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LEASE BETWEEN

BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS

RECEIVED

AND

NOV 30 1990

COASTAL CARGO COMPANY, INC.

THIS LEASE AGREEMENT AND CONTRACT made and entered into by and between BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, a Political Subdivision of the State of Louisiana, hereinafter referred to as "Board", herein represented by J. Ron Brinson, its President and Chief Executive Officer, by virtue of a resolution of said Board, a certified copy of which is annexed hereto; and COASTAL CARGO COMPANY, INC. hereinafter sometimes called "Lessee", a corporation organized and existing under the laws of the State of Louisiana, herein represented by Daniel L. Haeuser, its Chief Executive Officer, by virtue of a resolution of the Board of Directors of said corporation, a certified copy of which is annexed hereto,



WITNESSETH:

FOR THE CONSIDERATION and on the terms and conditions hereinafter set forth, Board has leased and does hereby lease to Lessee Sections one (1) through forty (40) all divisions of the Milan Street Wharf, shed only, together with all improvements located thereon including reasonable access thereto, situated on the left descending bank of the Mississippi River, at mile 98.4 AHP, in the Sixth District of the City of New Orleans, Louisiana, comprising a net area of approximately 105,881 square feet.

The leased premises are more fully delineated on a print of drawing numbers RE-1123, dated November 15, 1990, initialed by the parties hereto and annexed hereto and made part hereof as Exhibit "A".

TO HAVE AND TO HOLD said leased premises for the term hereinafter mentioned, unless sooner ended and terminated as hereinafter provided, and subject to the following further terms and conditions, to wit:

1. TERM

(a) This lease is made for a term of two (2) years, commencing on December 1, 1990 and ending on November 30, 1992 ("lease term").

(b) Notwithstanding the foregoing, either party hereto has the option to terminate this lease. Said option shall be exercised by giving written notice to the other party and the lease shall terminate one hundred twenty (120) days after actual receipt of said notice that a party hereto desires to terminate this lease.

2. RENT AND OTHER CHARGES

(a) From the period of December 1, 1990 through November 30, 1991, Lessee shall pay to Board rent at the rate of TEN THOUSAND FIVE HUNDRED EIGHTY EIGHT AND 10/100 DOLLARS (\$10,588.10) per month. During the period of December 1, 1991 through November 30, 1992, Lessee shall pay to the Board, rent at the rate of ELEVEN THOUSAND FOUR HUNDRED SEVENTY AND 44/100 DOLLARS (\$11,470.44) per month. Rent shall be made payable

monthly, in advance at Board offices as defined in section 30 hereof. This rental reflects a five percent annual increase commencing on the anniversary date of the second year.

(b) All applicable charges including dockage, wharfage and harbor fees as now published in Board's Dock Department Tariff or as same shall be amended, modified, changed or reissued from time to time shall be assessed to the parties responsible for such charges in accordance with the terms and conditions of said Tariff; it being expressly understood by the parties hereto that demurrage and sheddage charges not be applicable nor shall Lessee be responsible for such charges.

3. LIMITATION OF USE

The leased facility shall be used by Lessee solely as a maritime facility for the purposes of loading and discharging cargo from or to ocean going vessels, barges or other watercraft, warehousing goods and commodities, stevedoring and related purposes including such other purposes as shall contribute to the domestic or foreign waterborne commerce of the Port of New Orleans. A consideration for the lease of the herein described property is that the operations conducted thereover shall contribute to the domestic or foreign waterborne commerce of the Port of New Orleans. In the event the use of the Leased Premises is changed from that purpose, Lessee agrees to notify Board of such change within thirty (30) days of the implementation of that change in Lessee's use, and Board shall have the right to decide whether such change is acceptable. If Board decides such changed use is unacceptable, Lessee shall have thirty (30) days to amend or modify said changed use. Board shall have the right to cancel this lease on thirty (30) days' written notice if Lessee fails to amend or modify said proposed changed use so as to be acceptable to Board.

4. PEACEABLE POSSESSION

Board warrants Lessee to be maintained in peaceable possession of the above described premises during the continuance of this lease. Should Lessee be disturbed by any person or persons pretending to have a right to the leased premises, or should Lessee be cited to appear before a court of justice having jurisdiction of the area in which the leased premises are located to answer to the complaint of any person or persons claiming the whole or any part of said leased premises, Lessee shall call upon Board to defend it against such claims, and Board hereby obligates itself to defend any such action at its cost, provided, that this Section shall not apply to disturbances by trespassers.

5. CONDITION OF PREMISES

(a) Except as provided in section 5(b), it is hereby understood that the premises hereinabove described and herein leased by Board to Lessee shall be taken by Lessee in their present condition, without any obligation on Board to make any changes or improvements therein, or to do construction of any kind thereon, whether in connection with access, utilities or otherwise.

(b) Lessee, from the time of its occupancy and until the premises are vacated by Lessee, shall be responsible for day-to-day maintenance of the leased premises, it being understood and agreed that Board shall be solely responsible for the substructure of the wharf, the wharf pilings, fender system, roadways, aprons and defects noted on the joint survey described below. Lessee shall further be responsible for any constructions and other improvements which may be constructed or placed on the premises by Lessee during the term hereof. Board hereby agrees

that it shall repair any and all defects relating to, arising out of or in connection with the substructure of the wharf unless such substructure is impaired as a result of the fault of Lessee. In the event it is necessary for Board to repair, replace or improve a portion of the leased premises for which it is responsible under this lease, Board shall have the option to either repair, replace or improve said portion of the leased premises or to delete said portion of the leased premises provided said portion of the leased premises deleted does not cause any remaining portions of the leased premises to be noncontiguous to any other portions of the leased premises.

