

10.01.02. Peaceable Surrender. Should the term of this lease at any time be ended under the terms and conditions of this S10.01, or in any other way, Tenant hereby covenants and agrees to surrender and deliver up the Leased Land peaceably to Landlord immediately upon the termination of the term.

10.01.03. Reletting Leased Land. At any time or from time to time after any such default and notice thereof (if required) pursuant to the S10.01 Landlord or its representatives may, without notice, reenter, the Leased Land by force, summary proceedings or otherwise, and remove all persons and contents therefrom, without being liable to prosecution therefor, and Tenant hereby expressly waives the service of any notice in writing of intention to reenter or to institute legal proceedings to that end and Tenant shall pay, at the same time as the rent becomes payable under the terms hereof, a sum equivalent to the rent and additional rent reserved herein, and Landlord may relet the Leased Land or any part or parts thereof in the name of Landlord or otherwise, for a term or terms which may at Landlord's option be less than or exceed the period which would otherwise have constituted the balance of the term of this lease without releasing Tenant from any liability, applying such rent first, to the cost of obtaining possession, second, to restoring the Leased Land to a rentable condition, third, to brokerage fees and the cost to Landlord of reletting the Leased Land, and then to the payment of rent, items or additional rent and all other charges due and to grow due to Landlord, any surplus to be paid to Tenant, who shall remain liable for any deficiency. The failure or refusal of Landlord to relet the Leased Land or any part thereof shall not release or affect Tenant's liability. Any sums due to Landlord shall be paid in monthly installments by Tenant on the rent day

specified in this lease and any suit brought to collect the amount due for any month shall not prejudice in any way the rights of Landlord to collect any sums due for any subsequent month. Landlord at its option, may make alterations, repairs, replacements or painting in the improvements on the Leased Land as Landlord may consider advisable for the purpose of reletting the Leased Land or any part thereof, and the making of such alterations, repairs, replacements or painting shall not operate to be construed to release Tenant from liability hereunder. Any mention in this lease of any particular remedy shall not preclude Landlord from any other remedy in law or in equity. Tenant hereby waives any and all rights of redemption granted by or under this lease. In the event of the termination of this lease pursuant to this S10.01, Landlord shall forthwith, notwithstanding any other provisions of this lease to the contrary, be entitled to recover from Tenant as liquidated damages an amount equal to the difference between the rent reserved in this lease for the unexpired portion of the term leased and the then fair and reasonable rental value of the Leased Land for the same period.

Other Remedies

S10.02. Any termination of this lease as herein provided shall not relieve Tenant from the payment of any sum or sums that shall then be due and payable to Landlord thereunder or any claim for damages then or theretofore accruing against Tenant hereunder, and any such termination shall not prevent Landlord from enforcing the payment of any such sum or sums or claim for damages by any remedy provided for by law, or from recovering damages from Tenant for any default thereunder. All rights, options, and

remedies of Landlord contained in this lease shall be construed and held to be cumulative, and no one of them shall be exclusive to the other, and Landlord shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this lease.

Continuation of Lease During Breach

S10.03. At Landlord's option, if Tenant has breached this lease and abandoned the Leased Land, no notice of termination will be given and this lease will continue in effect for so long as Landlord does not terminate Tenant's right to possession. Landlord may in that case enforce all its right and remedies under this lease, including the right to recover rent as it becomes due.

No Waiver of Default

S10.04. Landlord's failure to take advantage of any default or breach of covenant on the part of Tenant shall not be, or be construed as a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant any term, covenant, or condition hereof, or to exercise any rights given it on account of any such default. A waiver of a particular breach, or default, shall not be deemed to be a waiver of the same or any other subsequent breach of default. The acceptance of rent hereunder shall not be, or be construed to be, a waiver of any term, or condition of this lease.

Demand for Rent

S10.05. Except as otherwise expressly provided herein, in the event that Tenant shall be in default in the payment of any rents provided for in this lease, Tenant waives the making by Landlord of any demand for rent prior to the commencement of any action in ejectment or to obtain possession of the Leased Land.

Late Charge

S10.06. Tenant shall pay Landlord a one and one-half percent (1 1/2%) late charge on every rent payment made five (5) days or more after due date.

