised upon visual inspection of electricity equipment's and connections. Tenant, subject to the prior written approval of Landlord and at the expense of Lessee, may make alterations, or improvements to, or install additional, electrical devices in the Leased Premises. The electricity bill for the month the energy monitoring device is installed shall prorated based on the actual cost of electricity for the applicable days of such month following its installation, plus a charge of \$1.659 per day for the Utility Demands Estimation applicable to the days prior to such installation.

d. Landlord's Failure to Furnish the Electricity Service. Landlord shall not be liable for and Tenant shall not be entitled to any abatement or reduction of rental by reason of the Landlord's failure to furnish the electricity service where such failure is caused by accidents, breakage, repairs, strikes, or other causes beyond the control of the Landlord unless such failure continues for a period of thirty (30) days and substantially interfered with Tenant's use or occupancy of the Leased Premises and in such an event, the Tenant may terminate this lease.

e. Electrical Substation. Tenant, at its own cost and expense and without any right to reimbursement from Landlord, other than as specifically set forth in this Agreement, may build, install and maintain in coordination with Landlord an electrical substation on the Leased Premises and connect it to PREPA's distribution lines, subject to compliance with PREPA's requirements. Under no circumstances shall Tenant install an electrical substation without Landlord's prior approval as to the capacity and power of said substation, its location within the Leased Premises, and the routing path of the power lines.

f. Additional Equipment. Tenant covenants not to install or use any equipment that will exceed or which reasonably could exceed the capacity of the Leased Premises' power lines without Landlord's prior consent. Tenant, at its cost and expense, will upgrade the electrical service lines in accordance with the plans and specifications previously approved in writing by Landlord should Tenant's operations require greater electrical service line capacity.

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B. Water and Sanitary System

a. Basic System. The Leased Premises are not currently connected to the water lines of the Puerto Rico Aqueduct and Sewer Authority (hereinafter "PRASA"), therefore said connection shall be made by Tenant when and if available and in coordination with Landlord, at Tenant's expense, including the purchase and installation of any equipment necessary to make the connection, which equipment must meet PRASA's requirements.

b. No Metering Device. Until such time as a water metering device is installed, Tenant shall pay on a monthly basis, a fixed amount of \$87.50 for potable water usage and \$107.80 for sanitary services, which amount has been calculated based on Tenant's consumptive estimation of water usage and the cost of sanitary water removal, transport and disposal, as reflected in the Utility Demands Estimation, included hereto as Exhibit "B". If necessary, the estimated service fee shall be revised upon visual inspection of water equipment's and connections. Tenant, subject to the prior written approval of Landlord and at the expense of Lessee, may make alterations, or improvements to, or install additional, water devices in the Leased Premises.

c. Installed Metering Device. If Tenant installs a water metering device, Landlord shall charge Tenant for water usage at the price of two point fifty (2.50) cents per gallon of water consumption and a sanitary service charge equal to four cents (\$0.04) per gallon. Payment of monthly utility service invoice will be due to Landlord within 10 days of Tenant's receipt of Landlord's invoice. The water metering device shall become the property of Landlord and shall remain for the benefit of Landlord at the expiration or earlier termination of this Lease.

d. Landlord's Failure to Furnish the Water or Sanitary Service. Landlord shall not be liable for and Tenant shall not be entitled to any abatement or reduction of rental by reason of the Landlord's failure to furnish the water service where such failure is caused by accidents, breakage, repairs, strikes, or other causes beyond the control of the

Landlord unless such failure continues for a period of thirty (30) days and substantially interfered with Tenant's use or occupancy of the Leased Premises and in such an event, the Tenant may terminate this lease.

e. Water Volume. Should Tenant require water volume and/or water pressure, greater than that existing in the area of the Leased Premises, the construction and/or installation of any improvements (including structures) that are necessary, convenient or required to increase said volume and/or pressure shall be made at Tenant's own expense and coordinated with Landlord, but without any right to reimbursement from Landlord for any such improvements.

11. ASSIGNMENT AND SUB-LETTING. Tenant shall not assign this Agreement, or sub-let or grant any license to use the Leased Premises or any part thereof without the prior written consent of Landlord.

12. MAINTENANCE AND REPAIR; RULES. Tenant will, at its sole expense, keep and maintain the Leased Premises and appurtenances in good and sanitary condition and repair during the term of this Agreement and any renewal thereof.

13. DAMAGE TO LEASED PREMISES. In the event the Leased Premises are destroyed or rendered wholly untenantable by fire, storm, earthquake, or other casualty not caused by the negligence of Tenant, this Agreement shall terminate from such time except for the purpose of enforcing rights that may have then accrued hereunder. The rental provided for herein shall then be accounted for by and between Landlord and Tenant up to the time of such injury or destruction of the Leased Premises, Tenant paying rentals up to such date and Landlord refunding rentals collected beyond such date. Should a portion of the Leased Premises thereby be rendered untenantable, the Landlord shall have the option of either repairing such injured or damaged portion or terminating this Lease. In the event that Landlord exercises its right to repair such untenantable portion, the rental shall abate in the proportion that the injured parts bears to the whole Leased Premises, and such part so injured shall be restored by Landlord as speedily as practicable, after which the full rent shall recommence and the Agreement continue according to its terms.

