

ASSET PURCHASE AND SALE AGREEMENT

 This ASSET PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into this 31st day of March, 2022 (the "Effective Date"): by and between **PAN CARIBBEAN BROADCASTING DE PR INC. ("Pan")**, a corporation organized under the Laws of the Commonwealth of Puerto Rico, a domestic, for-profit company, registration number 102025, with address of P.O. BOX 948, FAJARDO, PR 00738; Pan is also registered as a foreign entity with the government of the island of Saint Thomas, US Virgin Islands, under number 6225744, postal address PO BOX 306117, St. Thomas, VI 00803, with Employer Identification Number (EIN) 66-056-0591, **CROWN KINDER LLC ("Crown")**, a U.S. Virgin Islands limited liability company (jointly, the "**SELLER**") and **RADIO REDENTOR INC.** a corporation / Religious Organization, non-profit, organized in accordance with the Laws of the Commonwealth of Puerto Rico, registration number 8115, with postal address P.O. Box 29404 San Juan, 00929, and Employer Identification Number (EIN) 660347269 (the "**BUYER**").

RECITALS

A. Pan is the licensee and operator of F.M. Radio Station, identified by the acronym WZIN-104.3 FM, "License File Number": BLH-20050325AOC. Facility ID: 51322, and with FRN: 0005007646 (the "Station"), holding valid authorizations for the operation thereof from the Federal Communications Commission (the "FCC").

B. Crown owns the Real Property located at Remainder Parcel 5A-2 Estate Caret Bay, St. Thomas, U.S. Virgin Islands Parcel No. 5A-2 Estate Caret Bay No. 8 Little Northside Quarter, St. Thomas, Virgin Islands, Saint Thomas, US Virgin Islands.

C. As of the date of this Agreement, the Seller owns the "Assets" as defined below, with Pan owning the Station and related personal property and Crown owning all the Real Property.

D. The Seller wishes to sell the Assets to the Buyer, and the Buyer wishes to purchase the Assets from the Seller, subject to the terms and conditions in this Agreement.

E. In consideration of the mutual promises, covenants, representations, and warranties made herein and of the mutual benefits to be derived therefrom, the parties hereto agree as follows.

ARTICLE I – DEFINITIONS

When used herein, the terms set forth below have the meanings indicated or referenced below.

"Affiliated Group" means any affiliated group within the meaning of Code §1504(a) or any similar group defined under a similar provision of state, local, or foreign law.

"Assets" means

- (i) The Real Property;
- (ii) The Station;
- (iii) The Licenses and Authorizations;
- (iv) The Tangible Personal Property;
- (v) The Intangible Property;
- (vi) The Contracts and Leases;
- (vii) The Books and Records;

Other property and assets of every kind character or tangible or intangible, owned by the Seller and used held for use in connection with the Station;

- (viii) Seller's intellectual property used or useful in connection with the Property and the Station;
- (ix) All goodwill, if any, associated with Station;
- (x) Other property and assets of every kind, character or description, tangible or intangible, owned by the Seller and used or held for use in connection with the ownership, operation or management of the Station including without limitation any Business Information; but specifically excluding all trade and other debts and amounts owing by Seller, if any. An inventory of Assets will be prepared by Seller and attached to the Bill of Sale.

"Books and Records" means certain of the books and records of Seller relating to the business and operations of the Station and maintained in the ordinary course of business, all FCC logs, the FCC local public inspection and political files (the "Books and Records").

"Business Information" means all information, know-how and techniques (whether or not confidential and in whatever form held) which in any way relate to any of the following: (a) the operations, management, administration or financial affairs of the Station (including any accounts, business plans or forecasts, information relating to future business development or planning and information relating to litigation or legal advice); and (b) services at the Station, including all customer names and lists, sales and marketing information.

"Code" means the Internal Revenue Code of 1986, as amended and applicable in the United States and, with respect to the U.S. Virgin Islands, as mirrored to the U.S. Virgin Islands pursuant to the Naval Services Appropriation Act of July 12, 1921, 48 U.S.C. § 1397, together with the Regulations promulgated thereunder, and corresponding provisions of any subsequent federal tax law.

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“Contracts and Leases” mean those contracts and leases to be assigned at Closing (the “Contracts and Leases”).

“Governmental Entity” means any government or agency, district, bureau, board, commission, court, department, official, political subdivision, tribunal, taxing authority or other instrumentality of any government, whether federal, state, territorial or local, domestic or foreign.

“Indemnified Representations” means the representations and warranties made by the Seller in Article III of this Agreement.

“Intangible Property” means all intangible property used solely in the operation of the Station, including the Station’s respective call letters, copyrights, programming materials, trademarks, service marks, slogans, jingles, logos, internet domain names, websites, Facebook and any other social media accounts, the content located and publicly accessible from such domain names and websites, “visitor” email databases, trade secrets, choses in action relating primarily to the Station, and goodwill relating to the Station, Seller’s intellectual property used in connection with the Property and the Station and any additions and improvements thereto between the Effective Date and the Closing Date (collectively, the “Intangible Property”).

“Law” means all statutes, ordinances, rules, regulations, codes, orders, judgments, decrees or writs, and the terms and conditions of any grant of approval, permission, authority, permit or license of any Governmental Entity, or legally enforceable requirements enacted, issued, adopted, promulgated, enforced, ordered or applied by any Governmental Entity.

“Legal Proceedings” means any judicial, administrative or arbitral actions, suits, proceedings (public or private) or governmental proceedings.

“Licenses and Authorizations” means all licenses, authorizations, permits and approvals issued with respect to the Station issued by the Federal Communication Commission (the “FCC”) to permit the Station to operate with License File Number: BLH-20050325AOC, Facility ID: 51322, and with FRN: 0005007646.

“Lien” means any lien, mortgage, security interest, tax lien, pledge, encumbrance, conditional sale or title retention arrangement, or any other interest in property designated to secure the repayment of indebtedness, or other adverse claim or restriction whether arising by agreement or under any statute or law, or otherwise.

“Order” means any decree, injunction, judgment, order, award, ruling, assessment or writ by a court, administrative agency, other Governmental Entity, arbitrator or arbitration panel.

“Permitted Exceptions” means easements, covenants, restrictions, and rights of way of record that do not render the title to the Real Property unmarketable, and all zoning, building, environmental, or other laws or regulations affecting the use or occupancy of the Real Property, and any exceptions to title to the Property that do not constitute Material Title Defects (as defined in Section 2.9 (c)).

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“Person” means an individual, corporation, partnership, limited liability partnership, joint venture, association, trust, unincorporated organization or other entity.

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“Real Property” means a ~~portion of~~ the real property located at Remainder Parcel 5A-2 Estate Caret Bay, St. Thomas, U.S. Virgin Islands as shown on the survey drawing Job No. 4658, dated 12/16/21 by Marvin Berning and Associates (the “Survey”), consisting of 1.168 acres being a portion of Parcel No. 5A-2 Estate Caret Bay No. 8 Little Northside Quarter, St. Thomas, Virgin Islands, consisting of 1.69 acres, more or less as shown on PWD No. G9-1771-T71, Saint Thomas, US Virgin Islands owned by Crown on which the radio station and tower are located, together with a permanent easement and right-of-way over Parcel No. 7 Estate Caret Bay, No. 8 Little Northside Quarter as shown on PWD No. D9-56-T55 to the public road for ingress to and egress from the property, and together with a common easement for the owners of Parcel Nos. 5, 5A and 5B of Estate Caret Bay to use the estate road for ingress to and egress from said parcels and in connection with said public road. The Survey is attached hereto as Exhibit E, which map has been submitted to the Cadastral Office of the Lt. Governor for registration. A description of the improvements located on the property is attached hereto as Exhibit F.

“Station” means the F.M. radio station, identified by the acronym WZIN-104.3 FM, "License File Number": BLH-20050325AOC. Facility ID: 51322, and with FRN: 0005007646 owned and operated by Pan.

“Taxes” means (A) any and all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, capital, margin, net worth, license, lease, service, use, withholding, payroll, employment, unemployment, social security (or similar), disability, escheat, unclaimed property, abandonment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, alternative or add-on minimum, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, whether disputed or not, together with any interest, assessments, additions or penalties with respect thereto and any interest in respect of such additions or penalties, (B) any liability for the payment of any amount of a type described in clause (A) arising as a result of being or having been a member of any Affiliated Group, and (C) any liability for the payment of any amount of a type described in clause (A) or clause (B) as a result of any obligation to indemnify or otherwise assume or succeed to the liability of any other Person.

“Tangible Personal Property” means certain studio and broadcasting equipment that are used or held for use in the operation of the Station and any furniture, fixtures equipment located on the Real Property or used in connection with the operation of the Station owned by the Seller (collectively referred to as the “Tangible Personal Property”). A list of the Tangible Personal Property is attached hereto as Exhibit F.

“Tax Returns” means any report, return, document, claim for refund, informational return, statement relating to Taxes, or other filing, including any schedule or attachment thereto and including any amendment thereof, required to be supplied to any taxing authority or jurisdiction (foreign or domestic) with respect to Taxes.