ARTICLE 11

SURRENDER AND REMOVAL

Surrender of Possession

S11.01. Upon the expiration of the term of this lease or any earlier termination thereof, Tenant shall surrender to Landlord possession of the Leased Land and all buildings and improvements thereon.

Removal of Personal Property

S11.02. If Tenant shall not then be in default under any of the covenants and conditions hereof, Tenant may remove or cause to be removed all of Tenant's machinery,

equipment and trade fixtures on the Leased Land; provided, Tenant shall, at its sole cost and expense, immediately repair any damage or injury to any building or other improvement on the Leased Land caused by such removal. Any of said machinery, equipment or trade fixtures that are not removed from the Leased Land within thirty (30) days after the date of expiration or any termination of this lease shall belong to Landlord without the payment of any consideration; provided, Landlord, may require Tenant to remove any or all of such machinery, equipment or trade fixtures at Tenant's sole cost and expense. The provisions of this S11.02 shall survive the expiration or termination of this lease.

Tenant's Quitclaim

S11.03. Upon the expiration of the lease term, or any sooner termination of this lease, at Landlord's request, Tenant agrees to execute, acknowledge and deliver to Landlord a proper instrument in writing, releasing, and quitclaiming to Landlord all right, title and interest of Tenant in and to the Leased Land and all buildings and other improvements thereon.

ARTICLE 12

LANDLORD'S GENERAL PROTECTIVE PROVISIONS

Landlord's Right to Entry and Inspection

S12.01. Tenant shall permit Landlord or Landlord's agents, representatives, or employees to enter upon the Leased Land at reasonable times for the purpose of conducting

an inspection in a reasonable manner to determine whether agreements in this lease are being complied with, or for the purpose of showing the Leased Land to prospective tenants, purchasers or mortgagees.

Performance of Tenant's Obligations

After Notice or Without Notice in Emergency

S12.02. If Tenant shall default in the performance of any covenant or condition in this lease required to be performed by Tenant, Landlord may, after thirty (30) days' notice to Tenant, or without notice if in Landlord's opinion an emergency exists, perform such covenant or condition for the account and at the expense of Tenant. If Landlord shall incur any expense, including reasonable attorneys' fees, in instituting, prosecuting, or defending any action or proceeding instituted by reason of any default of Tenant, Tenant shall reimburse Landlord for the amount of such expense. Should Tenant, pursuant to this lease, become obligated to reimburse or otherwise pay Landlord any sum of money in addition to the basic rent, the amount thereof shall be deemed additional rent and may, at the option of Landlord, be added to any subsequent installment of the basic rent due and payable under this lease, in which event Landlord shall have the remedies for default in the payment thereof provided by this lease. The provisions of this 12.02 shall survive the termination of this lease.

Release of Landlord After Sale

S12.03. In the event of a sale or conveyance by Landlord of the Leased Land or any part containing the Leased Land, Landlord shall be released from any future liability upon any of the covenants or conditions, expressed or implied, in favor of Tenant, and in such event, Tenant agrees to look solely to the responsibility of the successor in interest of Landlord in and to this lease.

Accord and Satisfaction

S12.04. No payment by Tenant or receipt by Landlord of a lesser amount than the rental shall be deemed to be other than on account of the rental, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the rental or pursue any other remedy provided for in this lease.

Landlord's Contractual Security Interest

S12.05. Landlord shall have at all times a valid security interest to secure payment of all rent and other sums of money becoming due hereunder from Tenant, and to secure payment of any damages which Landlord may suffer by reason of the breach by Tenant of any covenant, agreement or condition contained herein, upon all fixtures and personal property of Tenant presently, or which may hereafter be, situated on the Leased Land, and all proceeds therefrom, and such property shall not be removed without the consent of