(c) Prior to the commencement of the lease term, the parties shall make a joint survey of the leased premises noting on said survey those conditions and portions of the leased premises in need of repair, replacement or improvement; it being understood and agreed that Lessee shall not have responsibility or liability whatsoever either during the lease term or upon expiration of the lease term for the repair, replacement or improvement of any such condition or portion of the leased premises noted on said survey, nor shall Lessee have any such responsibility or liability for any repairs, replacements or improvements of any condition or portion of the leased premises which becomes necessary during the lease term as a result of a pre-existing condition noted on said survey.

(d) Lessee acknowledges that its agents and employees have fully inspected the leased premises, and on the basis of such inspection Lessee accepts the leased premises in their present condition as being suitable for the purposes for which they are hereby leased, subject to sections 5a, 5b, and 5c.

6. CONSTRUCTION

In its sole discretion, Lessee may make, or cause to be made, on the herein leased premises such improvements as may be necessary or appropriate for the carrying on of the business authorized herein; provided, that no such work on said leased premises shall be undertaken herein without Lessee's first having submitted the plans and specifications therefor to Board and securing the written approval of Board. Any permanent improvements constructed by Lessee on the leased premises may at Board's option inure to and become the property of Board at the termination of this lease without reimbursement therefor to Lessee.

7. MAINTENANCE

(a) Except as otherwise set forth herein, Lessee agrees to be responsible for and shall at its own cost, risk and expense perform and pay all costs of maintenance and repairs, attributable to Lessee's use and operations, of the leased premises and any facilities and equipment situated or to be situated thereon by Lessee, so that at the termination of this lease, and at all times during this lease, the same will be in as good condition as at the commencement of the lease normal wear and tear excepted. All repairs which Lessee is obligated to make shall be equal in quality to the original in material and workmanship. Board shall have no responsibility whatsoever to perform any maintenance work on the leased premises except as otherwise provided herein.

(b) Should Lessee fail to perform or commence maintenance repairs within a reasonable period after having been notified in writing by Board to perform such obligations under subparagraph (a) hereof, in addition to such remedies as may be afforded to Board by law, Board is hereby authorized by Lessee to perform the

work at Lessee's cost, risk and expense and Lessee shall, on demand, pay to Board the actual expenses incurred by Board therefor upon written proof of same submitted by Board to Lessee.

(c) The Board shall be responsible and liable for the maintenance, repair and replacement of, including taking reasonable care to prevent freeze damage to, any and all water utilities (exclusive of the sprinkler system referred to below), not necessitated by the fault or negligence of Lessee. The Board shall not be liable for damaged cargo as a result of damaged or broken pipes due to freeze conditions. The Board shall further be responsible and liable for maintenance, repair and replacement of the substructure of the wharf, the wharf pilings, fender system, roadways and aprons associated with the leased premises.

(d) The Board shall be responsible and liable for any extraordinary repair to and the replacement of the sprinkler system, including taking reasonable care to prevent damages resulting from freezing of the sprinkler system.

(e) Lessee shall be responsible and liable for the day-to-day maintenance and repair of the sprinkler system and such other repairs of the sprinkler system due to the fault or negligence of Lessee insofar as sprinkler system is in leased premises.

(f) Lessee acknowledges that Board has reserved to itself Section 40 of the Milan Street Wharf shed to service, maintain and repair as necessary in its discretion the wall located at the downstream end of Section 40. Lessee hereby agrees to grant access to Board to maintain, service and otherwise inspect said wall located in Section 40 of the leased premises. Said reserved area shall extend exactly ten (10) feet from the downstream wall upstream and the entire width of the shed from city side to river side all as shown more particularly on Exhibit "A". Lessee hereby agrees not to place cargo, equipment, rubbish or any other materials in aforementioned reserved area as said space is specifically reserved to Board.

8. COST, RISKS AND EXPENSES; UTILITIES

Lessee shall pay all costs and assume all risks in doing work, or carrying on operations, now or hereafter permitted or required under the terms and conditions of this lease, except as may be otherwise specifically designated in this lease or in written instructions given or agreements made by proper authority under the terms and conditions of this lease; and Lessee shall pay all costs, reasonable attorneys' fees and other expenses incurred by Board in enforcing the covenants of this lease, should Lessee be found in violation thereof.

9. UTILITIES

(a) Except as provided below Lessee shall be solely responsible for the provision of all electrical, gas and other utilities or services to and from the leased premises, which utilities shall be separately provided for, metered and billed to and paid by or through Lessee. This Board shall have no responsibility therefor. Lessee shall maintain or cause to be maintained, at no cost or expense to this Board, conduits containing electrical service lines located on this Board's Milan Street wharf and serving the leased premises, provided further that the permitted routes for the conduits that will provide all such services shall be as presently exist or, if they do not presently exist, at such locations as shall be permitted in the future by this Board.

