

SUB-LEASE OF WATER BOTTOMS

BETWEEN

**THE LOUISIANA INTERNATIONAL DEEP WATER GULF TRANSFER
TERMINAL AUTHORITY (“SUB-LESSOR”)**

AND

_____ **(“NEW SUB-LESSEE”)**

**SUB-LEASE OF WATER BOTTOMS BY AND BETWEEN THE LOUISIANA
INTERNATIONAL DEEP WATER GULF TRANSFER TERMINAL AUTHORITY (SUB-
LESSOR) AND ABK LIGTT DEVELOPMENT PARTNERS, L.L.C. (NEW SUB-LESSEE)**

This Sub-Lease made effective on _____, 2022, by and between the:

Louisiana International Deep Water Gulf Transfer Terminal Authority (“Sub-Lessor”), a political subdivision of the State of Louisiana created pursuant to and by Act No. 699 of 2008, which enacted Chapter 49 of the Title 34 of the Louisiana Revised Statutes of 1950, as amended by Act No. 471 of 2014 (La. R.S. 34:3491, *et seq.*) (hereinafter the “Act”), to promote, plan, finance, develop, construct, control, license, regulate, supervise, operate, manage, maintain, and modify deep water terminal facilities with its jurisdiction in order to position Louisiana as an international hub for cargo ships, including super-sized cargo ships, as declared in La. R.S. 34:3491;

AND

_____ (“New Sub-Lessee”), a _____.

I. PURPOSE

It is understood and agreed that this Sub-Lease is made and executed by Sub-Lessor to grant New Sub-Lessee access to the Sub-Leased Property (as the term is defined in Section III herein) in furtherance of authorizing New Sub-Lessee to perform all necessary functions authorized by the Act and required by the Development Agreement, which include, but are not limited to, constructing, maintaining, and operating deepwater terminal facilities on the Sub-Leased Property (the “LIGTT Project”).

II. SUB-LEASE, GRANT, ASSIGNMENT

By virtue of the provisions of La. R.S. 34:3499(A)(6)-(7), (C)(8), and (F) and La. R.S. 34:3504, following approval by the House and Senate Committees on Transportation, Highways and Public Works and upon the terms, conditions and considerations set forth hereinafter, Sub-Lessor does hereby sub-lease, grant, assign, set over and transfer its rights, without warranty of title, in and to the Sub-Leased Property as the term is defined in Section III of this Sub-Lease.

III. SUB-LEASED PROPERTY

As listed in Development Agreement:

“**LIGTT Project Site**” means the area described in Act No. 471 of 2014 of the Louisiana Legislature and Act 699 of 2008, which Developer is authorized to develop and operate as the LIGTT Project; and which is the object of the Lease from the State of Louisiana to the Authority and the Sub-Lease from the Authority to the Developer;

Current Description:

As amended by Act No. 471 of 2014, the metes and bounds description for the Sub-Leased Property, according to engineering calls for the primary tract, is the water and land located at the lower end of the east bank at Southwest Pass in Plaquemines Parish on state owned property, beginning at a point having latitude 28.953797 degrees North and longitude 89.316072 degrees West; thence proceed to a point having latitude 28.941817 degrees North and 89.316192 degrees West; thence proceed to a point having latitude 28.918486 degrees North and 89.336992 degrees West; thence proceed to a point having latitude 28.918692 degrees North and longitude 89.349631 degrees West; thence proceed to a point having latitude 28.940650 degrees North and longitude 89.353161 degrees West; thence proceed to a point having latitude 28.953931 degrees North and 89.324425 degrees West; thence proceed to the point of beginning, containing approximately 2238 Acres more or less (the “**Sub-Leased Property**”), and which is shown on the map attached hereto as Exhibit “A.”

The Sub-Leased Property is intended to cover all property leased or acquired by the Sub-Lessor from the State of Louisiana and, consistent with the intent of the Act, New Sub-Lessee is granted surface rights on the Sub-Leased Property and access over or through water, water bottoms, or State land which is necessary to completely develop the LIGTT Project and/or as necessary to exercise the rights and duties which are assigned for the development of the LIGTT Project; provided any and all necessary permits or approvals are obtained from any State or federal authority for exercise of the right of access.

This Sub-Lease is granted subject to all existing and recorded sub-surface leases, mineral leases, servitude, rights-of-way, or permits affecting the Sub-Leased Property.