Landlord until all arrearages in rent as well as any and all other sums of money then due to Landlord or to become due to Landlord hereunder shall first have been paid and discharged and all the covenants, agreements and conditions hereof have been fully complied with and performed by Tenant. Upon the occurrence of an event of default by Tenant. Upon the occurrence of an event of default by Tenant, Landlord may, in addition to any other remedies provided herein, enter upon the Leased Land and take possession of any and all fixtures and personal property of Tenant situated on the Leased Land, without liability for trespass or conversion, and sell the same at public or private sale, with or without having such property at the sale, after giving Tenant reasonable notice of the time and place of any public sale or of the time after which any private sale is to be made, at which sale Landlord or its assigns may purchase unless otherwise prohibited by law. Unless otherwise provided by law, and without intending to exclude any other manner of giving Tenant reasonable notice, the requirement of reasonable notice shall be met if such notice is given in the manner prescribed in the lease at least seven (7) days before the time of sale. Any sale made pursuant to the provision of this S12.05 shall be deemed to have been a public sale conducted in a commercially reasonable manner if held on the Leased Land or where the property is located after the time, place, and method of sale and a general description of the types of property to be sold have been advertised in a daily newspaper published in Guam, for five (5) consecutive days before the date of the sale. The proceeds from any such disposition, less any and all expenses connected with the taking of possession, holding and selling of the property (including reasonable attorneys' fees and legal expenses), shall be the security interest granted in this S12.05. Any surplus shall be paid to Tenant or

as otherwise required by law; Tenant shall pay any deficiencies forthwith. Upon request by Landlord, Tenant agrees to execute and deliver to Landlord a financing statement in form sufficient to perfect the security interest of Landlord in the aforementioned property and proceeds thereof under the provisions of the Guam Uniform Commercial Code.

Landlord's Title

S12.06. Nothing herein contained shall empower Tenant to do any act which can, may or shall cloud or encumber Landlord's fee simple title. This lease does not grant any rights to light and air over property except over public streets, alleys or way kept open by public authority.

Reserved Rights

S12.07. Landlord reserves the following rights: (i) To change the street address of the Leased Land without notice of liability of Landlord to Tenant; (ii) to display during the last ninety (90) days of the term without hinderance or molestation by Tenant "For Rent" and similar signs on windows or elsewhere in or on the Leased Land; (iii) during the last ninety (90) days of the term or any part thereof, if during or prior to that time Tenant vacates the Leased Land, or at any time after Tenant abandons the Leased Land, to enter and decorate, remodel, repair, alter or otherwise prepare the Leased Land for reoccupancy; and (iv) to take any and all reasonable measures, including inspections, repairs, alterations, additions and improvements to the Leased Land as may be reasonably necessary or desirable for the safety, protection or preservation of the Leased Land or Landlord's

interest. Landlord may enter upon the Leased Land and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of any eviction or disturbance of Tenant's use or possession and without being liable in any manner to Tenant.

Landlord's Right to Cure Default

S12.08. In the event Tenant shall fail to pay and discharge or caused to be paid and discharged, when due and payable any tax, assessment, or other charge upon or in connection with the Leased Land, or any lien or claim for labor or material employed or used in or any claim for damages arising out of the construction, repair, restoration, replacement, maintenance, and use of the Leased Land and the improvements, or any judgment on any contested lien or claim, or any insurance premium or expense in connection with the Leased Land and improvements, or any other claim, charge, or demand which Tenant has agreed to pay or caused to be paid under the covenants and conditions of this lease, and if Tenant, after ten (10) days written notice from Landlord to do so, shall fail to pay and discharge the same, then Landlord may, at its option, pay any such tax, assessment, insurance expense, lien, claim, charge, or demand, or settle or discharge any action therefor, or judgment thereon, and all costs, expenses, and other sums incurred or paid by Landlord in connection with any of the foregoing shall be paid Tenant to Landlord upon demand, together with interest thereon at the rate of one and one-half percent (1/2%) per month from the date incurred or paid, and any default in such payment shall constitute a breach of the covenants and conditions of this lease.

ARTICLE 13

GAA ASSURANCES TO FAA AND JOINT USE AGREEMENT

Compliance

S13.01. Tenant agrees to observe and obey all applicable rules and regulations promulgated by the Federal Aviation Administration ("FAA") or Landlord governing conduct on and operations at the Antonio B. Won Pat Guam International Air Terminal and all related facilities owned and operated by Landlord including the GAA Industrial Park (collectively referred to as "ABWGIAT"). Landlord has received federal assistance through several executed Grant Agreements for ABWGIAT development and certain land acquisition transactions. This lease and Tenant's use of the Leased Land and ABWGIAT shall be subject to any and all applicable terms of those certain Sponsor's Assurances that Landlord (as Sponsor therein) has made to FAA as they relate to the application, acceptance and use of federal funds for ABWGIAT development. The Assurances applicable to this lease shall include, but not be limited to, the following specific terms and conditions:

13.01.01. Non-discrimination. (a) Tenant for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Leased Land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Land for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in

compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended; (b) Tenant for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Leased Land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the Leased Land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Tenant shall use the Leased Land in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

13.01.02. **Books, Records, Accounts.** Upon written request of FAA, Tenant shall provide all information reports required by FAA rules, regulations or directives issued pursuant thereto, and shall permit the examination of its books, records, and its facilities, as may be determined by FAA to be pertinent to ascertain compliance with such rules, regulations, orders and directives.