(b) Lessee acknowledges and agrees to be bound by that agreement effective May 1, 1989, between Board and Sewerage and Water Board of New Orleans for the provision of water, sewerage and related services to the Board's property, which includes the

area made the subject of this Consent. Accordingly, Lessee shall make application to Board for water, sewerage and related services to the premises and pay to Board all charges incurred for water, sewerage and related services within 10 days of receiving all bills therefor. All rates and charges to lessee shall be portwide rates and charges established by Board and subject to adjustment by Board.

10. CANCELLATION AND RE-LET

(a) After the expiration of the first six (6) month period of the lease term and continuing for the duration of the lease term, Lessee shall have the option to cancel from this lease exactly twenty (20) contiguous Sections of the leased premises beginning with Section 20 and ending with Section 40, provided Lessee gives Board written notice sixty (60) days prior to such cancellation. Six (6) months following said election to cancel said twenty (20) Sections, and continuing for the remainder of the lease term, Lessee shall have the option to cancel from this lease the remaining twenty (20) Sections (Sections 1 through 20) remaining in the leased premises provided Lessee gives Board written notice sixty (60) days prior to such cancellation. Any notices given pursuant to this section 10(a) may be given prior to expiration of the first six (6) months of the lease term and prior to the expiration of six (6) months thereafter so that cancellation of any Sections may become effective at termination of the first six (6) month period and six (6) months thereafter respectively. Lessee shall always have a first right of refusal on the re-lease, sale or other use or disposition of any Sections cancelled pursuant to this paragraph on the same terms and conditions offered by or to a bona fide third party. Further, upon the cancellation of any Sections pursuant to this section 10(a), Lessee shall have the right to apply for and shall be assigned a First Call on Berth Privilege on any cancelled Section(s) as well as the open portion of the wharf in accordance with the applicable provisions of the Board's Dock Department Tariff.

(b) Lessee shall have the option at any time during the lease term, including any renewals or extensions thereof, to re-let and cancel pursuant to the terms and conditions of this lease, any or all of the Sections cancelled if available, pursuant to section 10(a) for the duration of the lease term. It being understood by the parties hereto that any or all of the cancelled sections may be re-let by Lessee at any one time pursuant to this section 10(b) provided that any number of Sections re-let shall be a multiple of twenty (20) if possible and further provided that Sections one (1) through twenty (20) shall always be cancelled or re-let as the case may be, as a unit together.

(c) The rental rate during the lease term and any renewals or extensions thereof, shall always be pro-rated according to the net amount of Sections leased to Lessee during each month of the lease term.

(d) Prior to the date of cancellation of any Sections of the leased premises from this lease, Lessee shall remove from said cancelled Sections any and all property belonging to Lessee, whether destroyed or not, and property belonging to third persons but for which Lessee is responsible for the placement of such property upon the leased premises and restore said Sections to their condition upon commencement of the lease term, normal wear and tear excepted; provided that any improvements constructed by Lessee may remain the accordance with section 6 hereof.

(e) Any modification, renewal or change in this Agreement will be filed with the Federal Maritime Commission as an Amendment to the Agreement.

11. REPAIR OF DAMAGE AND DESTRUCTION

(a) Lessee agrees that it shall, at its own cost, risk and expense, promptly and with due diligence repair, replace or restore or cause the repair, replacement or restoration of any and all such property comprising the leased premises which may become the subject of loss, damage or destruction, caused by Lessee, its agents or invitees, whether such loss, damage or destruction be partial or total. It is agreed that Lessee's liability for such loss, damage or destruction shall be limited to the proceeds received from damage to Board's property from any insurance policies or from third parties which proceeds shall be applied toward the costs of effecting any repairs, replacements or restorations to the extent necessary to restore the property to its condition at the commencement of the lease term.

 (b) With respect to any loss, damage or destruction of the premises including any loss, damage or destruction caused by Lessee or its agents or invitees, which renders the premises substantially unusable for the purposes of this lease, Lessee shall have the option of either repairing such damage or paying to Board any sums for Board's property damage received from third parties responsible for such damage, as well as the full amount of all insurance proceeds ~~and~~ for Board's property damage, and upon such payments, this lease shall terminate and Lessee shall have no further liability to Board in connection with this lease.

(c) If Lessee exercises its option to repair as provided in the preceding subparagraph, the rent due hereunder shall abate or be prorated (to the extent that Lessee continues to use portions of the leased premises) for such length of time as it reasonably takes to restore the premises to a usable condition, provided that Lessee shall during such time diligently pursue the making of such repairs.

(d) Lessee shall not be responsible for any repairs, renewals, replacements or improvements to the leased premises including, but not limited to, the fender system, pilings and the wharf including its substructure as a result of damage or destruction, if such repairs, renewal, replacement or improvement results from barge or ship collision in the Mississippi River or otherwise, unless said damage or destruction be caused by vessels calling at the facility at the request of Lessee.

(e) Lessee acknowledges Board's responsibility for the wall located at the downstream end of Section 40 of the leased premises and further acknowledges the area reserved in Section 7(f) above.