IV. TERM

Commencing upon the date of approval by the House and Senate Committees on Transportation, Highways and Public Works, this Sub-Lease shall remain in full force and effect for a period of fifty (50) years (the "Term").

The Term may be shortened as follows:

- (a) The Parties may shorten the Term by written agreement; and
- (b) In the event that the Development Agreement is terminated by either Party prior to expiration of this Term, then this Term shall terminate as of the date the Development Agreement is terminated, subject to the time required to complete full transfer of the LIGTT Project improvements to Sub-Lessor.

The Term may be extended as follows:

- (a) The Parties may extend the Term by written agreement, provided that any such extension shall not be effective until approved by the House and Senate Committees on Transportation, Highways and Public Works; and
- (b) In the event that of a Force Majeure Event or Change in Law (as those terms are defined in the Development Agreement) which requires an extension of the Development Agreement's term (pursuant to Sections 9.2(a) and 10.7(b) of the Development Agreement), then the Term of this Sub-Lease shall be extended by the same time period. Any such extension to the Term, however, shall not be extended longer than the term of the Lease from the State of Louisiana to Sub-Lessor, unless the term of the Lease is first extended by the State to accommodate such extension.

V. RENTAL

- A. Annual Rental Rate. The annual rental payment obligation, constituting the consideration of this Sub-Lease is the price and sum of **\$0.0202 per square foot** of water bottom contained within the Sub-Leased Property. The annual rental rate applicable for any renewal of this Sub-Lease, as well as the annual rental rate for any additional lands shall be the same rate as provided in this Sub-Lease. However, the annual rental rate set herein may be adjusted upon the written agreement of the Parties.
- B. Annual Rental Payment. The Sub-Leased Property currently contains **97,487,280 square feet** of water bottoms, therefore, the initial annual rental payment shall be **\$1,972,222.56**. In the event that the square footage of water bottoms contained within the Sub-Leased Property is subsequently increased or decreased, then the annual rental payments shall be proportionately adjusted.
- C. Annual Rental Due Date. Each annual rental payment is due on January 1 preceding each year of the Lease term; however, New Sub-Lessee agrees to make, and Sub-Lessor consents to accept, each annual rental payment in equal quarterly installment payments, which shall be due on January 1, April 1, July 1, and October 1 of each year.
- D. Interim Payment. Within thirty (30) days of the Parties' execution of the Sub-Lease, New Sub-Lessee shall commence paying Sub-Lessor an interim payment in the amount of thirty thousand dollars (\$30,000.00) per month for each month thereafter until the appropriate regulatory authorities have issued to New Sub-Lessee the permits required for commencement of construction on the Sub-Leased Property. Upon the issuance of all such permits, New Sub-Lessee shall be required to make the annual rental payment as provided herein.
- E. Annual Rental Late Fee. In the event any quarterly installment payment is not received by Sub-Lessor within thirty (30) days from the applicable due date, then the unpaid balance of any such quarterly installment payment shall be subject to a late fee in the amount of three percent (3%) for each quarter it remains unpaid ("Late Fee"). No Late Fee shall be incurred, however, if the Parties mutually agree in writing to extend the due date, or if Sub-Lessor failed to provide New Sub-Lessee written notice within fifteen (15) days after the quarterly due date that payment had not timely been received.

VI. IMPROVEMENTS

Pursuant to the Act and the Lease entered into with the State of Louisiana, Sub-Lessor is authorized to make any additions, alterations or constructions of any nature whatsoever to the Sub-Leased Property which are consistent with the purposes of the Act and to transfer such rights to New Sub-Lessee. Sub-Lessor hereby transfers and grants all such rights to New Sub-Lessee and authorizes New Sub-Lessee to make any additions, alterations, or constructions on the Sub-Leased Property consistent with the purposes of the Act

and made in accordance with the Development Agreement, including, but not limited to, constructing transfer terminal facilities defined by La. R.S. 34:3492(14) to mean:

“Transfer Terminal facilities” or “facilities” means a structure, a series of structures, or a facility constructed after July 1, 2008, developed pursuant to the Authority development program on the lower end of the east bank (of the Mississippi River, as described in Act No. 471 of 2014) designed to accommodate deep draft container vessels and their cargoes, including all intermodal structures, property, and equipment used for transportation, and facilities directly related thereto and necessary or useful to the operation thereof, whether landward, onshore, or seaward of the main structures or facilities themselves, including any facility which is part of a gulf transfer container terminal, as defined herein.”

