

BUNKERING EASEMENT AGREEMENT

This Bunkering Easement Agreement ("**Agreement**") is made this 2nd day of August, 2016 ("**Effective Date**"), by and among THE NORTHWEST SEAPORT ALLIANCE, a Washington port development authority, as agent for the PORT OF TACOMA, a Washington port district, as described below, and the PORT OF TACOMA, a Washington port district (collectively "**Grantor**"), PUGET SOUND ENERGY, INC., a Washington corporation ("**Grantee**"), and TOTEM OCEAN TRAILER EXPRESS, INC., an Alaska corporation ("**TOTE**"). Grantor, Grantee and TOTE are sometimes hereinafter referred to collectively as the "**Parties**" and each individually as a "**Party**."

RECITALS

A. The Port of Tacoma is the owner of certain real property commonly known as 500 East Alexander Avenue, Tacoma, Washington 98421, and more particularly described in the legal description attached as Exhibit A (the "**Property**"). The Port of Tacoma and the Port of Seattle are the Managing Members of The Northwest Seaport Alliance, a Washington port development authority (the "**Alliance**"), formed for the joint operation, management, and use of certain properties of each such Port by the Alliance. Pursuant to the Alliance agreements, the Port of Tacoma licensed the operation, use, and management of the Property to the Alliance as licensee/agent for the Port of Tacoma effective August 4, 2015, for the purposes and subject to the terms, conditions, and limitations set forth in such agreements, as now in effect or as hereafter amended or adopted. For purposes of this Agreement, the term "Grantor" shall mean and refer to The Northwest Seaport Alliance and the Port of Tacoma, unless the context clearly requires otherwise.

B. TOTE leases the Property from Grantor pursuant to a Lease and Operating Agreement dated February 2, 2012, as amended (the "**TOTE Lease**") and operates a deep water marine terminal on the Property (the "**TOTE Terminal**").

C. Grantee is developing a Liquefied Natural Gas ("**LNG**") facility at the Port of Tacoma. Pursuant to a Lease dated September 4, 2014, as amended by the First Amendment to Lease, dated January 20, 2015, and the Second Amendment to Lease, dated June 9, 2015 (collectively, the "**PSE Facility Lease**"), Grantee leases from Grantor real property as further described in the PSE Facility Lease (the "**PSE Facility Property**").

D. TOTE and Grantee entered into that certain LNG Fuel Supply Agreement dated October 27, 2014 governing the purchase and sale of LNG between TOTE and Grantee (such agreement and any succeeding agreement related to the purchase and sale of LNG between TOTE and Grantee, the "**FSA**").

E. Concurrently herewith, the Parties have also entered into that certain Pipeline and Control Measures Easement Agreement (the "**Pipeline and Control Easement**") to allow Grantee to construct and operate an LNG pipeline (the "**Pipeline System**", as defined in the Pipeline and Control Easement) on a portion of the Property, as well as to exercise control over a portion of the Property (the "**Control Area**") in order to comply with all applicable local, state and federal

regulations, now or in the future, governing LNG facilities and operations, including, but not limited to, 49 CFR 193 and 33 CFR 127 (collectively, the “**LNG Regulations**”).

F. The Parties now desire to enter into this Agreement to allow Grantee to construct and operate an LNG bunkering station and related in-water facilities (the “**Bunkering Station**”) on a portion of the Property, so that Grantee can provide LNG to TOTE’s vessels as fuel and to other vessels as cargo. The Bunkering Station will consist of a secured fenced area that includes both upland facilities and a pier. The upland facilities will include LNG piping, valves, receiving pit and a sump. The Pipeline System will run from the PSE Facility Property through the Property pursuant to the Pipeline Easement, to the upland facilities and then to a marine loading arm or LNG hoses located at the end of the pier.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

0. **Incorporation.** Recitals are incorporated herein by reference.

1. **Easement Area.**

1.1. **Easement Area.**

1.1.1. Grantor hereby grants and conveys to Grantee, for the benefit of the PSE Facility Property, an exclusive easement, subject to and on the terms and conditions stated in this Agreement, over, under, along, across and through the following described area in the Port of Tacoma, Tacoma, Pierce County, Washington:

Approximately 0.51 acres of uplands and submerged lands, located at 500 East Alexander Avenue, Tacoma, Washington 98421, as generally shown in Exhibit B-1 and described in Exhibit B-2, each attached hereto (the “**Easement Area**”).

