

**DEVELOPMENT AGREEMENT**

DATED THE 27<sup>th</sup> DAY OF FEBRUARY, 2020

**BETWEEN**

**AMAZONA PROPERTIES LIMITED**

**AND**

**ORANGE GROVE PLAZA LIMITED**

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THIS AGREEMENT is made this *twenty-seventh* day of *February* Two Thousand and Twenty

BETWEEN:

- (1) **ORANGE GROVE PLAZA LIMITED**, a Company duly incorporated under the Laws of Saint Lucia as Company Number 2019/C267 having its registered office situate at Rodney Bayside Building, Rodney Bay in the Quarter of Gros Islet, acting herein and represented by BLUE INVESTMENTS LIMITED, corporate directors of the said Company acting herein and represented by Ramon George Esper, and Renee St. Rose, director and secretary of the said company, (hereinafter referred to as "the Developer") of the One Part.
- (2) **AMAZONA PROPERTIES LIMITED**, a company duly incorporated under the Laws of Saint Lucia as Company Number 2007/C389 having its registered office situate at 10 Manoel Street in the Quarter of Castries, acting herein and represented by Francis B. Denbow and James R. Auguste directors of the said Company, (hereinafter referred to as "Amazona") of the Other Part.

RECITALS:

WHEREAS:

- (A) By Deed of Sale dated 14<sup>th</sup> January 2009 registered as Instrument Number 2377/2009 on 26<sup>th</sup> May, 2009 and made between Bois D'Orange Hypermart Limited (In Receivership) and Le Palais De Josephine Limited (In Receivership), Amazona Properties Ltd. acquired unencumbered ownership of the Whole Property;
- (B) The Whole Property comprises both land and the Building thereon;
- (C) The Building comprises the Ground Floor, the Leased Area and the Basement.
- (D) Amazona has expressed the intention to complete the Building and the surrounding car park and other outdoor areas (including landscaping) (hereinafter called "the Development") and more particularly described in the Second Schedule hereto
- (E) Amazona has agreed to enter into this Agreement with the Developer for the execution of the Development subject to the terms and conditions hereinafter set

*10/2*  
*[Signature]*

out in this Agreement and the satisfaction of the conditions precedent set out herein

NOW THIS AGREEMENT WITNESSETH:

1. In this agreement including the recitals thereto the following words and phrases shall have the meanings set out adjacent to them:

**“Adverse Rights”** means any interests, rights, covenants, restrictions, stipulations, easements, customary or public rights, charges, mining or mineral rights and any other rights or interests in or over land, in each case whether or not registered that would, if exercised, prevent or disrupt the carrying out of the works;

**“Agreed Completion Date”** means 18 months following the Commencement Date, as may be extended by mutual agreement of the Parties and such agreement not to be unreasonably withheld;

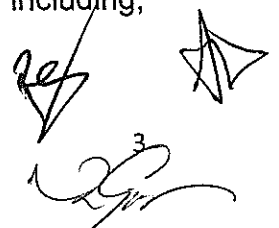
**“Basic Fit Out”** shall include finished ceilings, floors and walls, restroom facilities, central air-conditioning, infrastructure to facilitate connections for air-conditioning, utilities, communications, the particulars of which to be confirmed by Amazona in writing within twenty-eight (28) days of the submission by the Developer to Amazona of the Building Documents;

**“the Building”** means the unfinished structure situate on the Whole Property comprising covered space on four levels: the ground floor, the Leased Area and the Basement as same shall be constructed by the Developer in accordance with the Building Documents and other plans, drawings and specifications in relation to the Ground Floor and the Basement;

**“Building Documents”** means the plans, drawings, specifications, and other documents relating to the works on the the Building;

**“the Basement”** means the underground parking area and basement of the Building;

**“the Common Area”** means the Basement, the areas to be designated or which have been designated as car park areas and passage-ways within the Building intended for common use of all persons occupying or using the Building including,

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without prejudice to the generality of the foregoing stairways, escalators and elevators;

**“Commencement Date”** means twenty-five (25) Business Days from the Effective Date;

**“Conditions Precedent”** means the conditions listed in the Third Schedule which must be satisfied prior to the triggering of any obligation on the part of the Developer under this Agreement;

**“the Consideration”** means the sum of FIVE MILLION DOLLARS in the currency of the United States of America (US\$5,000,000.00) and such obligations herein contained

**“the Deed”** means a deed of Transfer conveying the Whole Property from Amazona to the Developer free and clear of all encumbrances and with vacant possession for the Consideration;

**“the Development”** means the works to be carried out in relation to the Whole Property as set forth in the Second Schedule hereto;

**“Effective Date”** means the date on which all the Conditions Precedent have been fulfilled or waived by the relevant party;