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14. INSPECTION OF LEASED PREMISES. Landlord and Landlord's agents shall have the right at all reasonable times during the term of this Agreement and any renewal thereof to enter the Leased Premises, with prior notice to Tenant, for the purpose of inspecting the Leased Premises and all buildings and improvements thereon.

15. TENANT'S HOLD OVER. If Tenant remains in possession of the Leased Premises with the consent of Landlord after the natural expiration of this Agreement, a new tenancy from month-to-month shall be created between Landlord and Tenant which shall be subject to all of the terms and conditions hereof and such tenancy shall be terminable upon fifteen (15) days written notice served by either party.

16. SURRENDER OF LEASED PREMISES. Upon the expiration of the term hereof, Tenant shall surrender the Leased Premises in as good a state and condition as they were at the commencement of this Agreement, reasonable use and wear and tear thereof and damages by the elements excepted.

17. QUIET ENJOYMENT. Tenant, upon payment of all of the sums referred to herein as being payable by Tenant and Tenant's performance of all Tenant's agreements contained herein and Tenant's observance of all rules and regulations, shall and may peacefully and quietly have, hold and enjoy said Leased Premises for the term hereof.

18. INDEMNITY AND PUBLIC LIABILITY. The Tenant shall save Landlord harmless and indemnify Landlord from all injury, loss, claims or damage to any person or property while on the Leased Premises, unless caused by the willful acts or omissions or gross negligence of Landlord, its employees, agents, licensees or contractors. Tenant shall maintain, with respect to the Leased Premises, public liability insurance with limits of not less than one million dollars for injury or death from one accident and \$100,000.00

property damage insurance, insuring Landlord and Tenant against injury to persons or damage to property on or about the Leased Premises. A copy of the policy or a certificate of insurance shall be delivered to Landlord on or before the commencement date and no such policy shall be cancellable without ten (10) days prior written notice to Landlord.

19. DEFAULT. If Tenant fails to comply with any of the material provisions of this Agreement, other than the covenant to pay rent, or of any present rules and regulations or any that may be hereafter prescribed by Landlord, or materially fails to comply with any duties imposed on Tenant by statute, within seven (7) days after delivery of written notice by Landlord specifying the non-compliance and indicating the intention of Landlord to terminate the Lease by reason thereof, Landlord may terminate this Agreement.

If Tenant fails to pay rent when due and the default continues for seven (7) days thereafter, Landlord may, at Landlord's option, declare the entire balance of rent payable hereunder to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity or may immediately terminate this Agreement.

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20. ABANDONMENT. If at any time during the term of this Agreement Tenant abandons the Leased Premises or any part thereof, Landlord may, at Landlord's option, obtain possession of the Leased Premises in the manner provided by law, and without becoming liable to Tenant for damages or for any payment of any kind whatever. Landlord may, at Landlord's discretion, as agent for Tenant, relet the Leased Premises, or any part thereof, for the whole or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Landlord's option, hold Tenant liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term, if this Agreement had continued in force, and the net rent for such period realized by Landlord by means of such reletting. If Landlord's right of reentry is exercised following abandonment of the Leased Premises by Tenant, then Landlord shall consider any personal property belonging to Tenant and left on the Leased Premises to also have been abandoned, in which case Landlord may dispose of all such personal property in any manner Landlord shall deem proper and Landlord is hereby relieved of all liability for doing so.

21. ENVIRONMENTAL PROVISIONS. Tenant shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other hazardous substances or materials. Tenant shall not allow the storage or use of such substances or materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such substances except to use in the ordinary course of Tenant's business, and then only after written notice is given to Landlord of the identity of such substances or materials. In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of hazardous substances or materials on the Leased Premises. In all events, Tenant shall indemnify Landlord in the manner elsewhere provided in this lease from any release of hazardous materials on the Leased Premises occurring while Tenant is in possession, or elsewhere if caused by Tenant or persons acting under Tenant. The within covenants shall survive the expiration or earlier termination of the lease term.

Tenant shall conduct all of its operations at the Leased Premises in compliance with all federal, state and local statutes (including, but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et. seq, as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (October 17, 1986) ("CERCLA"); the Resources Conservation and Recovery Act, 42 U.S.C. Section 6901 et. seq. ("RCRA"), and all applicable federal, and local statutes related to the environment now or hereafter enacted and any additions and amendments thereto and regulations enacted thereunder, ordinances, regulations, orders and requirements of common law, regarding, but not limited to, (i) discharges to the air, soil, surface or groundwater; and (ii) handling,

utilizing, storage, treatment or disposal of any hazardous substances or toxic substances as defined therein ("Environmental Statutes"). Tenant shall obtain all permits, licenses or approvals and shall make all notifications and registrations required by Environmental Statutes and shall submit to Landlord, upon request, for inspecting and copying all documents, permits, licenses, approvals, manifests and records required to be submitted and/or maintained by the provisions of the Environmental Statutes. Tenant shall also provide promptly to Landlord copies of any correspondence, notice of violation, summons, order, complaint or other document received by Tenant pertaining to compliance with Environmental Statutes.

Tenant shall not install at the Leased Premises any temporary or permanent tanks for the storage of any liquid or gas above or below ground except as in compliance with the other provisions of this section and after obtaining written permission to do so from Landlord.