By granting this Easement, Grantor is not assuming any risks or liabilities from this Easement or the Bunkering Station, which shall be solely and separately borne by Grantee. Notwithstanding the foregoing, TOTE may continue to use the Easement Area pursuant to the TOTE Lease until the Construction Start Date (defined below), provided that TOTE may not construct or place permanent structures within the Easement Area.

1.1.2. Grantee has no rights to the upland areas outside of the Easement Area (e.g., no use of the parking lot for storing or moving LNG containers or trucks), or over submerged lands southerly of the southerly line of the Preferential Use Area for vessel berthing under the TOTE Lease (e.g., no mooring of barges or other vessels southerly of the above line). If Grantee requires additional easements, licenses, or other use rights on the Property or on other property of Grantor in connection with Grantee’s business on the Easement Area, or requires necessary utility and service easements for utilities, telephone, or communication facilities for providers of such utilities or services necessary for Grantee’s business on the Easement Area, then Grantor will consider and enter into good faith negotiations with Grantee and/or such utility or

service providers regarding the same, provided that TOTE also consents to such additional encumbrance to the extent it affects TOTE's interest in the Property.

1.2. Temporary Construction Easement Area.

1.2.1. Subject to the terms and conditions of this Agreement, Grantor hereby grants to Grantee a temporary construction easement ("**Temporary Construction Easement**") over, under, along, across and through the portions of the Property depicted on Exhibit C-1 and described on Exhibit C-2, which also includes the right to temporary construction moorage in the area adjacent thereto (the "**Temporary Easement Area**"). For purposes of this Agreement, during any period when the Temporary Construction Easement is in effect, the Easement Area shall include the Temporary Easement Area, and all terms and conditions of this Agreement regarding the Easement Area shall also apply to the Temporary Easement Area with respect to the actions or omissions of Grantee or Grantee parties (as defined herein) or Grantee's exercise of its rights hereunder, except as otherwise expressly provided in this Section 1.2. By granting this Easement, Grantor is not assuming any risks or liabilities from this Easement or the Bunkering Station, which shall be solely and separately borne by Grantee.

1.2.2. Grantee, its agents, employees, representatives, consultants and contractors (collectively, the "**Grantee Parties**"), may, as necessary, use the Temporary Easement Area for all purposes necessary or incidental to Grantee's installation and construction of the Bunkering Station, including, without limitation, for the parking of vehicles, storage of materials, establishment of erosion control measures and other activities in connection with the construction and installation of the Bunkering Station. In general, the Temporary Construction Easement shall be non-exclusive. However, Grantee may fence all or a portion of the Temporary Easement Area from time to time during the term of this Temporary Construction Easement, when Grantee, in its reasonable discretion, deems it necessary for ensuring the safety of persons or property; provided that no fencing may obstruct or interfere with necessary access lanes or the safe operation of the Property or TOTE's or Grantor's operations thereon. Subject to the requirements of this Section, TOTE and Grantor may use and enjoy the Temporary Easement Area, including the use of any existing improvements located within the Temporary Easement Area, at all other times, provided that such use does not unreasonably affect Grantee's rights hereunder. Grantee and TOTE understand and agree that TOTE will continue its operations during construction, and Grantee and TOTE agree that they shall cooperate with one another to the fullest extent possible to maximize the efficiency of such construction, and to minimize the disruption to such construction and to TOTE's operations. TOTE acknowledges that it will experience some disruption and inconvenience as a result of such construction, and agrees that it shall not be entitled to any compensation or other consideration for any disruption, inconvenience, loss of use of the Temporary Easement Area, or loss of any other kind resulting from such construction or any changes thereto, it being agreed that any potential detriment to TOTE is offset by the benefits to TOTE from the improvements to be constructed under this Agreement.

1.2.3. Grantee shall have the right to moor ships and barges used in connection with construction of the Bunkering Station. Grantee shall cooperate with TOTE and Grantor in coordinating Grantee's use of the moorage area so that such use does not unreasonably interfere with TOTE's or Grantor's marine operations. Grantee shall cooperate with TOTE and Grantor in coordinating Grantee's use of the moorage area so that such use does not interfere with

TOTE's published schedule for its cargo operations, as such schedule may be revised from time to time by TOTE upon notice to Grantee. Grantee shall not otherwise unreasonably interfere with Grantor's marine operations.