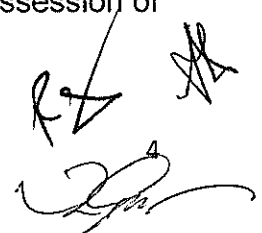
**“the Ground Floor”** means the floor situate at the ground level of the Building;

**“the GOSL”** means the Government of St. Lucia;

**“the Leased Area”** means the first and second floors of the Building including common areas of passage located in the Building and joint usage of all car-park spaces.;

**“Lease”** means the Deed of Lease or agreement to lease to be entered into on the date of this Agreement between the Developer and the GOSL for the lease of the Leased Area for the Lease Term;

**“Lease Term”** means the term set out under the Lease commencing on the Effective Date with a moratorium on lease payments ending on the Agreed Completion Date or on such date before on which GOSL shall take possession of the Leased Area;;



**"Maintenance"** means all costs incurred in the up-keep of the Common Area, the provision of security for the Common Area, landscaping of the Common Area, cleaning of the Common Area and other costs of a similar or comparable nature;

**"the Rent"** means the sum of EC\$3.00 per square foot per month of the Leased Area;

**"the Whole Property"** means all that piece or parcel of land together with the buildings thereon more particularly described in the First Schedule hereto.

2. (i) In consideration of the Consideration and contemporaneously with the execution of this Agreement, Amazona hereby agrees to execute a transfer by way of the Deed of the Whole Property free and clear of all encumbrances with vacant possession but subject to clause 12 hereof and represents and warrants that: :

(a) it is the sole legal and beneficial owner of the Whole Property.

(b) the Whole Property is not subject to any Adverse Rights;

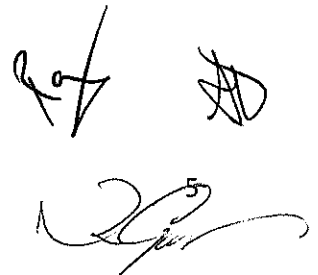
(c) there are no disputes, claims, actions, demands or complaints in respect of the Whole Property that are outstanding or that are expected by Amazona and that would prevent or disrupt the carrying out of the works;

(d) no person, other than Amazona, has any right (actual or contingent) to possession, occupation or use of or interest in the Whole Property;

(e) no one is in adverse possession of the Property or has acquired or is acquiring any Adverse Rights.

(ii) Amazona agrees to contribute the Consideration to the cost of the Development of the Leased Area

3. The Developer undertakes to execute the Development and the Basic Fit Out at the Developer's cost within a period of eighteen months from the Commencement Date or such longer period as agreed between the Parties;

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4. The Parties hereto hereby mutually agree:

(a) That the Developer shall be at liberty to create an hypothecary obligation charging the Whole Property by way of security in favour of a third party financial institution securing sums of money to be used for the Development up to an amount to be determined by the Developer notice whereof shall be given to Amazona for the use exclusively of the Development.

(b) That the Developer may assign the Rent to the financial institution or institutions (if any) in whose favour the security by way of hypothecation has been granted and GOSL shall pay the rent to such account;

(c) (i) The Developer shall insure the Building for the full commercial value thereof both during construction and thereafter until such time as the Leased Area has been re-conveyed to Amazona in accordance with clause 6 hereunder;

(ii) In the event of a claim made by the Developer for damage caused by an insured risk then any sums paid out by the insurance company shall be used by the Developer in reinstating the Building.

5. (a) Amazona agrees to procure that the GOSL agrees to enter into the Lease for the Leased Area (comprising the square footage confirmed in the Building Documents and estimated at 78,400 square feet ) for the Lease Term from the date hereof with a moratorium on the Rent commencing on the Effective Date until the Agreed Completion Date ("the Moratorium Period") provided that the term of the Lease shall be for a period of fifteen (15) years commencing from the expiration date of the Moratorium Period;

(b) The Developer agrees that the Lease Rate to be paid by the GOSL to the Developer under the Lease shall be exclusive of maintenance expenses in relation to the Common Areas and the Lease shall contain such provisions for the additional payment of Common Area Maintenance charges calculated in accordance with the provisions of the Lease. In the event that the Rent is not paid on the 1<sup>st</sup> day of each month during the Lease Term, Amazona agrees to procure that GOSL shall be liable to pay interest at the default rate of XCD Prime Rate of the lead lending institution of the Developer.