ARTICLE II- PURCHASE AND SALE

Section 2.1 Purchase and Sale of Assets. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing (as defined in Section 2.6), the Buyer shall purchase from the Seller, and the Seller shall sell, convey, transfer, assign and deliver to the Buyer, all of the Seller's rights, title and interest in and to the Assets, free and clear of any Liens, except a lien in favor of the Seller to secure the payment of the deferred portion of the Purchase Price, as set forth in Section 2.2 (b). Seller will retain all of its assets not listed in the Article I definition of Assets, defined herein as "Excluded Assets." The Excluded Assets shall include, without limitation, Seller's cash, security deposits, reserves, prepaid expenses, bank deposits, checking and savings accounts, securities, and the receivables owed before the Closing Date.

Section 2.2 Purchase Price. The Seller and the Buyer agree that the Purchase Price for the Assets shall be **\$825,000.00** (the "Purchase Price"), allocated among the Assets as shall be agreed between the Parties in writing. If the parties are unable to otherwise agree, the accountants regularly used by the Seller with respect to the Assets shall provide an allocation, based on their independent, good faith estimates of the relative fair market values of the Assets, which shall be used to the extent an allocation is required. The costs of such accountants with respect to such determination shall be borne equally by the parties. The Purchase Price shall be paid as follows:

(a) At Closing, the Deposit shall be paid to the Seller by the Buyer, subject to any prorations, by wire transfer of the immediately available funds to such bank accounts of the Seller, in writing. See section 2.3.

(b) The remaining balance of the Purchase Price, **\$700,000.00**, plus interest in the fixed sum of **\$50,000.00** shall be financed by the Seller with equal monthly payments of principal and interest in the amount of \$6,250, due thereunder for a term of **10** years in accordance with a promissory note (the "Note"), a first priority mortgage against the Property (the "Mortgage"), a security interest in the Assets (but excluding the License) (the "Security Agreement"), and a corporate guaranty from the parent company of the Buyer if the Note and Mortgage are to be signed by a subsidiary entity (the "Guaranty") to be executed, as applicable, at Closing in form substantially identical to those attached hereto as Exhibit B attached hereto and made a part hereof (the "Seller Financing").

Section 2.3 Deposit. The Buyer will pay a deposit of **\$125,000.00** (the "Deposit") to Streamline Title & Escrow ("Escrow Agent") within five business days of the execution of this Agreement. The Deposit will be credited in full toward the Purchase Price payable to the Seller at Closing. The Seller agrees and undertakes that it shall refund the Deposit to the Buyer in full if: (i) the Closing does not occur prior to the Closing Date due to the Seller's failure to fulfill the Conditions; or, (ii) in the event Buyer elects to terminate the Agreement pursuant to Section 2.4 or 2.9(c) below. Except as specifically set forth above, the Deposit is non-refundable.

Section 2.4 The Time Brokerage Agreement. The parties agree to enter into a mutually acceptable time brokerage agreement (TBA) for the programming of the Station by Buyer in accordance with the rules of the FCC. The monthly compensation paid to Seller under the terms of the TBA shall be an amount equal to the monthly operating expenses of the Station, reimbursable upon delivery of proper documentation.

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The parties also agree that this sale contract and the TBA will be signed and submitted to the FCC with an FCC assignment application (as described below) seeking FCC approval for the effective assignment of the License. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station until Closing has occurred. Subject to the covenants of Seller contained herein and the terms of the TBA, such operation, including complete control and supervision of all Station programs, employees and policies, shall be the sole responsibility of Seller.

Within five (5) days after execution of this Agreement, the parties shall file with the FCC an application for assignment of the License ("FCC Assignment Application") from Seller to Buyer requesting the FCC's consent (the "FCC Consent"). The parties shall thereafter prosecute the FCC Application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the grant of the FCC Application as expeditiously as practicable (but no party shall have any obligation to satisfy complainants or the FCC by taking any steps which would have a material adverse effect on the results of operations of a party or any affiliated entity). It is specifically understood and agreed by Buyer and Seller that consummation of the transactions contemplated hereby is expressly conditioned on and is subject to the prior consent and approval of the FCC Consent without the imposition of any conditions on the assignment of the FCC Licenses which would require Buyer or Seller to sell any radio station or which otherwise reasonably is expected to have a material adverse effect on the results of operations of Buyer or Seller. Buyer shall reimburse Seller for one-half of the FCC filing fee paid in connection with the FCC application. Each Party shall be responsible for all of its other costs with respect to the preparation, filing and prosecution of the Assignment Application. Buyer and Seller shall promptly notify each other of, and provide copies of, all documents filed with or received from the FCC or any other governmental agency with respect to this Agreement, the Assignment Application or the transactions contemplated hereby. If Buyer or Seller becomes aware of any fact which would prevent or delay the FCC Consent or the Final Order (as defined below), it shall promptly notify the other Party.

Section 2.5 Closing. The closing (the "Closing") of the purchase and sale of the Assets shall take place within **10 days** from the date the FCC approves the transfer of the License to the Buyer, or as soon as practicable thereafter, not to exceed **45 days** (the "Closing Date").

Section 2.6 Conditions. The following conditions to Closing must be fulfilled on or before the Closing date:

(a) The FCC shall have approved the transfer of the License to the Buyer following the date the FCC shall have published its Public Notice of FCC Consent having been granted in its Daily Digest or such other date as shall be agreed in writing by Buyer and Seller, provided that the other conditions to closing set forth herein have either been waived or satisfied. In the event the Closing occurs and, prior to the FCC Consent becoming a Final Order, the FCC rescinds the FCC Consent and orders an unwinding of the Closing, Buyer shall return the Assets to Seller and Seller shall return the Purchase Price to Buyer, and each of Seller and Buyer shall take all other steps reasonably required to return the Parties to the status quo ante existing immediately prior to the Closing on the Closing Date. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to the Assignment Application, and such consent shall not have been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which action no timely request for stay, petition for rehearing, petition for

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reconsideration, application for review, or notice of appeal is pending, and as to which the times for filing any such request, petition, application, notice, or appeal, or for reconsideration or review by the FCC on its own motion, shall have expired.;

-  (b) Seller having good, valid, undisputed, marketable and insurable fee simple title to the Assets being free and clear of any Lien subject only to the Permitted Exceptions;
- (c) no ongoing, pending or threatened litigation, or dispute affecting against and/or in connection the Assets or the Seller's right to sell same;
- (d) No outstanding Tax or other debts relating to the Real Property;

Section 2.7 Seller Closing Deliverables. At the Closing, Seller shall deliver:

- (a) Warranty Deed conveying the Real Property in substantially the form attached hereto as Exhibit C;
- (b) A Bill of Sale for all personal property Assets in substantially the form attached hereto as Exhibit D.
- (c) A current certificate of Good Standing of Crown from the United States Virgin Islands Office of the Lt. Governor, Division of Corporations and Trademarks.
- (d) A current certificate of Good Standing of Pan from the United States Virgin Islands Office of the Lt. Governor, Division of Corporations and Trademarks, and the Puerto Rico Division of Corporations.
- (e) Releases and discharges of all liens, security interests and other Liens against any of the Assets or payoff letters from all applicable parties which agree to release and discharge of all liens, security interests and other Liens.
- (f) A statement evidencing the payments, adjustments and prorations provided for hereunder and otherwise agreed upon by Seller and Purchaser ("Settlement Statement"), duly executed by Seller;
- (g) An original Tax Clearance Letter issued by the Tax Assessor, Office of the Lieutenant Governor, United States Virgin Islands, reflecting that there are no delinquent property taxes assessed against the Real Property;
- (h) Effectively executed resolutions providing the appropriate authority for the sale of the Assets;
- (i) The executed consent from the FCC to the assignment of the License to Buyer;
- (j) Any other documents necessary and reasonably requested by Buyer or the title company to consummate the Transaction.

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Section 2.8 Buyer Closing Deliverables. At the Closing, the Buyer shall deliver:

- (a) the Purchase Price in accordance with Section 2.2.
- (b) An executed Closing Statement;
- (c) the Note
- (d) the Mortgage
- (e) the Security Agreement
- (f) A current certificate of Existence of Radio Redentor from the Puerto Rico Division of Corporations.
- (g) A title commitment insuring the first lien of the Mortgage;
- (h) Effectively executed resolutions providing the appropriate authority for the purchase of the Assets; and
- (i) Any other documents necessary and reasonably requested by Seller or the title company to consummate the Transaction.

Section 2.9 The Assets. This Section 2.9 shall govern the parties' rights and obligations concerning the Assets.

(a) Buyer or Buyer's designee have inspected the Assets and are accepting the same in its AS IS CONDITION AND WITH ALL FAULTS AND DEFECTS WHETHER LATENT OR APPARENT.