1.2.4. Construction of the Bunkering Station is expected to be conducted in multiple phases. Grantee shall provide Grantor and TOTE with three (3) months' prior written notice before starting each phase of construction of the Bunkering Station (each a "**Construction Notice**"); provided that the Construction Notice for the first phase of construction does not have to be provided at least three (3) months prior to Grantee starting activities so long as Grantee complies with Grantor's published procedure to seek Grantor's approval of tenant alterations, as now in effect or as hereafter amended or adopted (the "**Tenant Improvement Procedure**"), and the requirements of Section 7.1 below, and provides such Construction Notice to TOTE and Grantor as soon as practicable and in any case no less than forty-eight (48) hours prior to Grantee or Grantee Parties commencing any activity in the Easement Area. Each Construction Notice shall include a start date and completion date, together with a detailed scope of work and schedule for the work to be completed within the construction phase for which the Construction Notice is given (reference to relevant parts of the information provided by Grantee under Grantor's Tenant Improvement Procedure may satisfy this requirement so long as all required elements of the Construction Notice are provided, and so long as such information is also provided to TOTE). Prior to commencing construction under the first Construction Notice, Grantee shall provide Grantor and TOTE with proof of insurance as described in Section 12 below. At the time Grantee provides a Construction Notice, the Parties will mutually agree upon any adjustments to the Temporary Easement Area based upon the final design of the Bunkering Station, provided such adjustments do not unreasonably impact TOTE's rights under the TOTE Lease or Grantor's rights. Grantee shall notify Grantor and TOTE when such Construction Notice is for the last phase of construction. Grantee's rights under the Temporary Construction Easement for each phase of construction will terminate upon the earlier of (i) the date set forth in the Construction Notice for such phase, or (ii) completion of such phase of construction or completion of the Bunkering Station, and restoration of the Temporary Easement Area as required herein, or (iii) termination of this Agreement. Grantee's rights under the Temporary Construction Easement will finally terminate upon the earlier of (a) completion of the Bunkering Station, and restoration of the Temporary Easement Area as required herein, or (b) termination of this Agreement.

1.2.5. TOTE and Grantee shall reasonably assist and cooperate with one another in coordinating all access and construction activities on the Property. Grantee shall minimize interference with TOTE's or Grantor's operations on the Property as directed by TOTE or Grantor, each in its reasonable discretion, including, but not limited to, scheduling work around the loading and unloading of TOTE's vessels or Grantor's other customers' vessels. Such scheduling may include, at times, scheduling work outside of TOTE's or Grantor's normal operating hours. All work shall be performed with due regard for the safety of all persons on the Property and so that interference with automotive and pedestrian traffic will be minimized to the extent reasonably possible. Flagging personnel, barricades, signs and traffic control shall be used as necessary, at Grantee's sole cost and expense, during excavation, hauling, demolition and periods of heavy truck traffic. Grantee shall have the right to redirect traffic on the Property, provided that Grantee maintains two-way traffic. If it becomes necessary to place plates over any excavated portions of the Property, such plates shall be able to withstand AASHTO HS-20 loading

at a minimum. Grantee will limit the length of any plated trenches so that loads greater than HS-20 can still traverse the TOTE Terminal.

1.2.6. TOTE or Grantor may condition access to and from the Property with compliance with reasonable security measures applicable to the Property, including but not limited to requiring Grantee Parties to carry identification badges or otherwise check in with TOTE's security personnel. Notwithstanding the foregoing, such security measures shall not unreasonably impede the ability of the Grantee Parties to access the Temporary Easement Area to exercise the rights granted hereunder.

1.2.7. Grantee may, at its expense, relocate any utilities within the Temporary Easement Area if necessary for its construction work, provided that (i) Grantee shall provide not less than three (3) months' written notice to TOTE and Grantor of any proposed relocation and shall schedule its work at a time and in a new location which does not adversely affect TOTE's or Grantor's operations (such scheduling may include scheduling work outside of TOTE's or Grantor's normal operating hours), and (ii) Grantor consents to such relocation, which consent shall not be unreasonably withheld, conditioned or delayed.