If, because of the manner in which Tenant operates its business, the Landlord, Landlord's mortgage lender or a governmental agency shall require testing by an environmental testing entity of its choice, to ascertain whether there has been a release of Hazardous Materials by Tenant, its agents, servants, employees or business invitees, in or around the Leased Premises, the reasonable costs of such testing shall be reimbursed by Tenant to Landlord as additional rent. Tenant shall execute affidavits or representations, at Landlord's request, stating that, to the best of Tenant's knowledge and belief, since the time that Tenant took possession of the Leased Premises, there have been no and there presently are no Hazardous Materials present in the Leased Premises.

Tenant hereby agrees to indemnify Landlord and to hold Landlord harmless of, from and against any and all expense, loss, cost, fines, penalties, loss of value or liability suffered by Landlord by reason of Tenant's breach of any of the provisions of this section.

The provisions of this section shall survive the termination of Tenant's tenancy or of this Lease.

22. ENVIRONMENTAL REPORTS. The Navy has prepared certain environmental reports and deeds ("Environmental Reports") that are made a part of this Agreement by reference. The Environmental Reports will be delivered to the Tenant by electronic means within five (5) business days of the execution of this Agreement. The Tenant is hereby made aware of the notifications and restrictions contained in the Environmental Reports and shall comply with all restrictions set forth therein, and more specifically the Solid Waste Management Units located near the FNSRR designated "SWMU 60", as described in Exhibit "C" hereto. Tenant is made aware of SWMU 60 located near of the Leased Premises. No excavation work may be performed on this area.

Section 1. No Interference with Operations. The Tenant shall not conduct or allow to be conducted any operations, nor make or allow to be made any alterations, that would interfere with or otherwise restrict Navy operations or environmental clean-up or restoration activities by the Navy, USA-Government, EPA, or the Commonwealth of Puerto Rico, or their contractors. Environmental clean-up, restoration, or testing activities by these parties shall take priority over the Tenant's use of the Leased Premises in the event of any conflict.

Section 2. Compliance with Obligations under LIFO. The Tenant must comply with all terms and conditions of the LIFO (see Exhibit D), with respect to those portions of the Property which are within the Leased Premises.

Section 3. Alterations. The Tenant shall not excavate, drill, construct, or make any alterations, additions, or improvements to, or installations upon, or otherwise modify or alter the Leased Premises in any way that could affect the LIFO.

Section 4. Threatened and Endangered Species. The marina area is subject to conservation measures regarding threatened and endangered species (the "Threatened and Endangered Species Conservation Measures – Parcel 42"). The Landlord has delivered to Tenant copy of this document. The Tenant is hereby made aware of the notifications and restrictions contained therein and shall comply with all restrictions set forth therein as more fully described in Exhibit "E" hereto.

23. REDEVELOPMENT PLAN FOR THE ROOSEVELT ROADS LEASED PREMISES. As stated in the Preamble, Tenant recognizes that the Roosevelt Roads Premises are being redeveloped to maximize the resources located within, take full advantage of the commercial and touristic value that the Roosevelt Roads Premises offer and to comply with the purposes set forth in that certain Roosevelt Roads Redevelopment Addendum to the 2004 Reuse Plan (the "Reuse Plan"). In furtherance of this objective, Landlord has issued a Request for Qualifications ("RFQ") for highly qualified developers ("Master Developer") and a Request for Proposals ("RFP") for Master Developers that may be interested in participating in the redevelopment of the Roosevelt Roads Premises. Landlord makes Tenant aware of the following language included in the RFQ:

**"Since acquiring ownership of the Property, the LRA has leased certain portions of the Property to various interim users who are using the Property. The Department of Natural Resources currently occupies a portion of building 2334 for office uses; the Municipality of Ceiba currently manages All Hands Beach and is under negotiation to occupy the remaining portion of building 2334 and the marina. Such leases were entered to enable immediate job creation and reuse of the Property, or to enable the LRA to receive in-kind consideration from other governmental agencies, while the LRA engaged in this procurement process. The leases are short-term and can be terminated or not renewed if the LRA determines that their use will impede the development contemplated by this RFQ. The LRA is in the process of negotiating an additional eight (8) short-term leases for small businesses including eco-tourism companies offering hiking, bike and boat tours, bird watching excursions, snorkeling, diving, and equipment rental, kayaking and other water sports, as well as small food vendors."**

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Section 1. Right to Relocate. In consideration of the foregoing, and as a material inducement for Landlord to enter into this Lease with Tenant, Landlord shall, if so requested by Landlord and/the Master Developer, throughout the Term of this Lease and any renewals thereof, have the right to relocate Tenant to another premise ("New Premises") within the Roosevelt Roads Premises. Landlord shall reimburse Tenant for any reasonable moving expenses and for any other reasonable costs and expenses incurred by Tenant in so relocating to the New Premises, based on the depreciated value of all improvements made by Tenant on the Leased Premises, and only if relocation is required before the Lease expires. For these purposes, Tenant shall submit documentation evidencing improvements made to the Leased Premises within the six-month period following the Effective Date of the Lease, and then at the end of each calendar year of the Lease. All other costs of remodeling, outfitting and furnishing the new premises shall be borne by Tenant. Tenant shall arrange for the transfer of all utilities to the new Premises. Tenant shall execute and deliver such further documentation as Landlord may prepare to memorialize the same.