13.01.03. **Service, Prices.** Tenant shall furnish services and products on a fair, equal, and not unjustly discriminatory basis to all customers and users. Tenant shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service and product.

13.01.04. Compatibility with ABWGIAT Operations and Use. Compatibility with ABWGIAT operations and use is a vital concern for any development on or near ABWGIAT. Safety of nearby aircraft flight and ground operations must be and shall be given primary concern at all times. Thus, the development and use of the GAA Industrial park, including this lease, are subject to and shall not be inconsistent with ABWGIAT operations and use.

S13.02. Joint Use Agreement. The parties hereto are aware that Landlord has right to use the landing area of ABWGIAT under a Joint Use Agreement entered into by the Government of Guam with the United States of America dated July 19, 1974. The rights and obligations under such Joint Use Agreement have been transferred to and assumed by Landlord. It is expressly agreed that this lease is subject and subordinate to the said Joint Use Agreement and all its terms and conditions.

ARTICLE 14

GENERAL PROVISIONS

Covenant to Execute Additional Instruments

S14.01. Landlord and Tenant agree to execute and deliver any instruments in writing necessary to carry out the agreement, term, condition, or assurance in this lease whenever the occasion shall arise and request for such instruments shall be made by the other party.

No Waiver of Breach

S14.02. No failure by either Landlord or Tenant to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this lease or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this lease, but each and every covenant, condition, agreement, and term of this lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Time of Essence

S14.03. Time is of the essence of this lease, and of each provision.

Successors In Interest

S14.04. Each and all of the covenants, conditions, and restrictions in this lease shall inure to the benefit of and shall be binding upon the successors in interest of Landlord, and subject to the restrictions of ARTICLES 6 and 9, supra, the authorized encumbrancers, assignees, transferees, subtenants, licensees, and other successors in interest of Tenant.

Entire Agreement

S14.05. This lease contains the entire agreement of the parties with respect to the matters covered by this lease, and no other agreement, statement, or promise made by any

party, or to any employee, officer, or agent of any party, which is not contained in this lease shall be binding or valid.

Waiver of Subrogation

S14.06. All insurance policies carried by Tenant covering the Leased Land and the buildings and other improvements thereon, including but not limited to contents, fire, casualty, and other insurance, shall expressly waive any right of the insurer against Landlord. Tenant agrees that its insurance policies will include such waiver clause or endorsement.

Partial Invalidity

S14.07. If any terms, condition, or provision of this lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Relationship of Parties

S14.08. Nothing contained in this lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the provisions contained in this lease nor any acts of the parties shall be deemed to create any relationship between Landlord or Tenant, other than the relationship of landlord and tenant.

Interpretation and Definitions

S14.09. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Unless otherwise provided in this lease, or unless the context otherwise requires, the following definitions and rules of construction shall apply to this lease:

14.09.01. Number and Gender. In this lease the neuter gender includes the feminine and masculine, the singular number includes the plural, and vice versa.

14.09.02. Mandatory and Permissive. "Shall", "will", and "agrees" are mandatory, "may" is permissive.

14.09.03. Captions. Captions of articles, sections, and subsections of the lease and of its table of contents are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.

14.09.04. Term Includes Extensions. All references to the "term" of this lease or the "lease term" shall include any extensions of such term.

14.09.05. Other Definitions. Additionally, the following words and phrases shall have the following meanings:

14.09.05.01. Authorized Representatives: Any officer, agent, employee, or independent contractor retained or employed by either party, acting within authority given him by that party.

14.09.05.02. Damage: Injury, deterioration, or loss to a person or property caused by another person's acts or omissions. Damage includes death.