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6. (a) On expiration of the Lease provided that there are no defaults by GOSL or Amazona under the provisions of the Lease or this Agreement respectively or any outstanding sums owed to the Developer in relation to Rent or otherwise, the Developer shall re-transfer all its rights, title, and interests in the Leased Area to Amazona including a provision permitting Amazona the exclusive use in perpetuity of 50 car parking spaces as well as the use jointly with the Developer of all other car parking spaces in the Common Area, by executing a deed of transfer to effect a vesting in Amazona of the absolute ownership of the Leased Area free and clear of all encumbrances. For the avoidance of doubt the parties reiterate the agreement set forth in clause 12 hereof

(b) In order to facilitate the registration of the deed of transfer to Amazona of the Leased Area the Developer shall procure the release of all hypothecs, debentures, mortgages, charges, liens, or other encumbrances that may exist in respect of Leased Area;

(c) Amazona shall bear all, charges, stamp duties, and other disbursements with respect to the registration of the deed of transfer

7. Following the expiration of the Lease Term and the reconveyance of the Leased Property to Amazona, Amazona shall enter into a Maintenance Agreement with the Developer for the payment of a proportionate part of the Common Area maintenance charges upon the terms and conditions to be agreed between the parties.

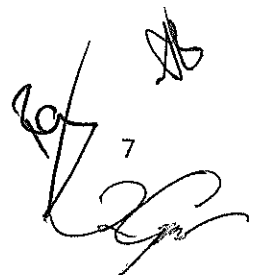
## 8. DISPUTES

8.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Saint Lucia.

8.2 The parties shall endeavour to notify each other of any anticipated disputes so that any potential dispute can be avoided by negotiation between them.

8.3 The Parties shall endeavour to resolve any failures to agree matters or any disputes by direct negotiations between senior representatives of the parties in dispute.

8.4 Each Party shall give serious consideration to the use of mediation if any dispute cannot be resolved by direct negotiation.

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8.5 If any dispute arises between Amazona and the Developer arising out of this Agreement the dispute shall be referred (in the absence of any express provision to the contrary) to an arbitrator appointed jointly by Amazona and the Developer in accordance with the Arbitration Act of Saint Lucia. If the parties cannot agree on the arbitrator's identity the arbitrator shall be appointed on either party's request by the President for the time being of the Chartered Institute of Surveyors.

8.6 For the avoidance of doubt, Amazona irrevocably waives and agrees not to claim any immunity from suit and/or any immunity from any and all forms of execution, enforcement or attachment to which it or its property is now or may later become entitled under the laws of St. Lucia and Amazona declares that such waiver shall be effective to the fullest extent permitted by such laws.

## 9. REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other that:

9.1 It has full power and authority, corporate or otherwise, to enter into and perform its obligations and to conduct its business as presently or as proposed to be conducted, and this Agreement has been duly authorised, executed and delivered by it and constitutes a legal, valid and binding obligation of such party, enforceable in accordance with its terms;

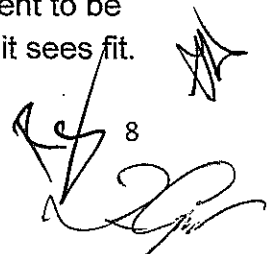
9.2 Execution and performance of this Agreement does not violate any provision of any law, statute, rule, regulation, judgment, claim, injunction, decree or order applicable to any party;

9.3 The execution, delivery, and performance of this Agreement does not conflict with or result in the breach or termination of any provision, or constitute a default under, any mortgage, loan, agreement or other undertaking binding on any party;

9.4 No suit, action, arbitration, legal, administrative or other proceeding is pending against any party that would affect the validity or enforceability of this Agreement or the ability of any party to fulfill its obligations under this Agreement;

10. This Agreement shall become effective on the date of execution hereof.

11. The Developer may in its discretion waive any of the Conditions Precedent to be performed by Amazona set out hereto on such terms and conditions as it sees fit.



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12. The parties hereto do hereby agree that the doctrine of merger is specifically excluded and that the obligations, undertakings and duties herein contained shall survive the execution of any deed made pursuant to this agreement.

WHEREOF RECORD

IN WITNESS WHEREOF this Agreement has been signed on the day month and year first hereinabove written by the parties named thereto

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## FIRST SCHEDULE

All that those pieces or parcels of land together with the unfinished building thereon situate at Bos d'Orange in the Quarter o Gros Islet measuring in area approximately 5 acres in the ownership of Amazona to be amalgamated into one parcel

## SECOND SCHEDULE

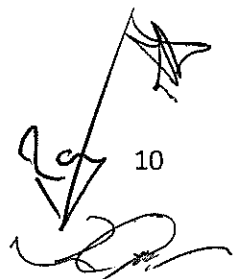
### 1.0 Design Services

Prepare design of building envelope, including all necessary drawings and specifications. This includes preparation and coordination of all architectural, civil engineering, structural engineering, and mechanical, electrical and plumbing (MEP) engineering.