12. INSURANCE

Board agrees to carry broad form insurance on the assigned facilities under Board's policy, which shall insure the replacement value of the leased premises in excess of the first One Hundred Thousand Dollars (\$100,000.00). Lessee shall carry, at its own cost and expense, but in the name of Board, broad form insurance on the assigned facilities in the amount of One Hundred Thousand Dollars (\$100,000.00), "buy-back" form, (said "buy-back" form to be delivered to Board by Lessee), with a deductible in an amount not to exceed a Five Thousand Dollars (\$5,000.00) for each loss, the original of such policy to be furnished to Board, and Lessee shall be responsible to pay the amount of such deductible in the event of loss. Lessee shall also carry, at its own cost and expense and in its own name, the following types (forms) of insurance policies:

(a) WORKMEN'S COMPENSATION INSURANCE (including longshoremen and Harbor Workers Act coverage) under all applicable Federal and State of Louisiana statutes and municipal or parish ordinances for all the employees performing stevedore's work, and employers liability

insurance (including liability under the Jones Act) in the amount of not less than SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) for each occurrence.

(b) COMPREHENSIVE GENERAL LIABILITY INSURANCE (including coverage for automobile liability, broad form contractual liability and property in the insured's care, custody, or control) against claims for bodily injury, death or property damage occurring on, in or about the vessel's being loaded on port premises, in the adjoining areas with limits as to bodily injury or death of not less than SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) for one person and not less than ONE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$1,750,000.00) for all injuries or deaths in one occurrence, and with limits as to property damage of not less than SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) for each occurrence.

(c) Stevedore and terminal operator's liability in the minimum amount of FIVE MILLION DOLLARS (\$5,000,000.00).

(d) Lessee shall procure and maintain at Lessee's sole cost and expense comprehensive motor vehicle liability insurance which shall include hired car and non-ownership coverage with limit of liability of not less than one million dollars (\$1,000,000.00) for all injuries or deaths resulting to any one person or from any one occurrence. The limit of liability for property damage shall be not less than one million dollars (\$1,000,000.00) for each occurrence and aggregate.

All Insurance policies except the workers' compensation policies shall name Board as an additional insured. All insurance policies required of Lessee, as well as any other insurance carried by Lessee for the protection of its property on the Leased Premises, shall provide that the insurers waive their rights of subrogation against Board and Lessee and their respective officers, servants, agents, representatives, employees, or invitees. Lessee further agrees to waive and agrees to have its insurers waive any rights of subrogation (whether by loan receipts, equitable assignment or otherwise) with respect to deductibles under such policies and with respect to damage to equipment, including the loss thereof, whether insured or not. All such policies shall also provide for thirty (30) days' written notice of cancellation or material change to be sent to Board at its officers in the World Trade Center, P. O. Box 60046, New Orleans, Louisiana, 70160. All such policies shall be written with insurance companies legally authorized to do business in the State of Louisiana and acceptable to Board (Best's IV rating). Before this lease becomes effective, Lessee shall furnish to Board, on forms acceptable to Board's risk manager, certificates evidencing that it has procured the insurance herein required.

13. WATCHMAN SERVICE

Lessee shall furnish all watchman service which it may desire at Lessee's own cost, risk and expense. Board shall have no obligation to provide watchman service.

14. INSPECTION

In order that Board may carry out the obligations imposed upon it by law, by this Agreement, or otherwise, and to ascertain whether or not Lessee's covenants herein are being observed, Lessee agrees that Board shall have the right at all reasonable

times to enter upon and to inspect the herein leased premises. Board shall further have the right to audit such books and records of Lessee necessary to ensure Lessee has complied with section 2 of this lease as it relates to wharfage and dockage payments and any such audit shall be conducted during reasonable business hours at the offices of Lessee and shall not unduly interfere with the business of Lessee.

15. PARKING

Lessee is hereby authorized to utilize any portion of the leased premises for vehicular parking areas as may be necessary for the conduct of all operations on the leased premises.

16. LEVEES

In order that the Board of Levee Commissioners of the Orleans Levee District may carry out its obligations to construct and maintain levees (whether such levees exist on the leased property), Lessee agrees that the Board of Levee Commissioners of the Orleans Levee District shall have the right at all times to enter on the leased premises for the purpose of inspecting, improving, repairing, maintaining and constructing levees in such manner as said Board of Levee Commissioners of the Orleans Levee District may deem necessary in order to carry out the obligations imposed on it by law, and Lessee agrees that Lessee's use of the premises shall conform thereto, subject, however, to the provisions of the Section of this lease titled "Condemnation."

17. DEFAULT

If any one or more of the following events (hereinafter sometimes referred to as "Events of Default") should occur, namely:

(a) If Lessee shall fail duly and punctually to pay the rental or to make any other payment required hereunder when due to Board, and if such failure shall continue for a period of thirty (30) days after written notice thereof has been given to Lessee by Board;

(b) If Lessee shall be adjudged bankrupt or insolvent by any court of competent jurisdiction, or if a voluntary petition in bankruptcy or petition for reorganization or arrangement shall be filed by Lessee, or if a receiver of the property of Lessee shall be appointed;

(c) If the interest of Lessee under this Agreement shall transfer or pass to or devolve upon any other person, firm or corporation, by operation of law or otherwise, without the written consent and approval of Board, except to a subsidiary or successor company;

(d) If Lessee becomes a corporation or other entity in dissolution or liquidation, whether voluntary or as the result of any act or omission, or by operation of law or the order or decree of any court having jurisdiction or for any other reason whatsoever, and the exceptions of (c) above have not become operative;

(e) If, by or pursuant to or under authority of any legislative act, resolution or rule or any order or decree of any court or governmental board, agency or office, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of Lessee;

(f) If Lessee shall voluntarily abandon, desert or vacate the leased premises or discontinue its operations at the said premises for a period greater than thirty (30) days;

(g) If Lessee breaches or defaults in respect of any of the other covenants, conditions or agreements herein contained and on its part to be performed; and Lessee fails for a period of thirty (30) days after receipt of written notice thereof to remedy any Event of Default, or, such longer period as necessary if remedying such default would reasonably require longer than thirty (30) days, to commence to remedy and to thereafter proceed with all reasonable diligence to the remedying of such default; then, upon the expiration of such period, the rent, at the rate then in effect, for the remaining term of this lease shall at once become due and eligible, without putting Lessee in default, and Board shall have the option (1) to demand the rent for the whole term, (2) to proceed for past due installments, or (3) to cancel this lease immediately, all without putting Lessee in default.