(b) Buyer and Buyer's agents, employees, independent contractors, engineers, surveyors and other representatives (collectively "Agents") shall have the right to enter the Real Property at reasonable times for the purposes of performing appraisals, testing water samples, making surveys of the Real Property, and performing any and all other reasonable activities relating to the Property prior to the Closing. Buyer and such Agents shall make entry only after providing reasonable notice to Seller and any tenant or other occupant of the Property.

(c) At Closing, the Seller shall have good, marketable and insurable fee simple title to the Assets subject only to the Permitted Exceptions. Buyer shall be allowed to have the title examined and upon discovery, Buyer shall promptly notify Seller in writing of any title defects, zoning or deed restriction violations, set-back violations, or encroachments which may exist. Seller shall then have a reasonable opportunity to cure such objections, and may extend the date for Closing up to an additional sixty (60) days after notification of the objections in order to cure them. If Seller is unable to cure the objections, then Buyer, in Buyer's sole discretion, shall have the right to either: (i) terminate this Agreement, and receive a full refund of the Deposit, and no party shall have any further rights, claims, obligations or liabilities arising out of or resulting from this Agreement; or (ii) to proceed to Closing without cure of the title defect and without reduction of the Purchase Price. For purposes of this subsection (c), "Material Title Defect" means defects,

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Liens, zoning or deed restriction violations, set-back violations, or encroachments that individually or in the aggregate have a cost to remove, cure or otherwise satisfy in excess of \$50,000 or, would prevent such parcel of the Property from being used to operate the Station and support the Tower. If requested by the Buyer's title insurance company, Seller shall also execute at Closing a standard form owner's affidavit in a format reasonably acceptable to Buyer's title insurance company.

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(d) Prior to Closing, the Seller will have the Real Property subdivided by preparing and registering a survey with the Cadastral Division of the Office of the Lt. Governor, describing the Real Property.

(e) Risk of Loss. Both parties agree that during all the term of the Time Brokerage Agreement, the Seller shall bear the risk of loss or of decrease in the enjoyment and beneficial use of the Assets as defined in Article I of this agreement, in consequence of the damage or destruction thereof by fire, flood, explosion, earthquake, windstorm, accident, the elements, casualties, thefts, riots, wars, Acts of God or otherwise (but excluding normal wear and tear or damage attributable solely to lack of maintenance or repair), or in consequence of foreclosures, attachments, levies or executions is assumed by Seller. The risk of loss, damage, or destruction to any of the Assets as defined in Article I, shall remain with the Seller until the Closing whether or not covered by insurance. In the event of any such loss, damage, or destruction the Seller will promptly notify the Buyer of all particulars thereof, stating the cause thereof (if known) and the extent to which the cost of restoration, replacement and repair of the Assets lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. The Seller may, at Seller's expense, repair or replace such Assets to their condition as of the date of this Agreement as soon as possible after loss, damage or destruction thereof and shall use its best efforts to restore as promptly as possible transmissions as authorized in the FCC Licenses. The Closing Date shall be extended (with FCC consent, if necessary) for up to sixty (60) days to permit such repair or replacement. If Seller is unable to restore the Property within such 60-day period, or elects not to restore the Property, it shall notify Buyer of such fact and Buyer can cancel this Agreement, whereupon all rights and liabilities arising hereunder shall automatically terminate, and the Deposit plus interest, if any, shall be paid immediately by Escrow Agent to Buyer. The parties acknowledge that the Seller does not currently carry property insurance for the Assets. If requested, Seller agrees to cooperate with Buyer to insure the Assets during the term of the Time Brokerage Agreement at the sole expense of Buyer.

Section 2.10 Post Closing Assistance with Station. For a period of three months following Closing, Seller, through its agent Alan Freedman, agrees to be available to advise Buyer with respect to the entire process of transition, repair, training in the use of the LAMBDA antenna and system, and maintenance and painting of the tower and its accessories.

ARTICLE III- REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to the Buyer, as of the date of this Agreement and as of the Closing Date, as follows:

Section 3.1 Authority. Seller has full and all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Seller has duly authorized

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the execution, delivery, and performance of this Agreement. Assuming due authorization, execution and delivery by each other party hereto, this Agreement shall constitute the valid and legally binding obligation of Seller, enforceable in accordance with its terms and conditions.

Section 3.2 Existence; Good Standing; Authority. Crown is a limited liability company duly formed, validly existing and in good standing under the laws of the U.S. Virgin Islands and Pan is a corporation duly formed, validly existing and in good standing under the laws of Puerto Rico. The Seller has all requisite power and authority to own, operate, lease and encumber its properties and carry on its business as currently conducted and has all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted. The Seller is not insolvent and no bankruptcy order exists in respect of the Seller. No bankruptcy proceedings are pending against the Seller. No resolution has been passed for the winding up or liquidation of the Seller or for a liquidator to be appointed in respect of the Seller and no meeting has been convened for the purpose of the winding up or liquidation of the Seller.

Section 3.3 No Consents, Approvals, Violations or Breaches. Neither the execution, delivery and performance of this Agreement by Seller nor the consummation of the Transaction (including the sale of the Assets) will require any consent, approval, authorization, permit, license or other action by, or filing with or notification to, any Governmental Entity except for the FCC Consent.

Section 3.4 Legal Proceedings. There are no Legal Proceedings pending against the Seller, or the Property which could result in the issuance of an Order restraining, enjoining or otherwise prohibiting or making illegal the performance of any of the Seller's obligations contemplated by this Agreement or could adversely affect the title, use, enjoyment, or value of the Property.

Section 3.5 Broker. No Person has acted, directly or indirectly, as a broker, finder or financial advisor for the Seller or the Buyer in connection with the Transaction and no Person is entitled to any fee or commission or like payment from the Seller or the Buyer in respect thereof.

Section 3.6 Ownership of Assets. As of the Closing, Seller shall have good, marketable and insurable fee simple title to the Assets, free and clear of any claims, exceptions to title and Liens, except for the Permitted Exceptions. There are no options, warrants, rights, calls, commitments, conversion rights, rights of exchange or other agreements of any character, contingent or otherwise, to which the Seller or its members are a party providing for the sale of the Property to any Person.

Section 3.7 Compliance with Laws. (i) The Seller has conducted its business in material compliance with all Laws, and (ii) the Seller has not received notice or otherwise been advised of any violation or alleged violation of any Laws.

Section 3.8 Agreements. The Seller is not a party to any material agreements affecting the Assets that will survive the Closing.

Section 3.9 Taxes. The Seller has, or as of closing will have filed all Tax Returns it was required to file relating to the Property or the conduct of business thereon.

Section 3.10 Liabilities. The Seller, at or before Closing, will have satisfied all material outstanding debts of the Seller associated with the Property or the Station, including indebtedness to the Virgin Islands Water and Power Authority in the current outstanding amount of

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approximately \$83,095 (Account number 181323-83166, "Meter Number": 314334865) and outstanding real property taxes in the approximately amount of \$24,025.41 on the Real Property.

Section 3.11 License. The License is in good standing and in full force and effect. The License and a Virgin Islands business license are all of the licenses, permits or other authorizations from any Governmental Entity necessary to operate the Station. The operation of the Station is in accordance with the License. No proceedings are pending or threatened, nor do any facts exist, to Seller's knowledge, which may result in the revocation, modification, non-renewal or suspension of the License, the denial of any pending applications, the issuance of any cease and desist order, the imposition of any administrative actions by the FCC with respect to the License or which may affect Buyer's ability to operate the Station in accordance with the License and the FCC's rules and regulations. The FCC Station license has been renewed on January 22, 2020, for a full license term without condition.

ARTICLE IV- REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows:

Section 4.1 Organization. The Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization. The Buyer has the power to own its properties and to conduct its business as now being conducted. The Buyer is duly qualified to do business and is in good standing in each jurisdiction where the Buyer's properties are owned or the Buyer's business is conducted.

Section 4.2 Authority. The Buyer has full and all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Without limiting the generality of the foregoing, the Buyer has duly authorized the execution, delivery, and performance of this Agreement by the Buyer. Assuming due authorization, execution and delivery by each other party hereto, this Agreement shall constitute the valid and legally binding obligation of the Buyer, enforceable in accordance with its terms and conditions, except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equitable principles.

Section 4.3 No Consents, Approvals, Violations or Breaches. Neither the execution and delivery of this Agreement by the Buyer, nor the consummation by the Buyer of the Transaction, will (i) require any consent, approval, authorization or permit of, or filing, registration or qualification with or prior notification to, any governmental or regulatory authority under any law of the United States, any state, or any political subdivision thereof or any foreign jurisdiction applicable to the Buyer (except for the FCC Consent), (ii) violate any statute, law, ordinance, rule or regulation of the United States, any state or any political subdivision thereof or foreign jurisdiction, or any Order applicable to the Buyer, any of its properties or assets, the violation of which would have a material adverse effect upon the Buyer, or any provision of any of the organizational documents of the Buyer, or (iii) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or any event which, with or without due notice or lapse of time, or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the

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Buyer is a party or by which the Buyer or any of its properties or assets may be bound which would have a material adverse effect upon the Buyer.