14.09.05.03. **Good Condition:** The good physical condition of any improvements on the Leased Land and each portion of such improvements, including, without limitation, signs, windows, appurtenances, and Tenant's personal property as defined here. "In good condition" means first-class, neat, clean and broom-clean, and is equivalent to similar phrases referring to physical adequacy in appearance and for use.

14.09.05.04. **Hold Harmless:** To defend and indemnify from all liability, losses, penalties, damages as defined here, costs, expenses (including, without limitation, attorneys' fees), causes of action, claims, or judgments arising out of or related to any damage, as defined here, to any person or property.

14.09.05.05. **Law:** Any judicial decision, statute, constitution, ordinance, resolution, regulation, rule, administrative order, or other requirement of any municipality, territorial, Federal, or other government agency or authority having jurisdiction over the parties or the Leased Land, or both, in effect either at the time of execution of the lease or at any time during the term, including, without limitation, any rule or regulation of Landlord.

14.09.05.06. **Lien:** A charge imposed on the Leased Land by someone other than Landlord, by which the Leased Land is made security for the performance of an act. Most of the liens referred to in this lease are mechanics' liens.

14.09.05.07. **Maintain:** Includes repair, replace, repaint, and clean.

14.09.05.08. **Person:** One or more human beings, or legal entities or other artificial persons, including, without limitation, partnerships, corporations, trusts, estates, associations, and any combination of human beings and legal entities.

14.09.05.09. Repair: The reconstruction, rebuilding and rehabilitation that are necessary to return destroyed portions of any improvements on the Leased Land and other property to substantially the same physical condition as they were in immediately before the destruction.

Attorneys' Fees

S14.10. In the event that either party hereto shall commence any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any term, covenant, or condition of this lease by it to be performed or kept, the party prevailing in said action or proceeding shall be entitled to recover, in addition to its court costs, reasonable attorneys' fee to be fixed by the court, and such recovery shall include court costs and attorneys' fees on appeal, if any. The court will determine who is the "prevailing party", whether or not the suit proceeds to final judgment; provided, however, that if an action is voluntarily dismissed, or dismissed pursuant to a settlement of the case, neither party will be entitled to recover its attorneys' fees.

Interest

S14.11. Any sum accruing to Tenant or Landlord under the provisions of this lease which shall not be paid when due shall bear interest at the rate of one and one-half percent (1 1/2%) per month from the date the rent was due with respect to rent and from the date written notice specifying such nonpayment is given to the defaulting party, with respect to sums due other than rent.

Modification

S14.12. This lease is not subject to modification except in writing signed by both parties.

Delivery of Rent and Notices - Method and Time

S14.13. All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, registered, return receipt requested, postage prepaid, to the addresses stated in this S14.13, and shall be deemed to have been given at the time of personal delivery or at the time of mailing.

14.13.01. Payment of Rent. All rents and other sums payable by Tenant to Landlord shall be by check payable to Landlord, delivered in person to the Landlord, or mailed to Landlord at P.O. Box 8770, Tamuning, Guam 96911.

14.13.02. Notices to Landlord. All notices, demands, or requests from Tenant to Landlord shall be given to Landlord by personal delivery or by mailing the same to P.O. Box 8770, Tamuning, Guam 96911.

14.13.03. Notices to Tenant. All notices, demands, or requests from Landlord to Tenant shall be given to Tenant at 150 E. Harmon Industrial Park Road, Tamuning, Guam 96911.

14.13.04. Change of Address. Each party shall have the right, from time to time, to designate a different address by notice given in conformity with this S14.13.

ARTICLE 15
CONDEMNATION

Consequences of Condemnation

S15.01. In the event during the term of this lease the Leased Land or any part thereof shall be taken or condemned by any authority having the power of eminent domain, then and in every such case the estate and interest of Tenant in any part of the Leased Land so taken or condemned shall at once cease and terminate; and the rental to be paid under this lease shall be reduced for and during the unexpired balance of the term hereof, effective as of the date when Tenant shall by reason of such taking or condemnation lost the right to possession of such part of the Leased Land, in an amount which shall be that proportion of the rental which is equivalent to the reduction in the area of the Leased Land shall refund to Tenant any unearned portion of the rental thereof paid in advance prior to the effective date of such taking or condemnation.