In the event Landlord elects to exercise the right of relocation to the New Premises, Landlord shall deliver written notice to Tenant identifying the location of the proposed New Premises ("Landlord's Notice"). In the event Tenant shall not agree to the New Premises proposed by Landlord, Landlord shall have the right to terminate this Lease within ten (10) days after the date of Landlord's Notice by delivering written notice to the Tenant, of its election to terminate the Lease ("Termination Notice"). This Lease and the obligations of the parties, excluding any obligations of the parties that expressly survive the termination or expiration of this Lease, or have otherwise accrued as of the Termination Date (hereinafter defined), shall terminate as



of the date which is twenty (20) days after the date of the Termination Notice (the "Termination Date"), provided Tenant pays to Landlord all sums and charges due and owing by Tenant to Landlord through and including the Termination Date. Any sum which cannot be exactly determined by Landlord as of the Termination Date shall be paid by Tenant to Landlord within thirty (30) days after Tenant's receipt of a statement therefor. The foregoing obligation shall survive termination of this Lease. If Tenant shall not terminate this Lease within the ten (10) day period set forth above, Tenant shall be deemed to have waived its right to terminate this Lease pursuant to this paragraph, and Tenant shall relocate to the New Premises.

#### 24. SIGNAGE.

Section 1. Exterior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect signs on any portion of the Leased Premises, providing that Tenant shall remove any such signs upon termination of this lease, and repair all damage occasioned thereby to the Leased Premises.

Section 2. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

25. ATTORNEYS' FEES. Should it become necessary for Landlord to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Leased Premises, Tenant agrees to pay all expenses so incurred, including a reasonable attorneys' fee.

26. SEVERABILITY. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

27. BINDING EFFECT. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

28. NON-WAIVER. No indulgence, waiver, election or non-election by Landlord under this Agreement shall affect Tenant's duties and liabilities hereunder.

29. MODIFICATION. The parties hereby agree that this document contains the entire agreement between the parties and this Agreement shall not be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties hereto.

30. NOTICES. All notices and other communications authorized or required hereunder shall be in writing and shall be given by mailing the same by certified mail, return receipt requested, postage prepaid, and any such notice or other communication shall be deemed to have been given when received by the party to whom such notice or other communication shall be addressed. If intended for Landlord the same will be mailed to the address hereunder set forth or such other address as Landlord may hereafter designate by notice to Tenant, and if intended for Tenant, the same shall be mailed to Tenant at the address hereunder set forth, or such other address or addresses as Tenant may hereafter designate by notice to Landlord.

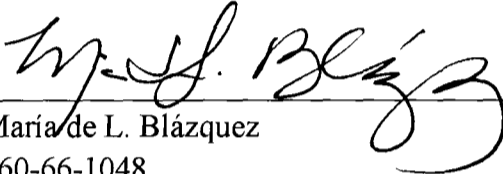
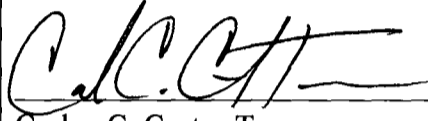
LANDLORD:

Local Redevelopment Authority for Roosevelt Roads  
355 F.D. Roosevelt Ave.  
Office 106  
Hato Rey, PR 00918

TENANT:

Carlos C. Castro Torres / Pure Adventure Corp.  
PO Box 1987  
Ceiba, PR 00735

In San Juan, Puerto Rico, 30 of September 2014.

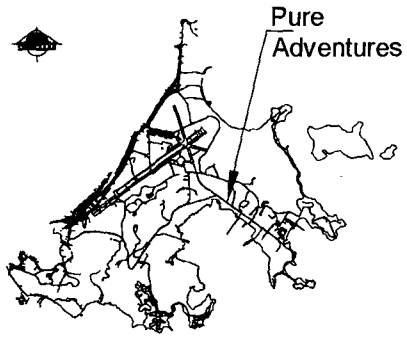
 María de L. Blázquez 660-66-1048 Executive Director Local Redevelopment Authority for Naval Station Roosevelt Roads	 Carlos C. Castro Torres 660-69-2377 President Pure Adventure Corporation
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**EXHIBIT "A" LEGAL DESCRIPTION**



The following described real property, together with all improvements thereon:

Case No. 1



Pure Adventures

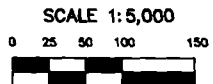
PARCEL PURE ADVENTURES			
AREA =	583.00	SQ. MTS. =	0.14 ACRES
			0.15 CDAS.



OBJECT:  
**RE-DEVELOPMENT FOR FORMER NAVAL  
 STATION ROOSEVELT ROADS**  
 Aguadilla & Naguabo, Puerto Rico  
 Autoridad para el Redesarrollo Local  
 Roosevelt Roads

Drawings and copies thereof are instruments of service and as such remain the property of the designer. They are to be used only with respect to the project. The exception of one complete set for each party to the contract, all copies are to be returned or satisfactorily accounted for to the designer upon completion of the work.