Title and ownership of the Sub-Leased Property shall always remain vested with the State of Louisiana, subject to the Lease by it to Sub-Lessor with the statutory reservation of mineral rights. New Sub-Lessee may mortgage, lien, assign, transfer, sublet, create any charge or encumbrance, or create and permit creation of any third party rights affecting the whole or any part of the assets developed as Facilities.

New Sub-Lessee shall have the right to develop as owner and mortgage, pledge, secure and assign the assets developed as Facilities. The assets developed by New Sub-Lessee shall be owned and operated by New Sub-Lessee during the term of the Development Agreement and this Sub-Lease. Upon expiration of the Term or termination of the rights of New Sub-Lessee in the Development Agreement, the Facilities shall be owned by Sub-Lessor, subject to rights of lenders with security interests in the Facilities.

VII. REPRESENTATIONS AND WARRANTIES

The provisions of Article 16 of the Development Agreement regarding representations and warranties of Sub-Lessor and New Sub-Lessee apply in this Sub-Lease.

VIII. RESERVATIONS AND/OR LIMITATIONS

- A. New Sub-Lessee further understands and agrees that this Sub-Lease shall not be construed to recognize or confirm title or rights with respect to riparian property relative to adverse claimants or as between riparian owners.
- B. In accordance with the provisions of Article IX, Section 4 of the Louisiana Constitution of 1974 and as provided for in Section VIII of the Lease by and between the Sub-Lessor and the State of Louisiana, the State of Louisiana reserved all rights with respect to minerals in, under and which may be produced from the Sub-Leased Property; however, the State agreed that, in the event it exercises these rights, it shall do so only after obtaining the prior express consent of the Sub-Lessor or its sub-lessee or assignee, which shall not be unreasonably withheld. The State agreed that it shall exercise these rights in a manner that will not unreasonably interfere with or disrupt the Sub-Lessor’s usage of the Sub-Leased Property. Further, the State shall provide prior written notice to the Sub-Lessor of any transfer, sale, lease, or other conveyance of the mineral rights of the State associated with this Sub-Leased Property to any third parties. The State agreed to ensure that any such third party shall comply with the provisions of the Lease and this Sub-Lease to ensure that the exercise of transferee’s rights do not materially impede Sub-Lessor’s usage of the Sub-Leased Property. Accordingly, Sub-Lessor hereby agrees to the same covenants in respect to this Sub-Lease and shall provide New Sub-Lessee with all such notices required by the State of Louisiana in the Lease.
- C. New Sub-Lessee understands that it shall comply with all regulatory provisions protecting drainage, public navigation, and marine life of the surrounding area. Sub-Lessor and New Sub-Lessee agree that the construction of the LIGTT Project in compliance with all applicable laws and permits shall not be considered to be an interference with the drainage, navigation and marine life surrounding the LIGTT Project.

IX. ASSIGNMENT/SUB-LEASE

This Sub-Lease shall be binding upon Sub-Lessor and New Sub-Lessee, their respective successors and assigns. Subject to the terms and conditions in this Sub-Lease, New Sub-Lessee, or its assigns may sub-let, assign, or transfer any part, or all, of this Sub-Lease for any purpose of investment, financing, and/or operations of the Facilities but only with the prior written consent of the Sub-Lessor, which written consent shall not be unreasonably withheld. For any other purpose(s), any sub-lease, assignment, or transfer by New Sub-Lessee or its assigns to another person or entity requires the prior written consent of Sub-Lessor, which shall not be unreasonably withheld, as well the prior written consent of the House and Senate Committees on Transportation, Highways and Public Works and the Division of Administration-Office of State Lands.

X. HOLD HARMLESS

To the extent allowed by law, New Sub-Lessee shall fully indemnify, defend, and hold harmless Sub-Lessor, the State of Louisiana, and their officers, agents, employees, invitees, contractors, and subcontractors against all losses of any kind, including, but not limited to, claims, damages, liabilities, penalties, obligations, expenses, costs for counsel when incurred, and costs incurred by or through the State Risk Management Program, which are incidental to, caused by, connected with, relating to, arising out of, or based upon, directly or indirectly, the use of, and/or activities on, the Sub-Leased Property by New Sub-Lessee, its officers, agents, employees, invitees, contractors, subcontractors, sub-lessees, or assigns. This indemnification provision shall apply to permitted uses, as well as uses that are not permitted under this Sub-Lease. In the event that any damage is caused partly due to the negligence or default or omission on the part of Sub-Lessor and partly due to the negligence or default or omission on the part of New Sub-Lessee, each Party shall be liable to the other Party only in proportion to its respective degree of negligence, default or omission, as the case may be.