Section 4.4 Legal Proceedings. There are no Legal Proceedings pending or, to the knowledge of the Buyer, threatened against the Buyer or any of its assets or properties which could reasonably be expected to result in the issuance of an Order restraining, enjoining or otherwise prohibiting or making illegal the performance of any of the Buyer’s obligations contemplated by this Agreement.

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ARTICLE V – CLOSING COSTS

Section 5.1 Closing Costs- Buyer. Buyer shall be responsible for the recording fees and the costs of title insurance and any as-built survey, and for 50% of the cost of stamp taxes.

Section 5.2 Closing Costs – Seller. Seller shall be responsible for the costs of preparing and registering the survey describing the Real Property, as subdivided, recording any releases or other documents necessary to convey clear title and for 50% of the costs of the stamp taxes.

Section 5.3 Legal Fees. Each party shall be responsible for the expenses of its own counsel.

Section 5.4 Property Tax Prorations. Real property taxes shall be prorated as of the date of the TBA, based on the most recent property tax bill available.

Section 5.5 Prorations. The Parties agree to prorate all income and expenses arising out of the operation of the Station which are incurred, accrued, or payable, as of 11:59 p.m. local time of the day immediately preceding the Closing Date so that (a) Seller shall be entitled to all income with respect to advertisements airing prior to the Closing Date and responsible for all expenses and costs allocable for the period prior to and on such time, and (b) Buyer shall be entitled to all income with respect to advertisements airing on and after the Closing Date and responsible for all expenses and costs allocable for the period after such time. The items of expense to be prorated shall include, without limitation, FCC regulatory fees (based on the most recent publicly available information about the cost of such regulatory fees for the Station). In the event of any disputes between the Parties as to such prorations and adjustments, the amounts not in dispute shall nonetheless be prorated at Closing, and such disputes shall be determined by an independent certified public accountant or other party mutually acceptable to the Parties whose determination shall be final. The fees and expenses of such accountant or other party shall be paid one-half by Buyer and one-half by Seller.

ARTICLE VI - INDEMNIFICATION; REMEDIES

Section 6.1 Indemnification by the Seller. The Seller will indemnify the Buyer and its members, employees, officers, directors, agents, heirs, executors, administrators, successors and assigns in respect of, and hold each of them harmless from and against, any loss, liability, claim, or damage, whether or not involving a third-party claim (collectively, “Damages”), arising, directly or indirectly, from or in connection with (a) any breach of any Indemnified

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Representations; and (b) any breach by the Seller of any covenant or obligation of the Seller in this Agreement.

Section 6.2 Indemnification by the Buyer. The Buyer will indemnify the Seller and its partners, employees, officers, directors, agents, successors and assigns in respect of, and hold each of them harmless from and against, any Damages arising, directly or indirectly, from or in connection with (a) any breach of any representation or warranty made by the Buyer in this Agreement; and (b) any breach by the Buyer of any covenant or obligation of the Buyer in this Agreement.

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Section 6.3 Exclusion of Consequential Losses. No party to this Agreement shall be liable to the other party hereunder for special, indirect exemplary, punitive or consequential damages of any kind whatsoever connected with or resulting from any transaction or the performance or nonperformance of this Agreement, including, without limitation, damages or claims in the nature of lost revenue, income or profits or loss of investment opportunities, irrespective of whether a claim for such liability is based upon negligence, strict liability, breach of contract, operation of law or otherwise.

Section 6.4 Survival of Representations and Warranties and Covenants. All representations and warranties of the Seller contained in this Agreement shall survive the Closing hereunder for a period of six (6) months from the date of Closing.

ARTICLE VI - TERMINATION

Section 7.1 Termination. This Agreement may be terminated at any time prior to Closing:

(a) by the mutual written consent of Seller and Buyer;

(b) by written notice of Seller to Buyer if Buyer: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Buyer on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Buyer's representations or warranties; or (iii) defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period (as herein defined), if applicable;

(c) by written notice of Buyer to Seller if Seller: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Seller on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Seller's representations or warranties; or (iii) defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period, if applicable; or

(d) by written notice of either Party to the other if:

(i) the Closing has not been consummated on or before July 31, 2022, provided, however, that such right to terminate this Agreement shall not be available to any Party whose breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date;

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(ii) the FCC denies or dismisses the Assignment Application and such denial or dismissal has become a Final Order;

(iii) the Assignment Application is designated for an evidentiary hearing; or

(iv) if a judicial appeal is taken from the grant of FCC Consent.

Section 7.2 **Cure Period.** The term “Cure Period” as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until thirty (30) days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date. Except as set forth below, the termination of this Agreement shall not relieve any Party of any liability for breach or default under this Agreement prior to the date of termination.

Section 7.3 **Liability; Right to Terminate.** A termination of this Agreement shall not relieve any party hereto of any liability for which it otherwise would be subject. Notwithstanding anything in this Agreement to the contrary, no Party that is in material breach of this Agreement shall be entitled to terminate this Agreement except with the written consent of the other Party.

ARTICLE VIII - MISCELLANEOUS

Section 8.1 **Further Assurances.** Each party to this Agreement shall, at the request of any other party to this Agreement, at any time and from time to time after the Effective Date, execute and deliver or cause to be executed and delivered all such further instruments and take or cause to be taken all such further action as may be reasonable to more effectively sell, assign, transfer and convey to the Buyer the Assets, and otherwise to confirm or carry out the provisions of this Agreement.

Section 8.2 **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and permitted assigns. Buyer may not transfer or assign its rights and interests under this Agreement to any other entity or person, without the prior written consent of Seller, which shall not be unreasonably withheld; provided, however, that Buyer may assign its rights under this Agreement, without Seller’s consent to an entity controlling, controlled by or under common control with Buyer. Without limiting the foregoing, Buyer shall be permitted to name a nominee or nominees to take title to the Assets at Closing; provided, however, that Buyer shall remain fully liable for the performance of its obligations under this Agreement and shall provide the Seller with not less than thirty (30) days prior written notice of the name of such permitted nominees or assignees in advance of Closing.

Section 8.3 **Expenses.** Except as otherwise expressly set forth herein, all costs and expenses incurred in connection with this Agreement and the Transaction shall be paid by the party incurring such cost or expense.

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Section 8.4 Notices. Any notice hereunder shall be sent in writing, addressed as specified below, and shall be deemed given: (a) if by hand or recognized courier service, by 4:00PM on a business day, addressee's day and time, on the date of delivery, and otherwise on the first business day after such delivery; (b) if by fax or email, on the date that transmission is confirmed electronically, if by 4:00PM on a business day, addressee's day and time, and otherwise on the first business day after the date of such confirmation; or (c) five (5) days after mailing by certified or registered mail, return receipt requested. Notices shall be addressed to the respective parties as follows (excluding telephone numbers, which are for convenience only), or to such other address as a party shall specify to the others in accordance with these notice provisions:

if to the Seller, to:

Pan Caribbean Broadcasting de PR, Inc. and
Crown Kinder, LLC
Attn: Alan Friedman
P.O. BOX 948, FAJARDO, PR 00738

Email: alan@thebuzz1043.com

with a copy to (which shall not constitute notice):

DUDLEY NEWMAN FEUERZEIG LLP
1000 Frederiksberg Gade
St. Thomas VI 00802-6736
United States of America
Email : wmconnell@dnfvi.com

if to the Buyer, to:

Radio Redentor, Inc.
P.O. Box 29404
San Juan, 00929
Attn: Jesus M. Rivera Vazquez

Email: jrivera@redentor104fm.com

With a copy to (which shall not constitute notice):

Irializ Vélez-Quiñones
VELEZ-QUIÑONES LAW OFFICES PSC
Cond. Plaza Universidad 2000
839 Calle Añasco
Suite Com. 4
San Juan, P.R. 00925-2485
Tel./Fax 787-771-9544

Email: velezquinoneslaw@gmail.com

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Section 8.5 No Waiver. The waiver by any party of the breach of any of the terms and conditions of, or any right under, this Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition or of any similar right. No such waiver shall be binding or effective unless expressed in writing and signed by each party.

Section 8.6 Entire Agreement. This Agreement constitutes the entire understanding of the parties relating to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written. No amendment or modification of the terms of this Agreement shall be binding or effective unless expressed in writing and signed by each party.

Section 8.7 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED, PERFORMED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE UNITED STATES VIRGIN ISLANDS, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS TO THE EXTENT SUCH PRINCIPLES OR RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

Section 8.8 Consent to Jurisdiction. Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any court or Federal court sitting in the territory of the United States Virgin Islands, and any appellate court from any thereof for purposes of all legal proceedings arising out of or relating to this Agreement and the Transaction. Each party hereto hereby waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

Section 8.9 Waiver of Jury Trial. THE PARTIES TO THIS AGREEMENT HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ANY RIGHT EACH SUCH PARTY MAY HAVE TO TRIAL BY JURY IN ANY ACTION OF ANY KIND OR NATURE, IN ANY COURT IN WHICH AN ACTION MAY BE COMMENCED, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, OR BY REASON OF ANY OTHER CAUSE OR DISPUTE WHATSOEVER BETWEEN OR AMONG ANY OF THE PARTIES TO THIS AGREEMENT OF ANY KIND OR NATURE.