### 2.0 Construction

#### a. General Building Works

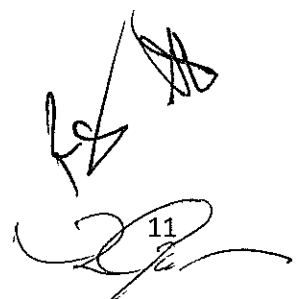
- i. Demolish portion of existing building and damaged or deteriorated walls, ceilings and other items in the building.
- ii. Demolish building front and install new facade as to be determined.
- iii. Finish other exterior walls as to be determined. iv. Install interior core walls/partitions as may be determined
- v. Finish common area restrooms including plumbing, toilets and sinks.
- vi. Repair external block as required
- vii. Seal the buildings and repair roof damage.
- viii. Repair or Replace barrel vault roofing and flat roof
- ix. Construct new entrance on the east section of the building with covered car access.
- x. Remove the escalator in center of Building; add stairs to facilitate access to upper levels.
- xi. Repair or replace flat roof as required
- xii. Repair or Replace Hand rails as required



10

- b. Structural
  - i. Make necessary modifications to address structural deficiencies in Building.
  - ii. Repair damaged structural steelwork
  - iii. Repair cracked floor slabs in Building
  - iv. Retrofit suspended floor to accommodate parking where required
  
- c. MEP/Life Safety Systems
  - i. Install Elevators as required
  - ii. Install air condition system.
  - iii. Install a potable water storage system with a 10% reserve for firefighting.
  - iv. Install fire detection and fire protection system consisting of hose reels, water pumps, smoke alarms, fire hydrants.
  - v. Install a capacity sewage treatment package plant.
  - vi. Install generators with interconnecting switchgear and sound attenuation
  - vii. Provide basic lighting in parking area.
  - viii. Finish all spaces as shell only with an electrical distribution panel, one light, one data point and metered chilled water air conditioning. Approximate rental space is shown on attached drawings that you have provided.
  - ix. Install potable water supply main, power supply main, and telephone and data mains.
  
- d. Civil
  - i. Provide basic landscaping and
  - ii. Provide external parking area.
  - iii. Provide drainage for the site.
  - iv. Fencing the perimeter of the property.
  - v. Perform necessary road modifications around the site to provide adequate traffic access into the site and egress from the site and provide recommendations on additional traffic flow improvements.

SIGNATURES



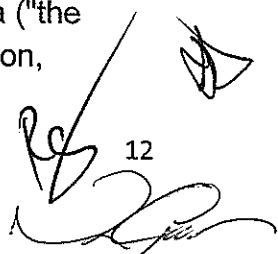
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### THIRD SCHEDULE

#### Conditions Precedent

- (i) the grant of concessions by the GOSL to the Developer;
- (ii) the attaining by the Developer of satisfactory structural and condition surveys of the Property;
- (iii) Amazona receipt of all the Requisite Consents;
- (iv) the amalgamation or consolidation of all the parcels of land comprising the Whole Property into one parcel under one title;
- (v) the obtaining of financing for the Development by the Developer;
- (vi) a satisfactory legal opinion from Saint Lucian Counsel to Amazona that Amazona has full corporate power or power where applicable and authority under its organizational or constitutional documents to enter into and execute and perform its obligations under this Agreement and to perform its obligations in relation thereto and the execution by Amazona of this Agreement and the performance of its obligations thereunder do not conflict with or result in a breach of any of the terms or provisions of its constitutional or organizational documents or any law, public rule or regulation applicable to Amazona in Saint Lucia currently in force and do not conflict with or result in a breach of or constitute a default under any existing published order or decree of any Governmental Instrumentality in Saint Lucia- to consider including the concessions granted here;
- (vii) Release of FCIB security;
- (viii) Copies of the Certificates of Incorporation and organisational or constitutional documents of the Developer and Amazona;
- (ix) Copies certified by the Developer's Secretary of resolutions adopted by the Developer's Board of Directors authorising the execution, delivery, and performance by the Developer of the Development Documents;
- (x) Copies certified by Amazona's Secretary of resolutions adopted by Amazona's Board of Directors authorising the execution, delivery, and performance by Amazona of the Development Documents;
- (xi) Record of the decision of the Cabinet of the Government of Saint Lucia ("the Cabinet"), as certified by the Secretary to the Cabinet, authorising the execution,

12



delivery and performance by Amazona of this Agreement and record of the decision of the Cabinet similarly certified authorising the execution, delivery and performance by the GOSL of the Lease or such other form of approvals which is satisfactory to the Developer;

(xii) Execution and delivery by the Government of St. Lucia of the Lease of the Amazona Property in favour of the Developer and such satisfactory Opinion from the Attorney-General confirming that all necessary Governmental Approvals and actions have been duly obtained and taken for the execution, delivery and performance of the Lease;

(xiii) vacant possession being delivered to the Developer.

ORANGE GROVE PLAZA LIMITED

Per:

  
.....  
Ramon George Esper

AMAZONA PROPERTIES LIMITED

Per:

  
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Francis B Denbow

  
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James R Auguste