TITLE:  
**EXHIBIT "A"**  
 LEASE AGREEMENT FOR:  
 Pure Adventures



SCALE: 1:5,000      DATE: JULY 28, 2014

- NOTES:
1. SURVEY DATA OBTAINED FROM PLANS PREPARED BY BAKER AND/OR TRANSYSTEMS FOR NAVAL ACTIVITY PUERTO RICO
  2. COORDINATES IN PUERTO RICO/VIRGIN ISLANDS NAD 83 SYSTEM (METERS)



ROOSEVELT  
 ROADS



**EXHIBIT "B" - UTILITY DEMANDS ESTIMATION**

CCG  
MFB



ROOSEVELT  
ROADS

TENANT NAME :		Pure Adventure	
BLDG.# :	1715	Former bldg. Name	Scuba Store
ACCOUNT / CONTRACT # :		LRA-2014-SB-001	

*Handwritten signature/initials*

Electric Energy Demands										
	Equipment/Activity Description	Watts	kW	Qty	Total KW	Op. Hrs	kwh	\$/kwh	Op. Days	Cost/mnth
1	Comp Mac Imac	310	0.31	1	0.31	8	2.48	0.25	20	\$ 12.40
2	Comp. Sony Vaio	95	0.095	1	0.095	2	0.19	0.25	20	\$ 0.95
3	Comp. MacBook Pro	95	0.095	1	0.095	24	2.28	0.25	20	\$ 11.40
4	Printer HP 8500	75	0.075	1	0.075	8	0.6	0.25	20	\$ 3.00
5	Printer Epson WF-2540	55	0.055	1	0.055	8	0.44	0.25	20	\$ 2.20
6	Refrigerator Pequeno de Oficina	**	1	1	1	24hrs	1	0.25	30	\$ 7.50
7	Lighting (GE Helical t2 @25 watts)	25	0.025	5	0.125	8	1	0.25	20	\$ 5.00
8	A/C ( 12000 BTU)	5000	**	1	**	**	1.5	0.25	20	\$ 7.32
					<b>Total</b>					<b>\$ 49.77</b>

Conversion	
1 kwh	3413 btu
1 btu	0.000293 kwh

Formula  
W= Amp X 120 =

**Water and Sanitary Demand Estimation**

Water and Sanitary Demands										
	Equipment/Activity Description	Qty.	GPD/Persn	Op. Days	Total GPD	\$/Gal	Sanitary			
							% Intake	Total GPD	\$/gal	San. Cost
1	Personnel, Customer, Cleaning (Asumido 130 GPD)	5	35	20	3500	0.025	77%	2695	\$ 0.04	\$ 107.80
					<b>Total</b>					<b>\$ 107.80</b>

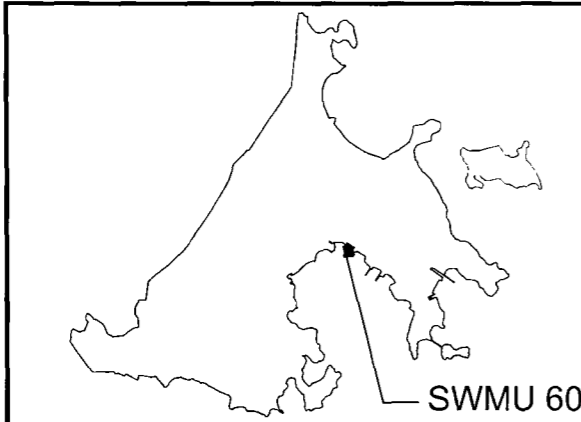
Combinado  
\$ 195.30

WMB.  
ccc.

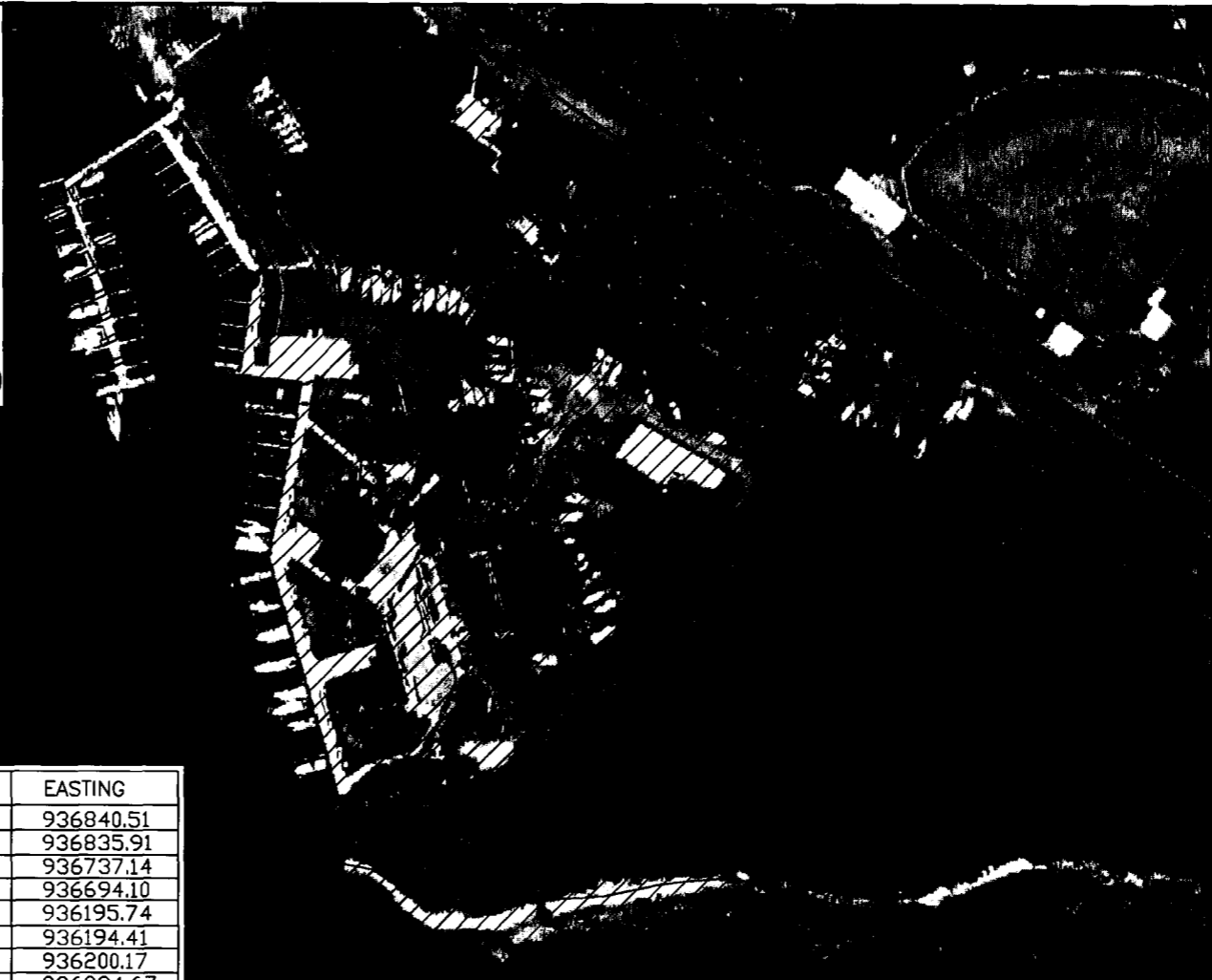
**EXHIBIT "C" - SOLID WASTE MANAGEMENT UNITS**