In the event that New Sub-Lessee enters into any sub-lease, assignment, or other contract with any third parties with regard to the use of the Sub-Leased Property, New Sub-Lessee shall require all such third parties to fully defend, indemnify, and hold harmless the State of Louisiana and Sub-Lessor, and their officers, agents, employees, and volunteers, against all losses of any kind, including, but not limited to, claims, damages, liabilities, penalties, obligations and expenses, costs for counsel when incurred, and costs incurred by or through the State Risk Management Program, which are incidental to, caused by, connected with, relating to, arising out of, or based upon, directly or indirectly, the use of, and/or activities on, the Sub-Leased Property by any such third parties, or its officers, agents, employees, invitees, contractors, subcontractors, sub-lessees, or assigns.

New Sub-Lessee further agrees to indemnify, defend and hold Sub-Lessor, State of Louisiana, and their employees, contractors, and agents harmless from and against all Environmental liabilities and costs, liabilities and obligations, penalties, claims, litigation, demands, defenses, costs, judgments, suits, proceedings, damages (including consequential damages), disbursements or expenses of any kind (including attorneys' and experts' fees and fees and expenses incurred in investigating, defending, or prosecuting any litigation, claim, or proceeding) that may at any time be imposed upon, incurred by or asserted or awarded against Sub-Lessor or any of them in connection with or arising from or out of:

- (1) Any misrepresentation, inaccuracy or breach of any warranty, covenant or agreement contained or referenced to in this Section; or
- (2) Any violation by Sub-Lessor of any Environmental Law.

All the foregoing indemnification provisions shall apply to permitted uses, as well as uses that are not permitted under this Sub-Lease. The provisions of this Section are in addition to any and all obligations and liabilities New Sub-Lessee may have to Sub-Lessor and shall survive expiration or earlier termination of this Agreement.

XI. LIABILITY INSURANCE

New Sub-Lessee shall insure all insurable assets and improvements comprised in the LIGTT Project and all insurable risks associated with the LIGTT Project to the extent advisable in accordance with good industry practice. At its sole cost and expense, New Sub-Lessee shall obtain and maintain insurance, including, but not limited to:

- (a) Builder's risk insurance;
- (b) Architect and Engineer's Professional Liability Insurance;
- (c) Maritime Liability Insurance;
- (d) Loss, damage or destruction of the LIGTT Project, at replacement value;
- (e) Comprehensive third party liability insurance including injury or death to personnel of the Sub-Lessor and others who may enter the Sub-Leased Property;
- (f) Worker's compensation insurance;
- (g) All other insurance coverage that is required by the State Office of Risk Management; and
- (h) Any other insurance that may be necessary to protect Developer, its employees and its assets and the Sub-Lessor, its employees and agents engaged in or connected to the LIGTT Project and the LIGTT Project Site (against loss, damage or destruction at replacement value) including all Force Majeure Events that are insurable and not otherwise covered in items (a) to (g).

New Sub-Lessee shall require that Sub-Lessor and the State of Louisiana are listed as an additional insured(s) on all such insurance policies listed herein. Minimum coverage and costs shall be reviewed annually to ensure adequate coverage.

New Sub-Lessee or its sub-lessee(s) or assign(s) agree to obtain and maintain any requisite insurance, as outlined above, and/or as may be appropriate during the design and development phase, e.g., the permitting phase has limited insurable interests. The Office of Risk Management (“ORM”) and AON shall design a comprehensive insurance program which prevents duplication, while fully insuring any and all insurable risks. New Sub-Lessee acknowledges and agrees that it shall comply with all insurance requirements and reimburse all ORM premiums and surcharges necessary to maintain such insurance. New Sub-Lessee or any sub-lessee or assignee shall provide proof of insurance to Sub-Lessor and ORM within thirty (30) days of the effective date of this Sub-Lease.