15.01.01. **Compensation and Damages.** In every such case of taking or condemnation of the Leased Land or any part thereof, all compensation and damages payable for or as a result of such taking or condemnation shall be payable to and be the sole property of Landlord, and Tenant shall have no interest in or claim to such compensation or any part thereof whatsoever; and all compensation and damages payable for or on account of any buildings and other improvements on the Leased Land and any plans and other preparations therefor shall be payable to Landlord and Tenant as their

respective interest shall appear, and said respective interest in such compensation and damages payable for or on account of any such buildings or other improvements shall be fixed and determined, as of the date when Tenant shall by reason of such taking or condemnation lose the right to possession of such buildings or other improvements so taken or condemned, as follows:

15.01.01.01. **Landlord's Interest.** The interest of Landlord therein shall be a proportionate amount of such compensation and damages in the ratio which the expired portion of the term of this lease bears to the full term of this lease; and

15.01.01.02. **Tenant's Interest.** Tenant's interest therein shall be the balance of such compensation and damages after first deducting therefrom the amount of the interest of Landlord therein as hereinbefore defined.

15.01.02. **Termination of Lease.** In the event only part of the Leased Land shall be so taken or condemned, and either the balance of the Leased Land is unsuitable for the purpose for which leased to Tenant, or all of the buildings on the Leased Land shall be so taken or condemned or only a part of the buildings shall be so taken or condemned, thereby rendering the remaining portion of the buildings unsuitable for Tenant's purposes under this lease, and Tenant shall remove all remains of said buildings and any other improvements from the balance of the Leased Land and restore the Leased Land to good and orderly condition under its option as herein provided, then and in every such case Tenant shall have the right at its option, by giving prior written notice thereof to Landlord within sixty (60) days after such event, to terminate this lease. Upon such termination Tenant shall be relieved of all further obligations under this lease, and Landlord shall

refund to Tenant any unearned portion of the rental therefor paid in advance prior to the effective date of such termination.

ARTICLE 16

EXECUTION, RECORDING, AND INCORPORATION BY REFERENCE

Recording

S16.01. Tenant shall not record this lease without the written consent of Landlord; provided, however, upon the request of Tenant, the Landlord shall join in the execution of a memorandum of "short form" of this lease for the purpose of recordation. The memorandum or short form shall describe the parties, the Leased Land, the term of this lease, shall incorporate this lease by reference.

Counterparts

S16.02. This lease, consisting of forty-six (46) pages, plus exhibits, may be executed in several counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement, which shall be binding upon all parties hereto notwithstanding that all of the parties are not signatories.

Exhibits

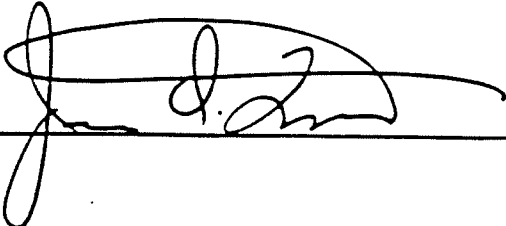
S16.03. All Exhibits attached hereto are made a part of this lease by reference.

Execution

S16.04. This lease has been executed by the parties as of August 15

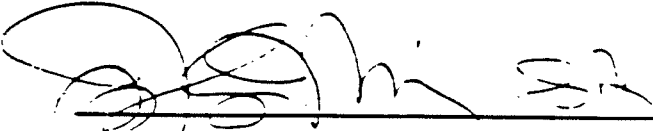
19 91.

GUAM AIRPORT AUTHORITY
Landlord




Its

MID-PAC FAR EAST, INC.
Tenant



Its President

6/20/91
C17200016


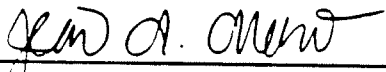
TERRITORY OF GUAM

Municipality of Agana

On this 20th day of June, 1991, before me, a notary public in and for the Territory of Guam, personally appeared JESS O. TORRES, the duly authorized representative of GUAM AIRPORT AUTHORITY, known to me to be the person who executed the foregoing GAA Industrial Park Ground Lease, and acknowledged to me that he executed the same on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

)SEAL(



JEAN A. MENO
NOTARY PUBLIC
In and for the Territory of Guam
My Commission Expires: May 30, 1996