Lessee expressly waives any statutory right it may have under La. C.C.P. Art. 4701 et seq. of notice to vacate Leased Premises.

In all cases Lessee shall remain responsible for all damages or losses suffered by Board as a consequence of Lessee's breach in the performance of its obligations hereunder. In addition to exercising the rights or remedies hereinabove provided in this Section, upon occurrence of Event of Default designated in (f) above (i.e. abandonment or discontinuance of operations), whether alone or in conjunction with other Events of Default, Board may take possession of the premises as Lessee's agent, without terminating this lease, and at Board's option either operate the leased premises or re-let the premises at the best price obtainable by reasonable effort, consistent with the public purposes of Board, and for any term Board deems proper, Lessee to remain liable to Board for the deficiency, if any, between Lessee's rent and other obligations hereunder and the price obtained by Board on re-letting. Failure strictly and promptly to enforce these conditions shall not operate as a waiver of Board's rights.

18. RIGHTS OF WAY

Board agrees to grant to Lessee or to appropriate public utility companies if requested by Lessee rights of way to be so located as to give said utilities as convenient access to the leased premises as practicable without unreasonable interference with the use by Board or Board's other tenants of its or their property, provided that the location of such utilities, insofar as they cross or otherwise affect any of Board's property within or outside of the leased premises, shall be approved in writing in advanced by Board, provided that such rights of way for utilities shall be granted by Board only for the duration of the term of the lease and any extensions thereof, and provided further that Lessee shall assume all risks, costs or other obligations imposed by the utility companies as a condition of such installations.

19. WAIVER

(a) Board shall have the right to extend the default periods detailed in Section 17 above if the Board in its sole discretion determines that Lessee is making a good faith effort to cure a default condition which Board has called to Lessee's attention under the terms outlined in Section 17 above, and such extension shall not operate as a waiver of Board's rights under the default provisions above unless Board specifically so states.

(b) Any expressly stated waiver, at any time, of a breach or default of any of the conditions of this Agreement shall extend only to the particular breach or default so waived, and shall in no way impair or affect the continued existence of such conditions nor deprive either party of its remedies arising out of any other breach or default hereunder, whether prior or subsequent.

20. TERMINATION OF LEASE

(a) Upon termination of this lease by cancellation or expiration, or for any other reason whatsoever, Lessee shall immediately yield up possession of the premises to Board subject to subsection (c). Lessee shall restore premises to as good condition as at the commencement of this lease, normal wear and tear excepted.

(b) In case of failure or refusal of Lessee to yield up the premises as aforesaid, Lessee shall pay as liquidated damages for the whole time such possession is withheld, double the proportionate amount of rent herein specified. This provision shall not constitute a waiver by Board of any remedies now or hereafter given to Board by the laws of Louisiana.

(c) Upon such termination, Lessee shall immediately after such termination remove from the leased premises property belonging to Lessee and property belonging to third persons but for which Lessee is responsible; in no event shall lessee remain on premises in excess of 30 days after termination. In the event lessee remains on premises up to but not more than 30 days after termination, rent shall be charged for that period at the rate of 1.25% of rent in effect at the date of termination of the lease.

(d) Lessee shall immediately remove all of its trash, stocks or materials, supplies, tools, etc., from the leased premises and from the adjacent areas. In the event of fire or other destruction, Lessee shall remove all of its property including remnants and cargo as well as all cargo debris, and any and all property placed on the premises by lessee whether destroyed or not.

(e) If all lessees trash, stocks of materials, supplies, tools, etc., are not removed by Lessee timely, as hereinabove provided, and the premises restored as aforesaid, it will be optional with Board either to collect double the amount of minimum rent as liquidated damages until the said trash, stocks of materials, supplies, tools, etc., have been removed and the premises restored, as aforesaid, by Lessee; or to remove the same and restore the premises at Lessee's cost, risk and expense, the double rental to continue until ultimate removal thereof and completion of restoration; or to retain such property of Lessee, or any part thereof, which remains on the leased premises, without payment or reimbursement to Lessee, unless other arrangements have been made in writing between Board and Lessee with regard to the removal thereof.

21. LIENS

Lessee shall not permit any lien or privilege to remain of record against Board's property when filed by any person or company for claims arising in connection with any work or undertaking by Lessee or Lessee's agents on the leased premises, and Lessee agrees to discharge or cause to be discharged any such lien promptly; and, if in default therein for thirty (30) days after written notice thereof from Board, Lessee shall pay to Board as additional rent any amount or amounts paid by Board in causing the removal of such lien, including reasonable attorneys'

fees and expenses. Nothing herein contained, however, shall require Board to discharge such lien except in its own discretion.

