

AMENDMENT NO. 2 TO LEASE AGREEMENT

THIS AMENDMENT NO 2 (“Amendment No. 2”) to the Lease Agreement for leased premises in Warehouse 1 located at the City of Pensacola Port of Pensacola (“Port”) dated June 17, 2010 (“Original Agreement”), is made and entered into this \_\_\_ day of \_\_\_\_\_, 2017, by and between the City of Pensacola (“City” or “Lessor”) and Offshore Inland Marine & Oilfield Services, Inc. (“Lessee”).

Recitals:

WHEREAS, City and Lessee entered into the Original Agreement, incorporated herein by this reference, to lease space in the southern half (1/2) of Warehouse 1 and associated berth apron and open storage area located at the Port for the purpose of operating an offshore project vessel service center; and

WHEREAS, in addition to other terms and conditions, the first amendment (“Amendment No. 1”) to the Original Agreement, dated June 1 2017, incorporated a formal payment obligation plan to resolve, in lieu of default under the Original Agreement, the past-due payment from Lessee of the outstanding balance of \$269,247.00 in invoices owed to the Port, such past-due amount having accumulated in addition to the amount of \$363,000.00 held in abeyance in invoices owed to the Port; and

WHEREAS, Amendment No. 1 to the Original Agreement expressly obligated Lessee to continue to pay \$10,000.00 per month toward the \$269,247.00 amount not held in abeyance, and to remit, by no later than September 30, 2017, a final balloon payment for the entire remaining balance of the amount not held in abeyance; and

WHEREAS, by letter to the Port Director dated August 31, 2017, Lessee stated Lessee was unable to remit the final balloon payment; and

WHEREAS, Lessee requested to City Council that Lessee be permitted to submit a one-time payment of \$15,000.00 toward the remaining balance of the amount not held in abeyance and additionally continue to pay monthly installment payments of \$10,000 until full repayment of such outstanding debt, plus interest beginning October 1, 2017 at twelve percent (12%) per annum as otherwise further described and calculated in the Port Tariff; and

WHEREAS, on October 12, 2017, the City Council of the City of Pensacola granted Lessee’s request; and

WHEREAS, the parties now desire to further amend the Original Agreement;

NOW, THEREFORE, in consideration of One Hundred Dollars (\$100.00) the receipt and sufficiency of which are hereby acknowledged by the parties, and of the mutual covenants and agreements herein contained, it is agreed that the Original Agreement shall be hereby amended as follows:

1. The Recitals above are true and correct and are hereby incorporated as a material part of this Amendment No. 2.
2. Section 5(a) of the Original Agreement, as created by Amendment No. 1, is hereby amended in its entirety to read:

(a) Lessee acknowledges and agrees that as of March 15, 2017 Lessee failed to pay past-due outstanding amounts in dockage or vessel fees and related charges of Two Hundred Sixty Nine Thousand Two Hundred and Forty Seven Dollars (\$269,247.00) immediately owing to the City, and in lieu of default upon request from Lessee, the City will agree to a payment plan respecting such outstanding amounts as further described in this Section 5(a). Lessee agrees the unwanted continued existence of these outstanding amounts are material considerations in continuing this Agreement between the parties. In addition to timely payment of monthly rents, utility, fees, taxes, charges, payments, or other monetary obligations under this Agreement or any other agreement, or owing as a result of Lessee's operations at the Port, Lessee shall submit a one-time payment of Fifteen Thousand Dollars (\$15,000.00) toward the remaining balance addressed in this Section 5(a), and further, Lessee shall continue pay Ten Thousand Dollars (\$10,000.00) per month, no later than the fifteenth (15th) day of each month, to the City, until full repayment of such outstanding debt addressed in this Section 5(a), plus interest beginning October 1, 2017 at twelve percent (12%) per annum as otherwise further described and calculated in the Port Tariff. Lessee acknowledges and agrees that in the event of failure to make such monthly payment as provided in this Section 5(a) or any other payment due from Lessee to City, upon ten (10) calendar days from receipt by Lessee of written notice of such nonpayment from the City, pursuant to the Notice provision of this Agreement, City Council may, in City Council's sole discretion, terminate this Agreement for lease, such termination immediately effective upon City Council action to terminate the lease for non-payment notwithstanding anything to the contrary in this Agreement including but not limited to default provisions. Lessee shall, within no more than thirty (30) days of the City Council action to terminate the lease, vacate the Port and surrender all of the Leased Premises and all improvements, fixtures, and property thereon, to become the exclusive property of the City, and ensure that all such land and property shall be in good condition.

3. The remainder of the Original Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to the Original Agreement.

**CITY OF PENSACOLA, FLORIDA**

**OFFSHORE INLAND & MARINE  
OILFIELD SERVICES, INC.**

\_\_\_\_\_  
Mayor, Ashton J. Hayward, III

Attest:

By \_\_\_\_\_  
President

\_\_\_\_\_  
City Clerk, Ericka L. Burnett

Attest:

SEAL

By: \_\_\_\_\_  
Corporate Secretary

(SEAL)

Witnesses: \_\_\_\_\_  
\_\_\_\_\_

Witnesses: \_\_\_\_\_  
\_\_\_\_\_

Legal in form and valid as drawn:

\_\_\_\_\_  
City Attorney

Approved As To Substance:

\_\_\_\_\_  
Department Director/Division Head