Section 8.10 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one agreement. Electronic signatures are valid as originals. This Agreement shall become effective upon delivery to each party of an executed counterpart or the earlier delivery to each party of original, photocopied, or electronically transmitted signature pages that together (but need not individually) bear the signatures of all other parties.

Section 8.11 Construction. The article and section headings contained in this Agreement are inserted for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 8.12 Amendments. Subject to applicable Law, this Agreement may be amended, modified and supplemented only by a written agreement by all of the parties which states that it is intended to be a modification of this Agreement.

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Section 8.13 Arms' length bargaining; no presumption against drafter. This Agreement has been negotiated at arms-length by parties of equal bargaining strength, each represented by counsel and having participated in the drafting of this Agreement. This Agreement creates no fiduciary or other special relationship between the parties, and no such relationship otherwise exists. No presumption in favor of or against any party in the construction or interpretation of this Agreement or any provision hereof shall be made based upon which Person might have drafted this Agreement or such provision.

Section 8.14 Severability. A determination by a court or other legal authority that any provision that is not of the essence of this Agreement is legally invalid shall not affect the validity or enforceability of any other provision hereof. The parties shall cooperate in good faith to substitute (or cause such court or other legal authority to substitute) for any provision so held to be invalid a valid provision, as alike in substance to such invalid provision as is lawful.

Section 8.15 Third Party Beneficiaries. Neither this Agreement nor any provision hereof confers any benefit or right upon or may be enforced by any Person not a signatory hereto.

Section 8.16 Access to the Real Property and Station. Except in case of default by Buyer, Seller will not sell any interest in the Assets to any other party while this Agreement is in effect.

Section 8.17 Default. In the event the Buyer fails to cure any default in its performance of the covenants of this Agreement on its part to be performed within thirty (30) days after Buyer receives written notice of such default from Seller (provided, however, that no such notice of default and opportunity to cure shall be afforded with respect to a failure to timely deliver the Purchase Price at Closing), Seller may, at its option, either (a) retain the Deposit, as liquidated damages and in full and exclusive settlement of any and all claims for damages, and upon such payment all parties hereto shall be relieved of all further obligations and liabilities hereunder, except with respect to those obligations or liabilities hereunder which are expressly intended to survive the termination of this Agreement, or (b) seek specific performance of this Agreement. If the Seller fails to cure any default in its performance of the covenants of this Agreement on its part to be performed within thirty (30) days after Seller receives written notice of such default from Buyer, Buyer may as its exclusive remedies, at its option, either (a) receive the return of the Deposit plus reasonable attorney's fees as liquidated damages and in full and exclusive settlement of an in lieu of any and all other claims for damages, and upon such receipt all parties shall be relieved of all further obligations and liabilities under this Agreement, except with respect to those obligations or liabilities hereunder which are expressly intended to survive the termination of this Agreement, or (b) seek specific performance of this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**BUYER:
Radio Redentor, Inc.**

DocuSigned by:
Jesus M. Rivera Vazquez
By: _____
A4B9D3397EE94A9
Name: Jesus M. Rivera Vazquez
Title: General Manager

**SELLER:
Pan Caribbean Broadcasting de Puerto Rico,
Inc.,**

DocuSigned by:
Alan Friedman
By: _____
F3CFFEE02AA3432...
Name: Alan Friedman
Title: President

Crown Kinder, LLC

DocuSigned by:
Alan Friedman
By: _____
F3CFFEE02AA3432...
Name: Alan Friedman
Title: Member

THERE IS NO EXHIBIT A

EXHIBIT B

**PROMISSORY NOTE, MORTGAGE, SECURITY AGREEMENT AND CORPORATE
GUARANTY**

INSTALLMENT NOTE

\$700,000.00

St. Thomas, U.S.V.I.
_____, 2022

FOR VALUE RECEIVED, **Radio Redentor, Inc.**, a religious organization and non-profit organized under the laws of Puerto Rico (the "Undersigned") promises to pay to **Pan Caribbean Broadcasting de Puerto Rico, Inc.**, a Puerto Rican Corporation ("Pan" or "Seller"), the principal sum of **SEVEN HUNDRED THOUSAND AND 00/100 DOLLARS (\$700,000.00)**, in lawful money of the United States of America, pursuant to the terms of the **Asset Purchase and Sale Agreement**, of even date herewith between the Undersigned and the Seller (the "Agreement"), with interest in a fixed sum of **FIFTY THOUSAND AND 00/100 DOLLARS (\$50,000.00)**.

The Undersigned will make all payments under this Note in the form of wire transfer, check or money order. The Undersigned understands that the Seller may transfer this Note. The Seller or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

The said principal together with interest shall be payable at the office of the Seller at its address of P.O. BOX 948, Fajardo, PR 00738, or at such other place as the Seller or Note Holder may, from time to time, designate in writing, in **120** consecutive monthly installments **commencing on the first day of the first full calendar month following the date hereof and continuing on the first day of each month thereafter** as follows: (a) **120** monthly installments consisting of principal and interest in the amount of **\$6,250.00** each.

Interest shall be due and payable together with each monthly principal installment as set forth above. All payments shall be applied first to the portion of interest then due or outstanding, second to bring principal current, third to late charges, fourth to interest not yet due or outstanding, and finally to principal installments in the inverse order of their maturity.

If, after 120 monthly payments, the Undersigned still owes amounts under this Note, the Undersigned will pay those amounts in full as part of the 120th payment, which is called the "Maturity Date."

This Note is being issued pursuant to the Agreement and is secured by the Mortgage of even date over Remainder Parcel No. 5A-2, Estate Caret Bay, No. 8 Great Northside Quarter, St. Thomas, U.S. Virgin Islands, and Security Agreement described therein. Any default under the Mortgage shall constitute a default under this Note. Any notice that must be given to the Undersigned under this Note

Installment Note

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will be given by delivering it or by mailing it by first class mail pursuant to Notice provision of the Agreement.

Any installment payment not received by the Seller or the Note Holder within 10 days after the installment payment is due shall be assessed a late charge of five percent (5%) of the delinquent amount due.

During any period in which an Event of Default, as defined in the Mortgage, shall have occurred and be continuing, the outstanding principal balance of the Note together with any interest thereon that has not been paid when due shall bear interest at a fixed rate per annum equal to **10.0%** (the "Default Rate").

The entire principal sum from time to time outstanding hereunder and all accrued and unpaid interest thereon shall become due and payable, at the option of the Seller or the Note Holder and upon written notice to the Undersigned, upon the occurrence of an Event of Default under the Mortgage or this Note.

This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any change, waiver, modification or discharge is sought.

The Undersigned agrees to pay all costs of collection of any amount due hereunder (whether or not a lawsuit is filed) including all court expenses, disbursements, and attorneys' fees that may be incurred.

Presentment for acceptance or payment, notice of dishonor, protest and notice of protest are hereby waived. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

This Note may be prepaid at any time, and from time to time, in whole or in part, without any premium or penalty therefor; provided, however, that all such prepayments shall be applied first to late charges, if any, second to interest accrued on this Note, third to bring principal current and then to principal and interest installments in the inverse order of their maturity (without any discount or rebate applicable to the full fixed amount of interest due hereunder).

Installment Note

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Executed as a sealed instrument as of the date set forth above.

Radio Redentor, Inc.

By: _____
Jesus M. Rivera Vazquez, Executive Director

FIRST PRIORITY MORTGAGE

THIS FIRST PRIORITY MORTGAGE is made as of this ___ day of _____, 2022, by **Radio Redentor, Inc.** a religious organization and non-profit organized under the laws of Puerto Rico, whose mailing address is P.O. Box 29404, San Juan, P.R. 00929 (the "Mortgagor") to **Pan Caribbean Broadcasting de Puerto Rico, Inc.**, a Puerto Rican Corporation, having a mailing address of with address of P.O. BOX 948, Fajardo, PR 00738 (the "Mortgagee").

WITNESSETH, that to secure the indebtedness of the Mortgagor to the Mortgagee in the original principal amount of **SEVEN HUNDRED THOUSAND AND 00/100 DOLLARS (\$700,000.00)**, in lawful money of the United States of America, with interest thereon, to be paid according to the terms of a certain Installment Note of even date herewith, together with all modifications, amendments, extensions, replacements and substitutions thereto and thereof (collectively, the "Note"), executed by the Mortgagor pursuant to the terms of a certain Asset Purchase and Sale Agreement dated _____, entered into between the Mortgagor and the Mortgagee (the "Loan Agreement"), and further to secure the performance by the Mortgagor of the terms of the Loan Agreement, and also to secure any and all sums now or from time to time hereafter owing by the Mortgagor, and the reimbursement to the Mortgagee for any and all sums which may be loaned as herein provided for, and for any and all costs and expenses herein provided for or which may arise in respect of this Mortgage or the indebtedness hereby secured by the Property (as defined below), the Mortgagor hereby mortgages to the Mortgagee the Property under the terms and conditions set forth herein. This Mortgage shall also secure all extensions, amendments, modifications or alterations of any of the aforesaid secured obligations, including amendments, modifications, or alterations that increase the amount of any of the secured obligations or the interest rate on any of the secured obligations. The terms of the Note and the Loan Agreement hereby are incorporated herein by reference and made a part of this Mortgage.