22. SET OFF

Lessee shall have no right to set off any claims Lessee may have against Board against rent payments or other charges due to Board under this Lease.

23. PUBLIC BELT RAILROAD COMMISSION

Lessee hereby takes cognizance of those certain contracts for railroad services on the Mississippi River, by and between Board of Commissioners of the Port of New Orleans (Lessor), and the City of New Orleans, by and through the Public Belt Railroad Commission for the City of New Orleans, entered into, respectively on August 18, 1918, and March 14, 1957, by which contracts, among other things, the said Public Belt Railroad Commission was granted the exclusive right to do all the switching and like services to, from and for the lessees and occupants of the properties of the Board of Commissioners of the Port of New Orleans adjacent to and in connection with said waterways.

Lessee shall be responsible for making its own arrangement for switching service directly with the said Public Belt Railroad Commission under a conventional switch track agreement, and to pay all costs incurred or imposed for obtaining such switching service and for providing and maintaining any switch track facilities.

24. ASSIGNMENT AND SUBLETTING

(a) Lessee shall not assign or sub-let this lease in whole or in part, to anyone without the prior written consent of Board, and shall not permit any transfer by operation of law, or any or all of Lessee's interest in said premises acquired through or by this lease. Nothing herein contained and shall be construed as requiring the consent of the Board to any sublease or assignment from time to time of the within lease to any corporation or other entity which controls, is controlled by or is under common control with Lessee or to any corporation resulting from the merger of or consolidation with Lessee ("Lessee's Affiliate") provided however Lessee shall have furnished Board with prior written notice of such sublease or assignment together with a copy of a corporate resolution authorizing such sublease or assignment by Lessee and provided further Lessee shall remain liable for all of its obligations under this lease unless Board shall give its written consent to the release of Lessee. Lessee in case of sublease or assignment authorized herein, shall remain at all times primarily liable for the prompt payment of all rent or other amounts due from Lessee under the terms hereof and for the prompt performance of all covenants on Lessee's part herein agreed to be performed unless Board shall give its written consent to the release of Lessee.

(b) At such time that Lessee seeks approval of Board, if necessary, to sublease in whole or in part the leased premises, Lessee shall secure from Board a property survey and description with prints of drawings of the area to be subleased, which shall be annexed to the agreement of sublease as exhibits, and Lessee shall pay to Board, in addition to the rent and other charges as herein provided, up to the sum of Two Hundred Fifty Dollars (\$250.00) for actual costs and expenses of providing said survey, description and drawings to Lessee, the payment of which amount shall be applicable to every proposed sublease submitted to Board.

(c) Except where Lessee proposes to sublease the leased premises or assign this lease to Lessee's Affiliate, Lessee shall not make any of the rights granted to Lessee under this lease the subject of sale or transfer for profit to an unrelated third party. Accordingly, if at any time during the term of this lease or any renewal, Lessee seeks to assign same or to sublease the leased premises (other than the assignment or sublease to Lessee's Affiliate) either in whole or in part, then Board, as a condition for granting or withholding its consent thereto, may require that the rent payable under the lease by Lessee to Board be adjusted and restated so that the rent payable to Board for the premises or that portion of the premises which is to be affected shall be at the renewals rates then established by Board of properties of the same type that are located in the same area. When any assignment or sublease is proposed by Lessee for approval by Board, the purchase price and/or the rent proposed to be paid for the improvements owned by Lessee shall be stated separately in such proposed agreements from the purchase price or the rent proposed to be paid for the leasehold rights affecting the land and improvements owned by Board. Board shall have the right to demand that no profit be made by Lessee from the latter.

25. LAWS, RULES AND REGULATIONS

(a) Lessee shall not at any time during the term hereof use or allow the use of the leased premises for any purpose or use in violation of the laws, regulations or ordinances of the United States of America, of the State of Louisiana, or of the City of New Orleans, or of Board, whether such laws, regulations or ordinances now exist or shall be enacted or issued during the term of this lease.

(b) Lessee agrees to observe all laws and ordinances applicable to the installation, maintenance and removal of any improvements, machinery or other equipment on the leased premises (including access or utility connections thereto) and to take appropriate safeguards to prevent loss, damage or injury to the leased premises or to any adjacent properties as a result of such installation, maintenance or removal of such improvements, machinery or equipment. Nothing in this paragraph shall obligate Lessee with regard to any installation, maintenance or removal of any improvements, machinery or other equipment which is the obligation of the Board as otherwise set forth herein.

(c) Lessee shall keep the portion of the leased premises for which it is responsible in a safe, clean and wholesome condition and in full compliance with local ordinances and all other laws and governmental regulations affecting the said premises, and shall remove promptly at Lessee's cost any rubbish or waste material of any character whatsoever which may accumulate thereon. Any oil, sludge, residue, or other materials to be disposed of in connection with Lessee's operations shall not be discharged into the Mississippi River, connecting waterways or drains, nor shall any material, debris, or objects of any kind be thrown or otherwise allowed to be discharged into said waterways.

(d) Board shall at all time be free to make and enforce any reasonable and uniform rules, regulations or ordinances which it deems necessary or appropriate with regard to the property under its administration of which the leased premises form a part, provided that such rules, regulations or ordinances shall not be arbitrary or discriminatory against Lessee.