1.2.8. Grantee shall, at its sole cost and expense, repair or restore the Temporary Easement Area, including but not limited to any improvements or landscaping disturbed during Grantee's work, to a condition as nearly as practicable to the condition it was in immediately before Grantee's use of the Temporary Easement Area, except as otherwise agreed to in writing by TOTE and Grantor. Grantee's restoration obligations set forth herein shall survive expiration or earlier termination of this Agreement.

1.3 TOTE Mooring Dolphins. Grantee and TOTE acknowledge that TOTE may, subject to Grantor's prior written approval in accordance with Grantor's Tenant Improvement Procedure, as now in effect or as hereafter amended or adopted, install mooring dolphins for LNG barges to fuel TOTE vessels pending completion of the Bunkering Station, in a location near the Bunkering Station to be constructed by Grantee. Grantee and TOTE shall cooperate with one another in coordinating the installation and use of the mooring dolphins to the extent occurring during construction of the Bunkering Station, and the removal of the mooring dolphins to the extent necessary for operation of the Bunkering Station. The foregoing shall not preclude or limit Grantor's rights to require the removal of the mooring dolphins at the end of the TOTE Lease. Grantor shall not have any responsibility or liability of any kind to Grantee or TOTE regarding the presence or removal of the mooring dolphins.

2. Term.

2.1. Initial Term. The Initial Term of this Agreement shall commence on the Effective Date (the "**Commencement Date**"), provided that (i) all of Grantee's rights under this Agreement are subject to Grantor's and TOTE's receipt of proof of insurance as described in Section 1.2.4 above and Section 12 below, and (ii) Grantee shall not exercise any rights or perform any activity on the Property under this Agreement until Grantee has provided its first Construction Notice in accordance with Section 1.2.4 above, and (iii) all of Grantee's obligations under this Agreement shall commence upon the date that Grantee commences any activity in any Easement Area under this Agreement (the "**Construction Start Date**"). Unless earlier terminated pursuant

to this Agreement or applicable law, this Agreement shall automatically terminate on the earlier of (a) termination of the Initial Term of the PSE Facility Lease (by expiration of the Initial Term of the PSE Facility Lease or termination of the PSE Facility Lease prior thereto), unless the term of this Agreement is extended pursuant to Section 2.3 below, or (b) Grantee's non-use of or failure to maintain the Bunkering Station for a period of five (5) years, beginning on the day following the last use of the Bunkering Station for transmission of LNG. For the purposes of clarification, the preceding sentence shall not preclude an earlier termination of this Agreement pursuant to Sections 17 and 18 below on account of Grantee's default in maintaining the Bunkering Station in the event either Grantor or TOTE elects to exercise its rights thereunder.

2.2. Early Termination Rights.

2.2.1. Grantee's Rights. Unless earlier terminated pursuant to this Agreement or applicable law, Grantee shall have the right in its sole and absolute discretion to terminate this Agreement if (i) the FSA is terminated, or (ii) Grantee does not receive all approvals, permits and authorizations for the Bunkering Station and the Pipeline System; or (iii) the conditions described in Section 34.3 below have occurred.

2.2.2. Grantor's Rights. Unless earlier terminated pursuant to this Agreement or applicable law, Grantor shall have the right in its sole and absolute discretion to terminate this Agreement if (i) the Pipeline And Control Easement is terminated, (ii) the conditions described in Section 34.4 below have occurred, or (iii) Grantee does not receive all required approvals, permits and authorizations for the Bunkering Station and the Pipeline System within five (5) years from the Effective Date of this Agreement.

2.2.3. TOTE's Rights. Unless earlier terminated pursuant to this Agreement or applicable law, TOTE shall have the right in its sole and absolute discretion to terminate this Agreement if (i) the Pipeline And Control Easement is terminated, (ii) Grantee does not receive all approvals, permits and authorizations for the Bunkering Station and the Pipeline System within five (5) years from the Effective Date of this Agreement, or (iii) if the FSA is terminated pursuant to FSA Section 2.3.7 (failure of conditions precedent; failure to obtain government approvals) or FSA Section 19.1.2 (default by PSE under FSA).