NOW, THEREFORE, the Mortgagor does hereby grant, convey and give to the Mortgagee a Mortgage in and to the following described property interests (the "Property"):

- (a) Mortgagor's fee simple title to the following:

Remainder Parcel No. 5A-2
Estate Caret Bay
No. 8 Great Northside Quarter
St. Thomas, U.S. Virgin Islands
As shown on P.W.D. Map No. _____

together with a permanent easement and right-of-way over Parcel No. 7 Estate Caret Bay, No. 8 Little Northside Quarter as shown on PWD No. D9-56-T55 to the public road for ingress to and egress from the property, and together with a common easement for the owners of Parcel Nos. 5, 5A, 5A-2A and 5B of Estate Caret Bay to use the estate road for ingress to and egress from said parcels and in connection with said public road, and together with the improvements thereon, if any, and all modifications, additions, restorations and replacements of such improvements; and all rights-of-way, uses, servitudes, licenses, tenements, hereditaments, appurtenances and easements now or hereafter belonging or pertaining thereto; and

(b) all the appliances, fixtures, equipment, building materials and other personal property, if any, now or hereafter owned by the Mortgagor and located on the premises described above, whether or not incorporated in the improvements constructed thereon, and necessary to the use and occupancy thereof; and

(c) all awards and other payments in respect of any taking (as described in Section 9 herein below) and all insurance proceeds (as described in Subsection 11.3 herein below) in respect of any of the foregoing, together with all amounts received by the Mortgagee, or expended by the Mortgagee pursuant to this Mortgage; and

(d) all of Mortgagor's rights, title and interest, as lessor, in and to any agreements to lease, and leases pertaining to specific areas of, the premises described in paragraph (a) above and any improvements now or hereafter located thereon, together with any deposits or earnest money paid now or hereafter pursuant to said agreements to lease or leases;

AND PROVIDED, HOWEVER, that if the Mortgagor shall pay in full the principal of and interest on the Note and all other indebtedness which this Mortgage by its terms secures and shall comply with all of the terms hereof, then this Mortgage shall be released by the Mortgagee promptly following written request, and upon complete payment by the Mortgagor, and at the Mortgagor's expense, and all moneys at the time held by the Mortgagee as part of the Property shall be paid over to the Mortgagor or as the Mortgagor may direct;

NOTWITHSTANDING any agreement or declaration that certain articles of personal property form a part of the real property covered by this Mortgage and are appropriated to its use, to the extent that such agreement or declaration may be ineffective and that any of said articles may constitute goods or other items of personal property, this Mortgage shall constitute a security agreement and the Mortgagor grants to the Mortgagee a security interest in such goods or other items of personal property and in the leases and deposits referred to herein above as collateral for the benefit of the Mortgagee, all in accordance with the provisions of Article 9 of the Uniform Commercial Code of the U.S. Virgin Islands, 11A V.I.C. §§ 9-101 et seq.

IT IS HEREBY COVENANTED by the parties hereto that the Property is to be held and applied subject to the further terms herein set forth; and the Mortgagor, for the Mortgagor and Mortgagor's successors and assigns, hereby covenants and agrees with the Mortgagee, as follows:

1. LOAN DOCUMENTS; PREPAYMENT.

1.1 Compliance with Documents. The Mortgagor will duly comply with the terms of all documents executed in connection with the Loan.

1.2 Prepayment on Taking of the Property. In case of any taking (as described in Subsection 9.2 hereof) of the Property, the portion of awards or other payments on account thereof shall be paid to the Mortgagee and applied to the prepayment of the Note, together with interest on the principal amount of the Note so prepaid accrued to the date of such prepayment, and to the payment of all other indebtedness which this Mortgage secures. Any balance of such

awards or other payments remaining after payment in full of the principal of and interest on the Note and all other indebtedness which this Mortgage by its terms secures shall be paid to the Mortgagor.

2. AUTHORITY; TITLE. The Mortgagor represents and warrants that as of the date hereof the Mortgagor is not indebted to any third party except for loans from the Mortgagee being repaid as a part of this transaction, has good and lawful right and authority to execute this Mortgage and to mortgage the Property, and that the Mortgagor is well seized and possessed of fee simple title to the Property. The Mortgagor, at the Mortgagor's expense, will warrant and defend to the Mortgagee and its successors and assigns, for the benefit of the Mortgagee, the Mortgagor's fee simple title and the lien and interest of the Mortgagee on and in the Property against all claims and demands and will maintain and preserve such lien as long as the Note is outstanding.

3. TITLE INSURANCE; APPLICATION OF PROCEEDS. The Mortgagor has delivered to the Mortgagee a commitment for a title insurance policy issued by a title insurance company satisfactory to the Mortgagee and insuring the Mortgagee's interest as beneficiary of a first priority mortgage lien of record on the Property in the total amount secured hereby, subject only to the Permitted Exceptions as defined in Section 6 hereof. All proceeds received by the Mortgagee for any loss under such title insurance policy, or under any title insurance policies delivered to the Mortgagee in substitution therefor or in replacement thereof, shall be received by the Mortgagee and distributed in the manner set forth in Section 20 hereof.

4. RECORDATION; PRESERVATION OF LIEN. The Mortgagor at its expense, will at all times cause this Mortgage and any supplements hereto, and such other instruments as may be required by applicable law, to be recorded, registered and filed and to be kept recorded, registered and filed in such manner and in such places, and will pay all such recording, registration, filing or other taxes, fees and charges, and will comply with all such statutes and regulations, as may be required by law in order to establish, preserve and protect the lien of this Mortgage on all of the Property (including, without limitation, any of the Property acquired after the execution hereof) and the rights of the Mortgagee hereunder.

5. PAYMENT OF TAXES, ETC. Subject to Section 7 relating to contests, the Mortgagor will pay or cause to be paid all taxes, assessments (including, without limitation, all assessments for public improvements or benefits, whether or not commenced or completed prior to the date hereof), water, sewer or other rents, rates and charges, excises, levies, license fees, permit fees, inspection fees and other authorization fees and other charges, in each case whether general or special, ordinary or extraordinary, foreseen or unforeseen, of every character (including all interest and penalties thereon), which at any time may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon (a) the Property or any part thereof or any rent therefrom or any estate, right or interest therein, or (b) any occupancy, use or possession of or activity conducted on the Property or any part thereof. Such payments will be made before any fine, penalty, interest or cost may be added for nonpayment, and the Mortgagor will furnish to the Mortgagee, upon request, official receipts or other satisfactory proof evidencing such payments.

6. LIENS, PERMITTED EXCEPTIONS. Subject to Section 7 relating to contests, the Mortgagor shall not, without the Mortgagee's prior written approval, directly or indirectly create or

permit or suffer to be created or to remain, and will discharge, or promptly cause to be discharged, any lien, encumbrance or charge on, pledge of, or conditional sale, or other title retention agreement with respect to the Property or any part thereof, or the Mortgagee's interest therein other than encumbrances for real estate taxes not yet due and payable and such other exceptions to title accepted by Mortgagee in the commitment for a title insurance policy issued to Mortgagee (herein referred to as the "Permitted Exceptions").

7. PERMITTED CONTESTS. The Mortgagor or a tenant under any lease, at its expense, may contest (after prior written notice to the Mortgagee) by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any mechanics' lien, construction lien, or taxes or other charges enumerated in Section 5 or lien therefor or the application of any instrument of record referred to in Section 6; provided, that (a) in the case of unpaid mechanics' liens, construction liens, or taxes or other charges enumerated in Section 5 or liens therefor, such proceedings shall suspend the collection thereof from the Mortgagor, the Mortgagee and the Property; (b) neither the Property nor any part thereof or interest therein would be in any danger of being sold, forfeited or lost; (c) neither the Mortgagor nor the Mortgagee would be in any danger of any additional civil or any criminal liability for failure to comply therewith (except interest, or penalties in the nature of interest, and attorney's fees or court costs) and the Property would not be subject to the imposition of any additional lien as a result of such failure; and (d) the Mortgagor shall have deposited adequate monies with respect thereto with the Mortgagee, who shall have the power to pay such contested amounts in the event the Property is in danger of forfeiture or the Mortgagee is in danger of being held civilly or criminally liable with respect thereto, or, in the event the contested matter is the subject of litigation, the Mortgagor shall have deposited in a fund administered by the court adequate moneys therefor (as determined by the Mortgagee).

8. NOTICES CONCERNING THE PROPERTY. The Mortgagor will deliver to the Mortgagee, promptly upon receipt of the same, copies of all notices, certificates, documents and instruments received by the Mortgagor which materially affect the Property.