(e) Lessee agrees to demand adherence to all of the above mentioned laws, ordinances, rules and regulations both with reference to employees of Lessee and which with reference to all other persons entering the premises who derive their right to be thereon from Lessee.

(f) Lessee shall report to Board's real estate property manager in writing at the address provided in Section 30 of this lease every occasion where Lessee has actual knowledge that hazardous materials are to be stored or used on or passed through the leased premises. Lessee shall use its best efforts to make this report before such storage, use or passage occurs if Lessee has actual prior knowledge thereof.

26. INDEMNITY

(a) Lessee shall protect, defend, indemnify, keep and save forever harmless Board from and against any and all loss, cost, claims, charges, expenses, penalties, damages, fines, suits, demands and actions of any kind and nature whatsoever growing out of, in connection with, or by reason of any and all of Lessee's operations and the operations of those holding under or through Lessee on the leased premises, including such as may be imposed for the violation by Lessee of any law of the United States, or of the State of Louisiana, or of any ordinance of the City of New Orleans or of Board or of any regulation of any governmental agency (federal, state or local), and including any and all liability under Employers' Liability or Worker's Compensation Acts (federal or state), and not caused or contributed to by any fault or negligence of Board, its employees or agents.

(b) Lessee shall further protect, defend, indemnify, keep and save forever harmless Board from and against any and all loss, cost, claims, charges, expenses, penalties, damages, fines, suits, demands and actions of any kind and nature whatsoever arising out of or in connection with any accident or other occurrence causing injury to any person (fatal or otherwise) or damage to property, due to Lessee's performance of its obligations hereunder, and not caused or contributed to by any fault or negligence of Board, its employees or agents.

27. CONDEMNATION

(a) If the whole of the leased premises shall be lawfully taken by condemnation or in any other manner for any public use or purpose, this lease shall terminate as of the date of vesting of title on such taking (which is the date hereafter referred to as the date of the taking), and the rent shall be apportioned as of such date.

(b) If any part of the leased premises shall be so taken, this lease shall be and remain unaffected by such taking except that Lessee may elect to terminate this lease in the event of such partial taking if the remaining area of the leased premises is not reasonably sufficient for Lessee to continue the operation of its business. In such case, Lessee shall give prompt written notice to Board of such election and this lease shall terminate on the date of service of Lessee's notice, and the rent shall be apportioned as of such date. After such partial taking if this lease continues in force as to any remaining part of the leased premises, the rent shall be apportioned.

(c) If the temporary use or occupancy of the entire leased premises shall be lawfully taken for a period in excess of thirty (30) days by condemnation or in any other manner for any public use or purpose, this lease shall terminate as of the date of such taking, and the rent shall be apportioned as of such date unless Lessee shall elect to continue the lease, subject to abatement of the rent during the period of such temporary use or occupancy.

(d) If the temporary use or occupancy of the entire leased premises or a portion thereof shall be lawfully taken, including without limitation by the Board of Levee Commissioners for a

period less than 30 days by condemnation or in any other manner for any public use or purpose, rent shall be prorated according to area taken and duration of taking.

(e) If any part of the leased premises shall be so temporarily taken, this lease shall be and remain unaffected by such taking, except that Lessee may elect to terminate this lease in such event if the remaining area of the leased premises is not reasonably sufficient for Lessee to continue the operation of its business. In such case, Lessee shall give prompt written notice to Board of such election and this lease shall terminate on the date of service of Lessee's notice, and the rent shall be apportioned as of such date. After such temporary partial taking if this lease continues in force as to any remaining part of the leased premises, the rent shall be apportioned.

(f) In the event of termination of this lease because of a lawful taking either in whole or in part, Lessee shall be relieved of its obligations as specified under the Section of this lease entitled "Termination of Lease".

(g) Board shall be entitled to receive the entire award in any proceeding with respect to any taking provided for in this Section without deduction for any leasehold rights vested in Lessee by this Agreement, and Lessee shall receive no part of such award except that Lessee shall be entitled to any award made representing the value of the alternations, installations and improvements made by or for the account of and owned by Lessee on the leased premises, including, without limitation, fixtures, machinery or equipment installed and owned by Lessee on the leased premises as well as any damages to which Lessee may be entitled by law.

28. SECURITY REQUIREMENTS

(a) Lessee shall provide security to Board for Lessee's performance under the terms of this Lease in such a manner and amount as the Board acting through its President and Chief Executive Officer, or his designee, shall deem sufficient. Said security shall be in the amount of sixty (60) days' rent.

(b) Lessee shall have the right to satisfy its obligations under (a) above by providing a performance bond in the form and manner set out below. The performance bond shall be furnished throughout the life of this Lease or any renewal or extension, and all premiums for it shall be paid by Lessee. Lessee agrees that in the event of cancellation or termination of the bond, a new bond effecting the same guarantees to Board shall be furnished by Lessee to Board prior to the effective date of such termination or cancellation. The performance bond shall take the following form:

TO THESE PRESENTS NOW COMES AND INTERVENES:

A surety corporation organized and existing under and pursuant to the laws of the State of _____, having its principal office in the City of _____, State of _____, appearing here through _____, duly authorized to act pursuant to Power of Attorney conferred on him, a duly certified copy of which is annexed hereto and made part hereof which corporation binds and obligates itself jointly, severally and in solido with _____, Lessee herein, to and in favor of BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS (a political subdivision of the State of Louisiana), Lessor herein, for the faithful performance by Lessee of all obligations assumed by or imposed on Lessee by this agreement, including payment of

such rent as may be due by Lessee to Board provided, however, that the obligation of _____, as surety hereunder, shall not exceed one year's rent for the current year as determined in accordance with Section _____ above (RENT). The condition of this agreement is such that if Lessee shall perform and abide by all of the obligations assumed by or imposed on Lessee by this agreement, including the payment of rent, this obligation shall be null and void and of no effect.