MPC  
MPC

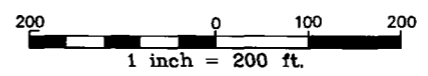
MPC  
MPC



SWMU 60



ID	NORTHING	EASTING
60_1	802517.14	936840.51
60_2	801931.72	936835.91
60_3	801861.42	936737.14
60_4	801791.96	936694.10
60_5	801791.96	936195.74
60_9	801841.80	936194.41
60_10	801886.46	936200.17
60_11	801961.16	936234.67
60_12	802550.33	936148.29
60_13	802823.89	936404.28



NAD 83 PUERTO RICO AND VIRGIN ISLANDS, US FOOT.

**LEGEND**

- SWMU BOUNDARY      - PARCEL  
 - LAND USE CONTROL AREA      42 - PARCEL NUMBER

**LAND USE CONTROLS**

- RESIDENTIAL USE PROHIBITED
- GROUNDWATER USE RESTRICTED
- SOIL DISTURBANCE RESTRICTED
- SEDIMENT DISTURBANCE RESTRICTED
- SITE UNDER INVESTIGATION. RESTRICTED MEDIA AND LAND USES WILL BE DETERMINED AT THE CONCLUSION OF THE INVESTIGATION.

FIGURE 27  
SWMU 60  
CONTROLLED LAND USE  
NAVAL ACTIVITY PUERTO RICO  
PUERTO RICO

Exhibit



W.D.  
C.C.C.

**EXHIBIT "E" - THREATENED AND ENDANGERED SPECIES**

MB  
CC. C.

*Parcel Map for the Disposal  
of Naval Activity Puerto Rico*

**Parcel Index 42**

**Common Name:** Sale  
**Conveyance:** Sale  
**Neighboring Parcel(s):** 28, 44, 45

**Legend**

- Parcel
- Neighboring Parcel Boundaries
- Sea Turtle Habitat
- Yellow-shouldered Blackbird
- Nesting/Foraging Pairs
- ▨ Breeding Habitat



August 18, 2005

1 inch equals 240 Feet



*MFB  
CCP*

**THREATENED AND ENDANGERED SPECIES CONSERVATION MEASURES—PARCEL 42**

**Common Name—Sale**  
**Conveyance—Sale**  
**Neighboring Parcel(s)—28, 44, 45,**

**Yellow-shouldered Blackbird**

**GENERAL REQUIREMENTS**

- No development is allowed in Parcel 28 (Conservation).
- All development related activities (new construction, ground clearing, demolition/remodeling) adjacent to conservation parcels (28) should occur between September 1 and March 15 (non-breeding season) or be restricted to an area 50 m from the conservation parcel boundary from March 15-August 30 (breeding season).
- Notify USFWS if a yellow-shouldered blackbird nest is found anywhere on the property (787-851-7297).
- Pesticide and herbicide applications must follow Commonwealth of Puerto Rico regulations.

<b>Activity</b>	<b>Conservation Measures</b>
<b>Development Planning</b>	Save as many existing on site palms and trees as possible in new development plans.
<b>Demolition/Remodeling</b>	Schedule activity from September 1 through March 14 or conduct outdoor survey of building(s) (ledges, etc.) and nearby trees (within 50 m of the building) for yellow-shouldered blackbird nests prior to start date if the activity is scheduled to occur between March 15 and August 30. Consult with USFWS if a yellow-shouldered blackbird nest is found.
<b>Grounds Maintenance</b>	No trimming or cutting of palms and trees between March 15 and August 30 except in an emergency (i.e., downed trees and palms from storms).
<b>Building Maintenance</b>	Check for yellow-shouldered blackbird nests prior to any outdoor building maintenance activities between March 15 and August 30. Determine identity of any bird nest found. Notify and consult with USFWS if a yellow-shouldered blackbird nest is found.
<b>General Operations</b>	Before moving outdoor equipment (e.g., carts, vehicles) check for yellow-shouldered blackbird nests from March 15-August 30. Notify USFWS if a yellow-shouldered blackbird nest is located.
<b>Property Sale/Lease</b>	Notify buyer/lessee of all mitigation requirements (see above) and include mitigation with all legal documents.