9. TAKING; APPLICATION OF AWARD.

9.1 Mortgagor to Give Notice, etc. In case of any taking of all or any part of the Property, or any interest therein or right accruing thereto, as the result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain during the term hereof, the Mortgagor shall promptly give to the Mortgagee written notice generally describing the nature and extent of such taking, or the nature of the proceedings and negotiations for such taking and the nature and extent of the taking which might result therefrom, as the case may be. The Mortgagee may appear in any such proceedings and negotiations, and the Mortgagor shall promptly give to the Mortgagee copies of all notices, pleadings, determinations and other papers in any such proceedings. The Mortgagor will in good faith and with due diligence file and prosecute any claim or claims for any award or payment on account of any taking of the Property, will pay all costs and expenses (including, without limitation, attorneys' fees and the expenses of the Mortgagee) in connection with any such taking and seeking and obtaining any award or payment on account thereof. Such costs and expenses shall constitute indebtedness secured by this Mortgage.

9.2 Total Taking. In the case of a taking (other than for temporary use) of the fee of all of the Property or of (a) such perpetual easement on all of the Property or (b) such substantial part of the Property as shall result, in the good faith and reasonable judgment of the Mortgagee, in the Property remaining after such taking (even if Restoration, as defined in Subsection 11.2 hereof were made) being unsuitable for commercial use, any payment or award on account of such taking shall be collected and paid over in accordance with the provisions of Subsection 1.2 hereof.

9.3 Partial Taking. In the case of any taking other than a taking referred to in Subsection 9.2 hereof, any payment or award shall be paid over to the Mortgagee to be held and distributed in accordance with the provisions of Section 11 hereof pertaining to the distribution of insurance proceeds, except that any balance of any payment or award remaining after any restoration of the Property shall, at the option of the Mortgagee, be applied to the prepayment of the Note.

10. INSURANCE.

10.1 Risks to be Insured. The Mortgagor at the Mortgagor's expenses shall obtain and maintain the following policies of insurance procured through agencies licensed to do business in the U.S. Virgin Islands, from insurance companies which shall be financially sound, reputable and satisfactory to the Mortgagee:

(a) Insurance coverage with respect to the improvements comprising the Property, if any, providing for payment to the Mortgagee as mortgagee/loss payee against loss or damage by fire, earthquake, windstorm and other risks now embraced by the so-called broad form extended coverage endorsement, in amounts not less than the full insurable value of the such improvements.

(b) If improvements are located on the Property and it is determined from the National Flood Insurance Report that the Property or any portion thereof is located in a designated flood prone area, Federal Flood Insurance naming the Mortgagee as mortgagee/loss payee up to the maximum amount available covering such premises.

(c) Such other insurance with respect to the Property in such amounts and against such insurable hazards as the Mortgagee from time to time may reasonably require.

(d) The foregoing insurance policies shall provide that they may not be canceled, or the amount(s) of coverage provided reduced, for any reason until not less than thirty (30) days written notice shall have been given to the Mortgagee of the insurance company's intention to cancel or reduce the amount(s) of coverage provided under such policy or policies during which time the Mortgagor shall replace said policy or policies with new, substitute or successor policies to comply with the requirements of this Subsection 10.1.

10.2 Policy Provisions. All insurance maintained by or caused to be maintained by the Mortgagor pursuant to Subsection 10.1 hereof shall (a) except in the case of public liability or worker's compensation insurance, name the Mortgagor and the Mortgagee as insureds, as their respective interests may appear; (b) provide that, except in the case of public liability and worker's compensation insurance, all insurance proceeds shall be payable to the Mortgagee to be held pursuant

to Section 11 hereof; (c) provide that any losses shall be payable notwithstanding any act or negligence of the Mortgagor; (d) provide that no cancellation thereof shall be effective until at least thirty (30) days after receipt by the Mortgagor and the Mortgagee of written notice thereof; and (e) be satisfactory to the Mortgagee in all other respects.

10.3 Delivery of Policies. Upon the execution of this Mortgage and, thereafter, not less than fifteen (15) days prior to the expiration date of any policy delivered pursuant to this Subsection 10.3, the Mortgagor will deliver to the Mortgagee a duplicate of any policy or renewal policy, as the case may be, required by this Mortgage, bearing notations evidencing the payment of premiums then payable.

11. DAMAGE TO OR DESTRUCTION OF PROPERTY; REPAIRS.

11.1 Notice. In case of any damage to or destruction of the Property or any part thereof, the Mortgagor shall promptly give to the Mortgagee written notice generally describing the nature and extent of such damage or destruction.

11.2 Restoration. Unless Mortgagor and Mortgagee otherwise agree in writing, any insurance proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. During such repair and restoration period, Mortgagee shall have the right to hold such insurance proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be undertaken promptly. Mortgagee may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Fees for public adjusters, or other third parties, retained by Mortgagor shall not be paid out of the insurance proceeds and shall be the sole obligation of Mortgagor. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Mortgagor. Such insurance proceeds shall be applied in the order provided for in the Note.

Notwithstanding anything contained herein to the contrary, in the event that an Event of Default has occurred and is continuing, the Mortgagee shall have the right in its sole discretion to apply all insurance proceeds and all payments or awards on account of any taking of the Property to the amounts due under the Note and to any other indebtedness of the Mortgagor to the Mortgagee, with any balance paid to the Mortgagor.

12. NO CREDIT FOR PAYMENT OF TAXES. The Mortgagor shall not be entitled to any credit against the principal of and interest on the Note, or any other sums which may become payable under the terms thereof or hereof, by reason of the payment of any tax on the Property or any part thereof.

13. EVENTS OF DEFAULT; DECLARATION OF NOTE DUE. If one or more of the following events (each, an "Event of Default") shall occur:

(a) if the Mortgagor shall fail to pay any principal of or interest on the Note (whether at maturity or on a date fixed for any interest payment, any principal payment, any prepayment or otherwise) within fifteen (15) days of the date on which the same becomes due and payable without notice or opportunity to cure; or

(b) if the Mortgagor shall fail to perform or comply with any of the terms of this Mortgage, or any of the Security Instruments referred to therein, which failure shall remain unremedied for thirty (30) days after written notice of such failure from the Mortgagee (other than a payment failure governed by subparagraph (a) above); or

(c) if the Mortgagor shall make an assignment for the benefit of creditors, or if the Mortgagor shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file a petition seeking any arrangement, composition, readjustment or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or not contesting the material allegations of a petition filed against them in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee or receiver; or

(d) if, within sixty (60) days after the commencement of any proceeding against the Mortgagor which seeks any arrangement, composition or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed, or if, within one hundred eighty (180) days after the appointment of any trustee or receiver of the Mortgagor, without the consent or acquiescence of the Mortgagor, such appointment shall not have been vacated;

THEN and in any such event (regardless of the pendency of any proceeding which has or might have the effect of preventing the Mortgagor from complying with the terms of the Mortgage or the other Security Instruments), the Mortgagee may at any time, by written notice to the Mortgagor, declare the Note and any other indebtedness of the Mortgagor in favor of the Mortgagee to be due and payable.

14. REMEDIES OF THE HOLDER(S) OF THE NOTE.

14.1 Legal Proceedings. If an Event of Default shall have occurred and be continuing, the Mortgagee may proceed to foreclose this Mortgage and to protect and enforce its rights by any action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law. Further, should Mortgagee so elect, Mortgagor consents to dispositive legal proceedings before a United States Magistrate Judge in any litigation concerning or involving this mortgage or the transaction with which this Mortgage was made to the fullest extent permitted by 28 U.S.C. § 636(c), 4 V.I.C. § 123(d) or such other provision of law which shall replace, modify or supersede it.

14.2 Cost of Enforcement. The Mortgagor shall pay on demand all costs and expenses (including, without limitation, attorneys' fees and expenses) incurred by or on behalf of the Mortgagee in enforcing this Mortgage, the Note, the Loan Agreement or any other Security

Instrument referenced to therein all executed of even date herewith, or occasioned by any default hereunder or thereunder. Such costs and expenses shall constitute indebtedness secured by this Mortgage.

14.3 No Waiver. Neither failure nor any delay on the part of the Mortgagee to exercise any right, remedy, power or privilege provided for herein or by statute or at law or in equity or otherwise shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15. POSSESSION, MANAGEMENT AND INCOME. If an Event of Default shall have occurred and be continuing, the Mortgagee, to the extent permitted under applicable law, without further notice, may enter upon and take possession of the Property or any part thereof by summary proceedings, ejectment or otherwise and may remove the Mortgagor and all other persons and any and all property therefrom, and hold, operate and manage the Property and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof. The Mortgagee shall be under no liability for or by reason of any such entry, taking of possession or removal, or holding, operation or management, except that any amounts so received by the Mortgagee shall be applied as provided in Section 20 hereof.

16. FORECLOSURE. If an Event of Default shall have occurred and be continuing, the Mortgagee may at any time proceed at law or in equity or otherwise to foreclose the lien of this Mortgage as against all or any part of the Property.