(c) Lessee shall have the right to satisfy its obligations under (a) above by providing an irrevocable letter of credit for the term of this lease to Board in the amount of \$10,748.50. Demand shall not be made upon said letter of credit unless and until Lessee has not yielded up the premises in substantially the same condition as at the beginning of the lease term, normal wear and tear excepted, and then demand shall only be made in an amount necessary to restore or repair the leased premises to its condition as at the beginning of the lease term, normal wear and tear excepted. Demand upon the letter of credit may be made to cure the untimely payment of rent hereunder provided Lessee has not otherwise cured same during the cure period provided.

29. JOINT VENTURE DENIED

Nothing in this Agreement shall be construed to create or constitute a partnership, joint venture or agency relationship between Lessee and Board, the existence of any such relationship being hereby expressly denied.

30. NOTICE

Wherever, in these provisions of this Agreement, notice is required to be given by either party hereto, it shall not be construed to mean personal service, but it shall mean notice in writing, addressed to the party to receive such notice, sent by Registered or Certified United States mail, as follows:

Lessee: Coastal Cargo Company, Inc.
Post Office Box 53255
New Orleans, Louisiana 70153

Attention: Daniel L. Haeuser
Chief Executive Officer

Board: Board of Commissioners of the
Port of New Orleans
Post Office Box 60046
New Orleans, Louisiana 70160

Attention: J. Ron Brinson
President and Chief Executive Officer

31. LOUISIANA CONTRACT

This is a Louisiana contract and shall be governed, interpreted and enforced in accordance with the laws of the State of Louisiana.

32. HEADINGS

The lease heading and all section headings are for quick reference and convenience only and do not alter, amend, explain or otherwise affect the terms and conditions appearing in this Agreement.

33. CONSENTS

Any consents required by Lessee from Board shall be requested of Board and said consents shall not be unreasonably withheld.

34. FEDERAL MARITIME COMMISSION APPROVAL

It is further agreed and understood by the parties hereto that this Agreement is subject to the approval of the Federal Maritime Commission. Upon execution of this Agreement, Board shall submit it to the Federal Maritime Commission (hereafter "FMC") for consideration and review pursuant to Section 15 of the Shipping Act of 1916, 46 U.S.C. app. 814, and Section 5 of the Shipping Act of 1984, 46 U.S.C. app. 1704(a). It is further stipulated and agreed that the terms and conditions of this Agreement shall not be effective between the parties unless and until this Agreement receives the approval of the FMC or the FMC indicates that this Agreement has become effective, either expressly or through the passage without objection of time afforded by the Shipping Act and/or the regulations adopted in furtherance thereof, for review thereof or of such shortened period of time as may be authorized by the FMC for effecting review.

35. FORCE MAJEURE

Each party shall be excused from performing any obligation or undertaking provided for in this lease agreement (except any obligation to pay any sum of money payable hereunder) for so long as such performance is prevented, delayed, retarded or hindered by war, national emergency, hurricane, tornado, or flood, laws or orders of government or civil or military or naval authorities not within the control of the party prevented, delayed, retarded or hindered thereby.

THUS DONE AND SIGNED in multiple originals, in the City of New Orleans, State of Louisiana, this 24 day of November, 1990, in the presence of the subscribing witnesses:

WITNESSES:

Kenneth S. Parker
Joyce B. Courje

THE BOARD OF COMMISSIONERS
OF THE PORT OF NEW ORLEANS

J. Ron Brinson
J. RON BRINSON
President & Chief Executive Officer

WITNESSES:

Patricia G. Hall

COASTAL CARGO COMPANY, INC.

Daniel L. Haeuser
DANIEL L. HAEUSER
Chief Executive Officer

APPROVED:

David O. Gussner
PORT COUNSEL

RESOLUTION

BE IT RESOLVED that Daniel L. Haeuser, Chief Executive Executive Officer of Coastal Cargo Company, Inc. be and he is hereby authorized to execute a lease between Board of Commissioners of the Port of New Orleans, Lessor, and Coastal Cargo Company, Inc., Lessee, in the form and substance as set forth on Exhibit "A" attached (Milan St.).

BE IT FURTHER RESOLVED that Daniel L. Haeuser, Chief Executive Officer of said corporation, shall be authorized to execute any and all documents necessary to carry out fully the intention and purpose of this resolution.

I, the undersigned Secretary of Coastal Cargo Company, Inc., hereby certify that the above resolution was duly and legally adopted at a meeting of the Board of Directors of Coastal Cargo Company, Inc. held on November 21st, 1990, at which a quorum of the directors were present and voted and all directors voted in favor of the above Resolution and which Resolution has not been rescinded or revoked and is in full force and effect, as of this 21st day of November, 1990.

I hereby further certify that the attached Exhibit "A" is the same Exhibit "A" as attached to the Resolution set forth above.

Rose G. Mantel
Secretary