2.2.4. Additional Termination Rights. In the event either (i) the TOTE Lease terminates, or (ii) the FSA terminates (Grantee shall give written notice to Grantor within three (3) business days of such termination), then Grantor may provide notice to Grantee that it desires to terminate this Agreement, subject to the following terms and conditions. In such event, Grantee shall use commercially reasonable (based on all facts and circumstances at that time and all potential impacts to all parties at that time and in the future) best efforts to obtain all applicable approvals for the construction of a Bunkering Station, Pipeline System and related improvements on the Hylebos Waterway (the "**Hylebos Construction**"). In the event Grantee is not successful in obtaining all applicable approvals for the Hylebos Construction, on terms and conditions that Grantee reasonably determines are economically feasible and comply with all LNG Regulations, then Grantee may consider an area of approximately 0.51 acres of uplands and submerged lands at the south-western corner of the Property, as generally depicted and described in Exhibit D attached hereto, for the construction of a Bunkering Station, Pipeline System, and related improvements (the "**Blair Construction**"), pursuant to a lease, easement, or other mutually

acceptable agreement(s) (collectively “lease”), subject to the following additional conditions: (a) the consideration to be paid by Grantee for the lease of the south-western corner of the Property shall be (i) during the period that the TOTE Lease is still in effect, the same as the Rent payable under the TOTE Lease for Leasehold Area, pro-rated to the square footage of the Easement Area, plus Washington State leasehold excise tax to the extent applicable to Grantee, and (ii) during periods when the TOTE Lease is no longer in effect, the fair market rental value of the surrounding property as a marine terminal at such time, plus Washington State leasehold excise tax to the extent applicable to Grantee; and (b) during the term of the TOTE Lease, any relocation of the Bunkering Station, Pipeline, or Control Measures Easement Area to any area within the Premises under the TOTE Lease is subject to TOTE’s consent, which consent shall not be unreasonably withheld, conditioned, or delayed, but such consent may be withheld if the proposed new location would interfere with TOTE operations or improvements. If Grantee reasonably determines that the Blair Construction is economically feasible and will comply with all LNG Regulations, and subject to the above additional conditions being met, then Grantee shall use commercially reasonable (based on all facts and circumstances at that time and all potential impacts to all parties at that time and in the future) best efforts to obtain all applicable approvals for the Blair Construction. If Grantee is successful in obtaining all applicable approvals for either the Hylebos Construction or the Blair Construction, on terms and conditions that Grantee reasonably determines are economically feasible and comply with all LNG Regulations, then Grantee shall proceed with the design and construction on the Hylebos Construction or the Blair Construction, as applicable, at Grantee’s cost. If Grantee proceeds with the Blair Construction, Grantor (and to the extent necessary, TOTE), shall cooperate with Grantee and grant Grantee such additional easement rights as are necessary in order to facilitate the relocation of the Bunkering Station (including but not limited to extension of the existing Pipeline Easement or relocation of the Pipeline Easement, whichever alternative Grantee requests). Notwithstanding anything to the contrary herein, Grantee may continue to operate and exercise its rights under this Agreement (i) pending completion of the Hylebos Construction or the Blair Construction, if applicable, and (ii) if Grantee is not successful in obtaining all applicable approvals, beyond all applicable appeal periods, for the Hylebos Construction or the Blair Construction, as applicable, provided that in such event Grantee’s rights to use the Easement Area and adjoining berthing area for loading vessels shall be secondary to TOTE’s preferential berthing rights during the term of the TOTE Lease, and shall be secondary to the berthing rights of all subsequent tenants of the Property and to the berthing of all other deep water vessel users of the Property.

2.3. Extension Term: Grantee may extend the term of this Agreement to be coterminous with the PSE Facility Lease (as may be extended by Grantee) on and subject to the following conditions (the “**Extension Term**”):

2.3.1. Grantee may not exercise its rights to extend this Agreement unless Grantee also exercises its right to extend the PSE Facility Lease and the Pipeline and Control Easement so that all three (3) such agreements are coterminous, and Grantee may extend the term of this Agreement only if and to the extent the above-referenced agreements are extended.

2.3.2. Grantee shall give Grantor (and TOTE if the TOTE Lease is then still in effect) written notice of Grantee’s intent to extend the term of this Agreement at the time Grantee provides its notice to Grantor to extend the PSE Facility Lease (the “**Extension Notice**”).

2.3.3. The Easement Fee for the Extension Term shall be the fair market rental value of the Easement Area during the Extension Term, which shall be based on the fair market rental value of the surrounding property as a marine terminal, and which for so long as the TOTE Lease is in effect shall be deemed to be the same as the Preferential Use Fee payable under the TOTE Lease, pro-rated to the square footage of the Easement Area, except that if Grantee completes the Blair Construction then the Easement Fee shall be as provided in Section 2.2.4 above, and in all cases Grantee shall also pay Washington State leasehold excise tax to the extent applicable to Grantee.