17. APPOINTMENT OF RECEIVER. If an Event of Default shall have occurred and be continuing, the Mortgagee shall, as a matter of right, to the extent permitted by applicable law, be entitled to the appointment of a receiver for all or any part of the Property, whether such receivership be incidental to a proposed sale of the Property or otherwise, and the Mortgagor hereby consents to the appointment of such a receiver and shall not oppose any such appointment.

18. PURCHASE OF PROPERTY BY THE HOLDER(S) OF THE NOTE. The Mortgagee may be a purchaser of the Property or of any part thereof or of any interest therein at any foreclosure sale thereof and may apply upon the purchase price the indebtedness secured hereby owing to the Mortgagee. The Mortgagee shall, upon any such purchase, acquire good title to the properties so purchased, free of the lien of this Mortgage and free of all liens and encumbrances subordinate to the Mortgage.

19. RECEIPT A SUFFICIENT DISCHARGE TO PURCHASER. Upon any sale of the Property or any part thereof or any interest therein pursuant to foreclosure, the receipt of the officer making the sale under judicial proceedings shall be sufficient discharge to the purchaser for the purchase money, and such purchaser shall not be obliged to see to the application thereof.

20. APPLICATION OF PROCEEDS OF SALE AND MANAGEMENT INCOME. The proceeds of any sale of the Property or any part thereof or any interest therein pursuant to foreclosure or otherwise hereunder, and all amounts received by the Mortgagee by reason of any holding, operation or management of the Property or any part thereof pursuant to Section 15 above, together

with any other monies at any time held by the Mortgagee pursuant to this Mortgage, shall be applied to pay:

FIRST: All costs and expenses of the sale of the Property or any part thereof or any interest in connection therewith, or all costs and expenses of entering upon, taking possession of, removal from, holding, operating and managing the Property or any part thereof, as the case may be, including reasonable attorneys' fees, and any taxes, assessments or other charges, prior to the lien of this Mortgage, which the Mortgagee may consider it necessary or desirable to pay;

SECOND: All amounts of principal and interest at the time due and payable on the Note (whether at maturity or on a date fixed for any installment payment or any prepayment or by declaration and acceleration or otherwise), and in case such monies shall be insufficient to pay in full the amount so due and unpaid upon the Note, then, first, to the payment of all amounts of interest at the time due and payable on the Note, without preference or priority of any installment of interest over any other installment of interest, and, second, to the payment of all amounts of principal at the time due and payable on the Note, without preference or priority of any amount of principal over any other amount of principal;

THIRD: Any other indebtedness secured by this Mortgage and at the time due and payable (whether by acceleration or otherwise);

FOURTH: Any indebtedness secured by any lien on the Property which is subordinate to the lien of this Mortgage; and

FIFTH: Any balance to the Mortgagor.

21. REMEDIES CUMULATIVE. Each right, power and remedy of the Mortgagee provided for in this Mortgage or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Mortgage or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise of any one or more of such rights, shall not preclude the simultaneous or later exercise of any or all such other rights, powers or remedies.

22. NO WAIVER, ETC. No failure by the Mortgagee or the holder(s) of the Note to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term or any such breach. No waiver of any breach shall affect or alter this Mortgage, which shall continue in full force and effect with respect to any other then existing or subsequent breach.

23. RECORDING FEES, TRANSFER TAXES, EXPENSES, ETC. Whether or not the transactions herein contemplated shall be consummated, unless such failure to consummate is attributable to the default of the Mortgagee, the Mortgagor will pay or cause to be paid (a) all recording fees and charges, with interest and penalties thereon, at any time payable in connection with the execution, delivery, filing and recording of this Mortgage and the other instruments mentioned herein; and (b) the cost of Mortgagor's compliance with the terms hereof and with the other instruments mentioned herein.

24. ACCOUNTING, FINANCIAL STATEMENTS AND OTHER INFORMATION.

The Mortgagor shall maintain a standard system of accounting with respect to the Property, established and administered in accordance with generally accepted accounting principles, and shall maintain complete and accurate copies of all leases and contracts for use or occupancy in effect with respect to the Property from time to time. The Mortgagor shall furnish to the Mortgagee such financial statements and other information regarding the business affairs and financial condition of the Mortgagor as is required under the Loan Agreement.

25. FURTHER ASSURANCES. The Mortgagor at its expense will execute, acknowledge and deliver all such instruments and take all such actions as the Mortgagee from time to time may reasonably request for the better assurance to the Mortgagee of the Property and rights now or hereafter subjected to the lien hereof or assigned hereunder or intended so to be subjected or assigned.

26. INDEMNIFICATION BY THE MORTGAGOR. The Mortgagor will protect, indemnify and hold harmless the Mortgagee from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against the Mortgagee by reason of (a) its Mortgage interest in the Property, or receipt of any rent or other sum therefrom; (b) any accident, injury to or death of persons or loss of or damage to property occurring on or about the Property; (c) any use, nonuse or condition of the Property; (d) any failure on the part of the Mortgagor to perform or comply with any of the terms of this Mortgage, the Note, the Loan Agreement or the loan documents referred to therein all executed of even date herewith; or (e) performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof for construction or maintenance or otherwise. Any amounts payable to the Mortgagee under this Section 26 which are not paid within ten (10) days after written demand therefor by the Mortgagee shall bear interest thereon as provided under the Note in the event of default, and shall be secured by this Mortgage. In case any action, suit or proceeding is brought against the Mortgagee by reason of any such occurrence, the Mortgagor, upon the Mortgagee's request, will at the Mortgagor's expense resist and defend such action, suit or proceeding or cause the same to be resisted and defended by counsel designated by the Mortgagor and approved by the Mortgagee. Such obligations of the Mortgagor under this Section 26 as shall have accrued at the time of any termination or satisfaction of this Mortgage shall survive any such termination or satisfaction.

27. RIGHT OF HOLDER(S) OF THE NOTE TO PERFORM MORTGAGOR'S COVENANTS, ETC.

If the Mortgagor fails to make any payment or perform any act required to be made or performed hereunder, the Mortgagee, after such notice to the Mortgagor as may be reasonable under the circumstances, and without waiving or releasing any obligation or default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of the Mortgagor, and may enter upon the Property or any part thereof for such purpose and take all such action thereon as, in the opinion of the Mortgagee, may be necessary or appropriate therefor. All sums so paid by the Mortgagee and all costs and expenses (including, without limitation, attorney's fees and expenses) so incurred, together with interest thereon as provided under the Note in the event of default, from the date of payment or incurring, shall constitute

indebtedness secured by this Mortgage and shall be paid by the Mortgagor to the Mortgagee on demand.

28. PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, power and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. If any term of this Mortgage shall be held to be invalid, illegal or unenforceable, the validity of other terms of the Mortgage shall in no way be affected thereby.

29. NOTICES. All notices and other communications hereunder shall be in writing and shall be deemed to have been given when delivered or mailed by first class registered or certified mail, postage prepaid, to the address given at the beginning of this Mortgage or at such other address as a party may have furnished to the other party by written notice.

30. ESTOPPEL CERTIFICATES. If requested by the Mortgagee, the Mortgagor shall furnish to the Mortgagee an estoppel certificate or a written statement of the amount due under the Note and as to the existence of any offsets or defenses against the payment of the indebtedness secured hereby and, if any offsets or defenses are alleged to exist, as to the nature of such alleged offsets or defenses. If requested by the Mortgagor, the Mortgagee shall furnish to the Mortgagor a written statement of the amount due under the Note and as to any defaults hereunder or under the Loan Agreement known to the Mortgagee.

31. ASSIGNMENT.

31.1 Assignment by Mortgagor. This Mortgage shall be binding upon the Mortgagor and the Mortgagor's successors and assigns, and all persons claiming under or through the Mortgagor or any such successor or assign, and shall inure to the benefit of and be enforceable by the Mortgagee and the successors and assigns thereof; provided, however that the Mortgagor hereby agrees that the Mortgagor will not sell, assign or convey the Mortgagor's interest in the Property until all amounts of principal and interest at the time due and payable under the Note have been paid in full, without the prior written consent and approval of the Mortgagee. If legal or equitable title to the Property or any part thereof shall hereafter change by any means or if the Property or any part thereof shall be further encumbered without Mortgagee's consent, then the indebtedness secured hereby shall become immediately due and payable upon demand of Mortgagee.

31.2 Assignment by Mortgagee. The Note and this Mortgage may at any time be assigned, in whole or in part, by the Mortgagee and the benefits, advantages, rights and obligations of the Mortgagee hereunder shall inure to the successors and assigns of the Mortgagee.

32. TRANSFER OF THE PROPERTY; ASSUMPTION. If all or any part of the Property or an interest therein is sold or transferred by the Mortgagor without the Mortgagee's prior written consent, the Mortgagee may, at the Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable.

EXHIBIT C

DEED

EXHIBIT D
BILL OF SALE

EXHIBIT E
MAP OF REAL PROPERTY

EXHIBIT F

TANGIBLE PERSONAL PROPERTY AND IMPROVMENTS