**Sea Turtle**

**GENERAL REQUIREMENTS**

- Consult with U.S. Fish and Wildlife Service (USFWS) and Puerto Rico Department of Environmental Resources (DNER) on all beach use plans and permit requirements.
- Notify USFWS if you observe an injured or dead turtle anywhere on the property (787-851-7297).
- Pesticide and herbicide applications must follow Commonwealth of Puerto Rico regulations.

*Parcel Map for the Disposal  
of Naval Activity Puerto Rico*

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<b>Activity</b>	<b>Conservation Measures</b>
<b>Beach Development/Use</b>	<p>Implement all USFWS and Puerto Rico DNER lighting standards/requirements (includes parcels bordering the nesting area).</p> <p>Implement USFWS/ Puerto Rico DNER precautionary measures for sea turtles before, during, and after development activities.</p> <p>Establish a 50 m buffer zone between any developed or undeveloped site and the land edge of the sea turtle nesting beach.</p>

**NOTICE:**

Consult with the U.S. Fish and Wildlife Service if you have any questions on the conservation measures. Property owners that cannot adhere to the conservation measures must consult with the U.S. Fish and Wildlife Service to seek a Section 10.0 permit for authorization to modify the identified critical habitat. Failure to comply with the identified conservation measures violates Section 9.0 and/or Section 10.0 of the Endangered Species Act. The U.S. Fish and Wildlife Service has the authority to prosecute violations under the Endangered Species Act.

**FIRST AMENDMENT AGREEMENT**  
**TO**  
**COMMERCIAL LEASE AGREEMENT**

This amendment (the "Amendment") is made by and between LOCAL REDEVELOPMENT AUTHORITY FOR ROOSEVELT ROADS, (hereinafter referred to the "Landlord"), a public body, corporate, and politic created pursuant to the laws of the Commonwealth of Puerto Rico established under Act No. 508 of September 29, 2004, as amended, represented herein by María de L. Blázquez, in her capacity as Executive Director, and PURE ADVENTURE "If you really Want to Know Puerto Rico", CORP., represented herein by its president, Carlos C. Castro Torres whose address is PO Box 1987 Ceiba, P.R. 00735 (hereinafter referred to as "Tenant").

CC  
MJB.

**Recitals**

WHEREAS, Landlord and the Tenant (the "Parties") are parties to that certain Commercial Lease Agreement, dated September 30, 2014, (the "Agreement" ); and

WHEREAS, Tenant and Landlord wish to amend the Commercial Lease Agreement in order to extend the term for an additional five years that will begin after the ending date of the original Commercial Lease Agreement: from October 2019 and ending on December 31, 2024 ; and

WHEREAS, all capitalized terms used herein but not defined shall have the meanings given to such terms in the Commercial Lease Agreement; and

WHEREAS, it is not the intention of the parties to this Amendment, and nothing herein shall be interpreted as a novation of any obligations under the Commercial Lease Agreement, it being expressly acknowledged and agreed by the Parties that the Commercial Lease Agreement and all of the documents issued or executed therewith shall continue to be in full force and effect as herein modified.

NOW, THEREFORE, in consideration of the foregoing, and in consideration of mutual covenants and agreements of the Parties hereto, the Parties mutually covenant and agree as follows:

**Article I**

**Preamble**

1. The preamble hereto is made a part hereof.

**Article II**

**Amendments and Additions**

2.1 Effective as of January 1, 2017, Section 2 of the Commercial Lease Agreement is amended to read as follows:

CC  
MSB

**“2. TERM. Landlord leases to Tenant and Tenant leases from Landlord the above described Leased Premises together with any and all appurtenances thereto, for a term of 7 years and 9 months, such term beginning on January 1, 2017, (the “Effective Date”) and ending at 12 o'clock midnight on December 31, 2024, with an option to renew as agreed to by both parties.”**

2.2 Effective as of January 1, 2017, Section 3 of the Commercial Lease Agreement is amended to read as follows:

**“3. RENT. From the Effective Date of this amendment until December 1, 2019 the amount of the monthly rent will be \$1,000.00. From January 1, 2020 to December 31, 2024 the rent will adjust annually as follows:**

**January 1, 2020 to December 31, 2020 - \$1,400.00  
January 1, 2021 to December 31, 2021 - \$1,450.00  
January 1, 2022 to December 31, 2022 - \$1,500.00  
January 1, 2023 to December 31, 2023 - \$1,550.00  
January 1, 2024 to December 31, 2024 - \$1,600.00**

**All such payments shall be made monthly to Landlord at Landlord's address as set forth hereunder on or before the due date and without demand.**

**3.1 COMMON AREA MAINTENANCE.** Tenant shall pay to Landlord, in a timely manner with the rent payment from the Effective Date of this agreement, the amount of twenty five dollars (\$25.00) per month for Common Area Maintenance service charges, with respect to security, green areas maintenance, street and highway maintenance, construction and lighting, (jointly the "CAM"). Said amounts shall be subject to annual revisions made by the Landlord, and notify to Tenant during the first month of each natural year."