TERRITORY OF GUAM

Municipality of Agana

On this 20th day of June, 1991, before me, a notary public in and for the Territory of Guam, personally appeared James S. Moir, the duly authorized representative of MID-PAC FAR EAST, INC., known to me to be the person who executed the foregoing GAA Industrial Park Ground Lease, and acknowledged to me that he executed the same on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

)SEAL(

Jean A. Meno
JEAN A. MENO
NOTARY PUBLIC
In and for the Territory of Guam
My Commission Expires: May 30, 1996

EXHIBIT "A"

Property Description

Lot No. 1, Block No. 1, Tract No. 1427, Guam International Air Terminal Industrial park, Municipalities of Barrigada and Dededo, Guam, containing an area of approximately 3,192 square meters or 34,357 square feet, as shown on Drawing No. DS1-S-88-25 dated April 23, 1990, prepared by registered land surveyor Nestorio C. Ignacio, RLS No. 65.

Pursuant to Public Law 20-188 the legal descriptions of the parcels must be based on a map certified and approved by the Territorial Surveyor and Planner and duly recorded at the Department of Land Management. Property description may need to be revised accordingly.

EXHIBIT "B"

S1. **Rental Schedule.** For the first five (5) years period commencing February 14, 1992 the rent shall be ²⁰ ~~\$26.50~~ per square meter per year for the total area of the Leased Land. At the end of fifth (5th) year of the term of this lease, the rental rate for the ensuing five (5) years shall be increased by ten percent (10%) of the prior effective rental rate. Rental shall be paid monthly as specified in Section 3.01.02 of the lease.

S2. **Rental Projections.** Upon commencement of the term of this lease Landlord shall provide Tenant with 30 year rental projections on an annual and monthly basis.

S3. **Rental During Option Periods.** The rental during the extended periods, if extended pursuant to Section 2.02 of the lease, shall be as determined pursuant to Section 3.01.01 of the lease.

EXHIBIT "C"

S1. Authorized Uses and Activities:

A. Services, Spare Parts and Sales of:

1. Generator Sets and Load Testing
2. Automatic Transfer Switches
3. Hydraulic Hose and Fittings
4. Filters for most Applications
5. Exhaust Components and Accessories
6. Lubricants for Hydraulics, etc.
7. Backhoes and Loaders - New, Used & Parts
8. Trucks and Trailers - New, Used & Parts
9. Mowing Equipment - All sizes and types
10. Storage Batteries - All sizes
11. Allison Transmissions
12. Torque Converters
13. Detroit Diesel Products
14. Cummins Products
15. Briggs and Stratton Products
16. John Deere Products
17. Grote Lights and Accessories
18. Bearings and Seals
19. Stow Concrete Products
20. Industrial Supplies
21. Forklifts - New and Used
22. Cranes - New and Used
23. Refuse Products
24. Tires and Tubes
25. Compressors
26. Pumps, Fuel and Water
27. Electric Motors
28. Special Tools - Pressers, Pullers, etc.
29. Brake Parts and Suppliers
30. Hitches and Hooks - All types

S2. Authorized and Required Uses and Activities:

A. Service, Spare Parts and Sales of:

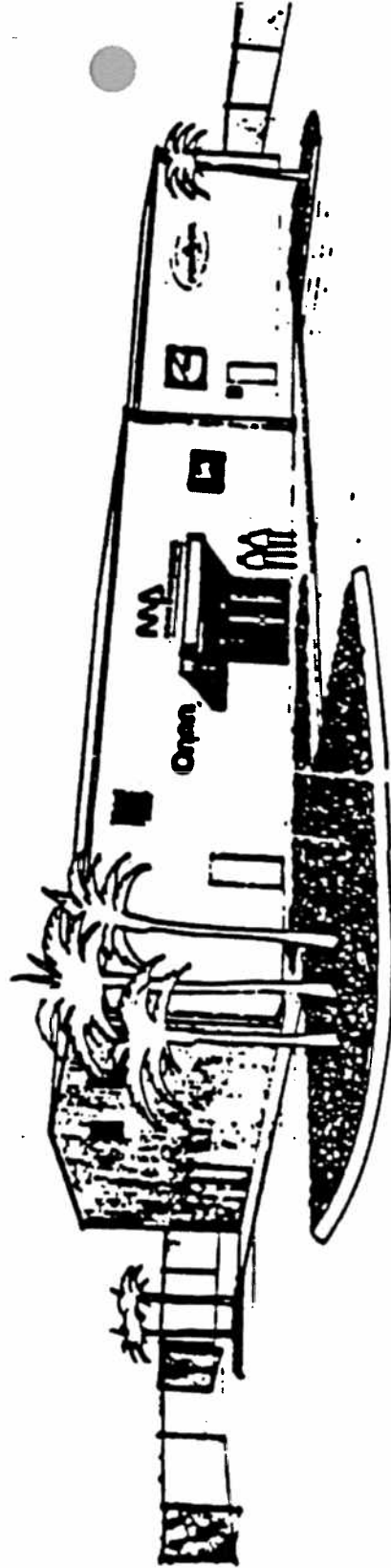
1. Clark, Tug and Ottawa Airport Tractors
2. Aircraft Parts for Beech, Piper and Cessna