XII. CONDITIONS

- A. New Sub-Lessee shall accept and comply with all reviews and approvals by the Louisiana House and Senate Committees on Transportation, Highways, and Public Works as required by Article IX herein.
- B. New Sub-Lessee shall cooperate and supply all documents, including, but not limited to information regarding rental and royalty payments, necessary for Sub-Lessor to comply with the annual review and approval of Sub-Lessor’s budget by the Joint Legislative Committee on the Budget, as is required by La. R.S. 34:3496(D).
- C. New Sub-Lessee shall comply with all federal, Louisiana, local, municipal and parish laws.
- D. New Sub-Lessee agrees to use the Sub-Leased Property as a good and careful administrator. This includes maintaining the property in a neat, clean and orderly manner at all times. It is expressly acknowledged that New Sub-Lessee or its contractors, representatives, sub-lessees, or assignees may store, ship, use, or transfer Hazardous Materials from the Sub-Leased Property during the construction and operation of the LIGTT Project. The storage and handling of any such Hazardous Materials shall comply with all State, Federal, and local laws, rules, regulations, and permits. Nothing herein shall permit the disposal of Hazardous Materials on or under the Sub-Leased Property in violation of any applicable law or permit.

For purposes of this section, “Hazardous Materials” means any substance or material (i) the presence or suspected presence of which requires or may require investigation, response, clean-up, remediation or monitoring, or may result in liability, under any Governmental Requirement; (ii) that is or contains a hazardous substance, waste, extremely hazardous substance, hazardous material, hazardous waste, hazardous constituent, solid waste, special waste, toxic substance, pollutant, contaminant, petroleum or petroleum derived substance or waste, and related materials, including, without limitation, any such materials defined, listed, identified under or described in any Environmental Law; (iii) that is flammable, explosive, radioactive, reactive, toxic, corrosive, infectious, carcinogenic, mutagenic or otherwise hazardous, or is or becomes regulated under any Environmental Law; (iv) that is or contains asbestos (whether friable or non-friable), any polychlorinated biphenyls or compounds or equipment containing polychlorinated biphenyls, or medical waste; (v) that is or contains or once contained gasoline, diesel fuel, oil, diesel and gasoline range organics (TPH-DRO / GRO), or any other petroleum products or petroleum hydrocarbons, or additives to petroleum products, or any breakdown products or compounds of any of the foregoing; (vi) crude oil, natural gas, or any other oil, gas or minerals as defined by the mineral code; or (vii) radon gas.

- E. The audit provisions of La. R.S. 34:3499.1 shall apply to this Sub-Lease.

XIII. TERMINATION/CANCELLATION/DISPUTE RESOLUTION

- A. Should any dispute arise from or related to this Sub-Lease or any sublease or assignment of this Sub-Lease, either Party shall submit a request to the Commissioner of Administration to resolve the dispute. The Parties and their sub-lessees or assigns shall meet with the Commissioner to make a good faith effort to resolve the dispute as a condition of and prior to filing any judicial action available to the Parties.
- B. Except as otherwise specifically provided herein, should New Sub-Lessee at any time violate any of the conditions of this Sub-Lease, or discontinue the use of the Sub-Leased Property, or fail to make payments or pay other expenses assumed under this Sub-Lease, then Sub-Lessor may cancel this Sub-Lease after issuing notice of default to New Sub-Lessee and providing New Sub-Lessee with ninety (90) days to correct or cure any such violations, subject to the Requisition and Condition Survey provisions of Article 12 and Transfer provisions of Article 14 in the Development

Agreement. New Sub-Lessee shall remain responsible to Sub-Lessor for all damages or losses suffered by Sub-Lessor regardless of whether New Sub-Lessee has sub-leased this Sub-Lease.