2.3 Effective as of January 1, 2017, Section 5 of the Commercial Lease Agreement is amended to read as follows:

**"5. DEPOSIT.** Upon the due execution of this Agreement, Tenant shall deposit with Landlord an amount equal two thousand dollars (\$2,000.00), as security for any damage caused to the Leased Premises during the term hereof. Such deposit shall be returned to Tenant, without interest, and less any set off for damages to the Leased Premises upon the termination of this Agreement."

CCC  
MSB

2.4 Effective as of January 1, 2017, Section 10(B) and (C) of the Commercial Lease Agreement is amended to read as follows:

**"10. UTILITIES.** Tenant shall pay for all water, sanitation, garbage, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenant's use of the Leased Premises.

**B. Potable Water**

a. **Basic System.** Landlord is the owner of the Potable Water System. Tenant is already connected to the said system. If Tenant wishes to remain connected to Landlord's Potable Water System, the Tenant shall pay the total expenses associated for the connection and installation of a new water meter, without any right to reimbursement from Landlord, including the purchase and installation of any equipment necessary to fulfill the process. Said connection will be made by the Landlord. This installation will be performed once the contract is sign and will be billed in the next water utility service invoice.

b. Tenant shall pay on a monthly basis, the applicable rate for potable water usage, which rate has been calculated based on Landlord's regulations.

c. **Landlord's Failure to Furnish the Water Service.** Landlord shall not be liable for and Tenant shall not be entitled to any abatement or reduction of rental by reason of the Landlord's failure to furnish the water service where such failure is caused by accidents, breakage, repairs, strikes, or other causes beyond the control of the Landlord unless such failure continues for a period of thirty (30) days and substantially interfered with Tenant's use or occupancy of the Leased Premises and in such an event, the Tenant may terminate this lease.

d. **Water Volume.** Should Tenant require water volume and/or water pressure, greater than that existing in the area of the Leased Premises, the construction and/or installation of any improvements (including structures) that are necessary, convenient or required to increase said volume and/or pressure shall be made at Tenant's own expense and coordinated with Landlord, but without any right to reimbursement from Landlord for any such improvements."

### C. SANITARY SYSTEM

a. **Basic System.** Landlord is the owner of the Sanitary System. Actually, the Tenant is connected to the said system, thus no further action, connection or installation shall be made for this utility, however the sanitary water discharge will be calculated with the installation of the new potable water meter.

b. Tenant shall pay on a monthly basis, the applicable rate based on the water use for the Leased Premises made by Tenant, which rate will be calculated based on Landlord's regulations.

c. **Landlord's Failure to Furnish the Sanitary Service.** Landlord shall not be liable for and Tenant shall not be entitled to any abatement or reduction of rental by reason of the Landlord's failure to furnish the water service where such failure is caused by accidents, breakage, repairs, strikes, or other causes beyond the control of the Landlord unless such failure continues for a period of thirty (30) days and substantially interfered with Tenant's use or occupancy of the Leased Premises and in such an event, the Tenant may terminate this lease.





### Article III

#### Ratifications, Representations and Warranties

3.1. Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Commercial Lease Agreement and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Commercial Lease Agreement, are ratified and confirmed and shall continue in full force and effect. The Parties agree that the Commercial Lease Agreement, as amended, hereby shall continue to be legal, valid, binding and enforceable in accordance with its terms.

3.2. Representations and Warranties. Each party represents and warrants to the other that the execution, delivery and performance of this Amendment has been authorized by all requisite governmental action on the part of Landlord and action on the part of Tenant. The Landlord also hereby represents and warrants to Tenant that the execution, delivery and performance of this Amendment has been authorized by all requisite governmental bodies, entities, officers, directors or boards as required by law.

### Article IV

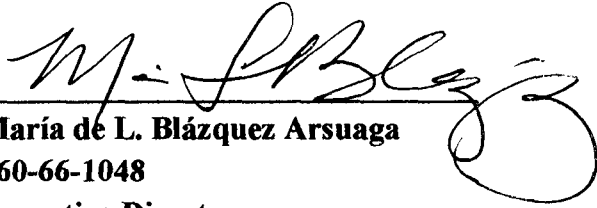
#### Interpretation

4. Interpretation. All provisions in the Commercial Lease Agreement and any attachments thereto in conflict with this Amendment shall be and are hereby changed to conform with this Amendment. All provisions not in conflict with this Amendment are still in effect and are to be performed as described and specified in the Commercial Lease Agreement. If there is conflict between this Amendment and the Commercial Lease Agreement, the terms of this Amendment will prevail.

This AMENDMENT entered into at San Juan, Puerto Rico, as of the 23 day of December, 2016 but the Effective Date will be the 1st day of January, 2017, as may be amended, restated, replaced or superseded.

[Signature Page to Follow]

CCC  
MSB



**María de L. Blázquez Arsuaga**

**660-66-1048**

**Executive Director**

**Landlord-Local Redevelopment Authority for Naval Station Roosevelt Roads**



**Carlos C. Castro Torres**

**660-69-2377**

**President**

**Tenant-Pure Adventure Corporation**

*WAB*  
*CCC*