EXHIBIT "D"

Pre-engineered metal building with structural concrete footings and building slab, concrete curbs and sidewalk, asphalt concrete paving with landscaped islands, a slatted 6 foot high chain link fence covers the rear portion.

BUILDING:

Width:	70' / 50'
Length:	160'
Eave Height:	20'
Roof Slope:	2:12
2nd Floor	6,300 sq. ft.
Ground Floor	9,600 sq. ft.
Total Floor	15,900 sq. ft.



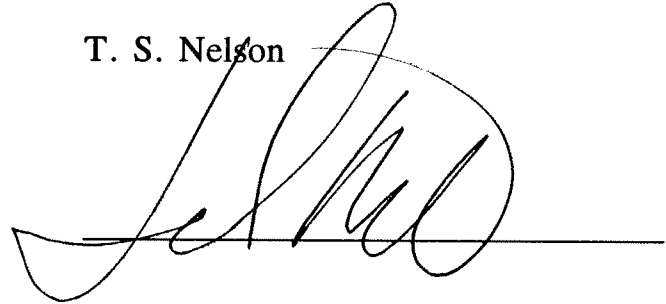
TWENTY-SECOND GUAM LEGISLATURE
1994 (Second) Regular Session

SEP 09 '94

Bill No. 1142(us)

Introduced by:

T. S. Nelson



AN ACT TO AUTHORIZE THE GUAM AIRPORT
AUTHORITY TO ENGAGE IN AN "ASSIGNMENT
OF LEASE" OF A CERTAIN LEASED PROPERTY
OF THE GUAM AIRPORT AUTHORITY
INDUSTRIAL PARK TO BISNES-MAMI, INC., A
GUAM CORPORATION, FOR AIRPORT OR
AIRPORT RELATED USES.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF

2 GUAM:

3 **Section 1. History.** The Guam Airport Authority (GAA) has
4 developed certain property owned by GAA located at the Guam International
5 Air Terminal Industrial Park, Municipalities of Barrigada and Dededo,
6 Guam, as an industrial park ("the GAA Industrial Park"). Public Law 20-
7 188 authorized GAA to lease Lot No. 1, Block No. 1, Tract No. 1427,
8 containing an area of approximately 3,192 square meters or 34,357 square

1 feet, to **MID-PAC FAR EAST, INC.**, a Guam corporation. On August 25,
2 1994, at a duly called special Board of Directors' (GAA Board) meeting of
3 the Guam Airport Authority, the GAA Board duly approved the
4 "Assignment of Lease: of Lot No. 1, Block No. 1, Tract No. 1427 from
5 MID-PAC FAR EAST, INC. to BISNES-MAMI, INC., a Guam
6 corporation, subject to legislative approval of the Guam Legislature as
7 required by P.L. 20-188.

8 **Section 2. Purpose. Assignment of Lease of certain leased**
9 **property of the Guam Airport Authority Industrial Park Property.** The
10 Assignment of Lease of Lot No. 1, Block No. 1, Tract 1427, in the GAA
11 Industrial Park, formerly with MID-PAC FAR EAST, INC., a Guam
12 corporation to BISNES-MAMI, INC., a Guam corporation, as approved by
13 the GAA Board of Directors in its meeting of August 25, 1994, is herewith
14 concurred and approved by the Guam Legislature.

15 **Section 3. Effective Date.** This Act will take effect upon approval
16 by the Governor or upon its becoming law without such approval.