- C. New Sub-Lessee, its contractual sub-lessee(s), or assign(s) shall take immediate action to prevent, halt and correct any intentional conduct under its control that is punishable as a felony under applicable law. If after notice, and an opportunity to be heard in a temporary restraining order or preliminary injunction hearing, it is determined by a court of competent jurisdiction that the conduct is ongoing, cannot be cured, is intentional or malicious, and is under the control of New Sub-Lessee, its sub-lessee(s), or assign(s), a restraining order and/or preliminary injunction shall issue and be immediately enforceable without a showing of irreparable injury to the State of Louisiana, Sub-Lessor its assignor, to enjoin the operations of the facilities until the conduct that is otherwise punishable as felony under applicable law has been halted.
- D. New Sub-Lessee may surrender this Sub-Lease at any time by giving written notice to Sub-Lessor. If New Sub-Lessee had previously recorded this Sub-Lease in the Parish conveyance records, then New Sub-Lessee shall file a written release in the Parish conveyance records and shall provide Sub-Lessor a certified copy thereof within thirty (30) days of the notice of cancellation. Surrender of this Sub-Lease shall not affect any existing obligations of New Sub-Lessee or relieve the New Sub-Lessee of any obligations previously incurred.
- E. Upon termination of this Sub-Lease, New Sub-Lessee shall automatically forfeit any right of recourse against Sub-Lessor for return of all or part of the consideration paid.
- F. In the event of cancellation for any reason, or upon termination in accordance with the Term of this Sub-Lease, then New Sub-Lessee or its assigns hereby agrees to pay for any and all services, work, and expenses necessary to decommission the Facilities, which may include, but not be limited to, all work necessary for environmental safety and preservation.
- G. Should Sub-Lessor allow or permit New Sub-Lessee to remain on the Sub-Leased Property after the expiration or termination of this Sub-Lease, this shall not be construed as a reconduction of this Sub-Lease or as a waiver of any right Sub-Lessor may have herein. Receipt of partial payment of any obligation shall not be considered satisfaction of any outstanding obligations due Sub-Lessor under the terms of this Sub-Lease.

XIV. CHOICE OF LAW AND VENUE

This Sub-Lease shall be governed by the laws of the State of Louisiana. Venue for any action arising in any way out of this Sub-Lease shall be in the 19th Judicial District Court, East Baton Rouge Parish; provided, however that no action shall be instituted prior to the parties engaging in the dispute resolution procedure in Article XIII(A) of this Sub-Lease.

XV. MISCELLANEOUS PROVISIONS

- A. Survival of Obligations. Any cause of action which may have occurred in favor of either Party or any right which is vested in either Party under any of the provisions of this Sub-Lease during the Term as the case may be as a result of any act, omission, deed, matter or thing done or omitted to be done by either Party before the expiration of the Term in accordance with the provisions of this Sub-Lease shall survive the expiration of the Term/ the termination of this Sub-Lease.
- B. Sections to Survive Termination. The provisions of Articles 12 (Termination Procedure), 13 (Compensation), 14 (Transfer on Expiration of Term), 15 (Dispute Resolution), and 16 (Representations and Warranties) of the Development Agreement shall, to the fullest extent necessary to give effect thereto, survive the termination of this Sub-Lease and the obligations of Parties to be performed following the termination of this Sub-Lease shall accordingly be performed by the Parties.
- C. Several Obligations. Nothing contained in this Sub-Lease shall be construed to create an association, trust, partnership, agency or joint venture among the Parties and Parties shall be liable to perform their respective duties and discharge their respective liabilities or obligations in accordance with the provisions of this Sub-Lease.
- D. Severability. If any one or more of the provisions contained in this Sub-Lease is found to be invalid, illegal, or unenforceable, in any respect and for any reason whatsoever, then the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In the event any such provision is held to be invalid, illegal or unenforceable, the Parties hereto shall make their best efforts to agree on a provision in substitution for such invalid, illegal or unenforceable provision that is as near in economic benefit as possible to the provision found to be invalid, illegal or unenforceable.

- E. Notices. All communications and notices expressly provided for herein shall be sent, by registered first class mail, postage prepaid, by a nationally recognized overnight courier for delivery on the following business day or by e-mail (with such e-mail to be confirmed promptly in writing sent by mail or overnight courier as aforesaid), as follows:

SUB-LESSOR:	_____, President Louisiana International Deep Water Gulf Transfer Terminal Authority Roedel Parsons Blache Fontana Piontek & Pisano 8440 Jefferson Hwy., Ste. 301 Baton Rouge, LA 70809-7654
WITH A COPY TO:	Roedel Parsons Koch Blache Balhoff & McCollister 8440 Jefferson Hwy., Ste.301 Baton Rouge, LA 70809-7654 Telephone: (225) 929-7033 Telefax: (225) 928-4925 Attention: Larry M. Roedel and Bradley Guin
NEW SUB-LESSEE:	
WITH COPIES TO:	

- F. Construction. This Sub-Lease shall not be construed more strictly against one Party than against any other Party merely by virtue of the fact that the Sub-Lease may have been prepared by counsel for one of the Parties, it being recognized that all Parties have contributed substantially and materially to the preparation of this Sub-Lease.
- G. Waiver. No waiver of any term or condition or of the breach thereof by any Party shall be valid unless expressed in writing and signed by such Party and communicated by such Party to the other Party in accordance with the provisions of Section 17.6 of the Development Agreement. A waiver by any Party of any term or condition or breach thereof in a given case shall not be deemed or construed as a general waiver of such term or condition or the breach in the future or waiver of any other terms or conditions or breach of this Sub-Lease.
- H. Amendments, Modifications or Alterations. This Sub-Lease may be amended only by a written modification duly executed by the Parties' authorized representatives. Good faith is to be exercised in any interpretation regarding needed amendments.
- I. Governing Law. This Sub-Lease shall be governed by and construed in accordance with the laws of the State of Louisiana.
- J. No Third Party Beneficiary. This Sub-Lease is for the sole and exclusive benefit of the Sub-Lessor and New Sub-Lessee and, if applicable, any permitted successors, transferees or assigns thereof. No other persons or entities are intended third party beneficiaries of this Sub-Lease, including, without limitation, any third parties that may, from time to time, have ownership, security or other interests in any real or personal property associated with the LIGTT Project, nor shall such third parties have any rights to enforce any of the provisions of this Sub-Lease.
- K. Contractual Relationship. None of the commitments or other obligations, agreements or provisions contained in this Sub-Lease shall or shall be deemed to give the Sub-Lessor the right or power to exercise control over the affairs or management of New Sub-Lessee or any of its affiliates, the LIGTT Project or any part thereof, except as otherwise provided for herein. The relationship between the Sub-Lessor and New Sub-Lessee is, and at all times shall remain, contractual. No commitment or other obligation, agreement or provision of this Sub-Lease, nor any agreement executed pursuant hereto, is intended, nor shall it be deemed or construed, to create a partnership, joint venture, agency or common interest between or among the Sub-Lessor and New Sub-Lessee or to create any equity interest in the LIGTT Project for the Sub-Lessor. Notwithstanding any other provision of this Sub-Lease or agreement executed pursuant hereto, Sub-Lessor is not and shall not

be construed as a contractual partner, joint venture partner, alter ego, manager, controlling person or other business associate or participant of any kind of New Sub-Lessee, its stockholders, members, or partners or the LIGTT Project.

- L. Further Assurances. Sub-Lessor and New Sub-Lessee agree to do all things and take all actions required, necessary or appropriate to carry out the terms of this Sub-Lease and the implementation of the Parties' intent as reflected by the terms of this Sub-Lease and the Development Agreement. Such things and actions include, but are not limited to, the obtaining, negotiation, execution and delivery of all necessary or desirable agreements, filings, consents, authorizations, approvals, permits, concessions, licenses or deeds. Without limiting the generality of the foregoing, the Parties agree that they shall:
- (1) Take action which is necessary and appropriate to assure the binding effect, legality, enforceability, financial structuring, construction and operation of the LIGTT Project as reflected in the objectives and respective obligations and commitments of the Parties herein and in the Development Agreement to be negotiated;
 - (2) Supplement or revise this Sub-Lease as is necessary for purposes of facilitating private financing of the LIGTT Project by New Sub-Lessee the good faith undertakings, and to ensure the purposes and objectives in this Sub-Lease and the Development Agreement to be negotiated;
 - (3) Refrain from any action which would adversely impact the LIGTT Project, the objectives and undertakings herein.
- M. Binding Effect. This Sub-Lease and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of Sub-Lessor and New Sub-Lessee and their respective successors and assigns.

XVI. EFFECT OF THIS SUB-LEASE

This Sub-Lease constitutes a complete and exclusive statement of the terms of the Sub-Lease between the Parties. All prior written or oral understandings, offers or other communications of every kind pertaining to this Sub-Lease unless specifically retained in this Sub-Lease, by reference or otherwise, are abrogated and withdrawn. Nothing herein negates the effect of the terms and conditions of the Development Agreement which are binding upon the Parties.

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THUS, DONE EXECUTED, AND SIGNED, in counterparts before respective witnesses and notaries, on the date shown for each signature.

Date: _____	THE LOUISIANA INTERNATIONAL DEEP WATER GULF TRANSFER TERMINAL AUTHORITY
WITNESS: _____	By: _____
WITNESS: _____	Name: _____
	Title: _____

Date: _____	
WITNESS: _____	
WITNESS: _____	

Recommended for approval by
Office of State Lands

Approved by
Commissioner of Administration