2.3.4. At the time Grantee gives Grantor written notice as set forth in Section 2.3.2 above, and at the beginning of the Extension Term, Grantee must comply with the provisions of Article 34 hereof, and Section 34 shall continue to apply throughout the remainder of the Initial Term and throughout the Extension Term.

2.3.5. The Extension Term shall be on the same terms and conditions as the Initial Term, including but not limited to Section 2.2.4, except that the Easement Fee shall be as provided in Section 2.3.3 above, and except as otherwise mutually agreed to by the parties, each acting in its sole and absolute discretion.

2.3.6. Grantee shall not be entitled to extend the term of this Agreement if Grantee is in default (after applicable notice and cure time) of the performance of its obligations under this Agreement, or under any other agreement between Grantee and Grantor related to this Agreement or to Grantee's business on the Property, at the date notice of extension is due or at the date the Extension Term is to commence.

2.3.7. Grantee shall not be entitled to extend the term of this Agreement if Grantee is a corporation, limited liability company, or other entity whose stated duration will expire prior to the end of the Extension Term.

2.4. Survival of Obligations: No termination of this Agreement shall release any Grantee from any liability or other obligation accruing prior to such termination or otherwise under this Agreement.

3. Charges and Fees.

3.1. Easement Fee. Commencing on the Construction Start Date, Grantee shall pay monthly in advance to Grantor, \$6,254.88 plus Washington State leasehold excise tax as now or hereafter assessed, currently assessed at 12.84% of taxable rent, but only to the extent such leasehold excise tax is applicable to Grantee, subject to periodic adjustment at the same times and in the same manner as the adjustment of Rental and Preferential Use Fee under the TOTE Lease (the "**Easement Fee**"). The Easement Fee shall be pro-rated per diem for partial months. The Easement Fee is not refundable under any circumstances and shall not be applied to any other period or charge. Amounts not paid when due shall incur interest at one and a half percent (1.5%) per month from the date due until paid. The Easement Fee during the Extension Term, if any, shall be as provided in Section 2.3.3 above.

3.2. Volume Charge. No volume charge will be assessed for this Agreement, based on a Volume Charge already applying to all volume leaving the Premises under the PSE Facility Lease.

3.3. Dockage. Grantor may charge dockage and other charges or fees for all vessels (including but not limited to barges) other than TOTE vessels taking on LNG as fuel or barges providing LNG to TOTE vessels as fuel at a rate provided for in the Tariffs (as defined in Section 3.4 below), or Impact Fees (as defined in Section 34 below).

3.4. Tariffs: “**Tariffs**” mean the tariffs of Grantor, as now in effect or as from time to time amended or adopted. The Tariffs include various fees and charges for services and additional rules and regulations (collectively, the “**Fees and Charges**”). Grantor and Grantee intend that there shall be no duplicate Fees and Charges under the PSE Facility Lease, this Agreement, and the Tariff, such as the Volume Charge under Section 3.2 above. Thus, to the extent that Fees and Charges are covered by the PSE Facility Lease or this Agreement, the PSE Facility Lease and this Agreement shall supersede the Tariffs and shall be in lieu of the Fees and Charges under the Tariffs for such items except to the extent expressly provided for in the PSE Facility Lease or this Agreement. To the extent Fees and Charges are not covered by this Agreement or the PSE Facility Lease, applicable Tariffs shall apply. Upon Grantee’s request, Grantor shall provide Grantee with copies of current Tariffs. Grantor represents and warrants that (a) to the best of Grantor’s knowledge, there are currently no Fees and Charges in effect that are related to any of the terms and conditions of this Agreement that are not included in this Agreement, (b) Schedule 1 attached hereto and incorporated by reference lists all Fees and Charges in effect and/or pending adoption as of the date of this Agreement, and (c) any new Fees and Charges applicable to Grantee’s operations at the Easement Area will be binding on Grantee only upon ten (10) years’ notice to Grantee of the same.

3.5. Payment: The Easement Fee and leasehold excise tax (if applicable), shall be paid to Grantor in advance on or before the first day of each month. Dockage, Fees and Charges, Impact Fees and other payments shall be paid in arrears unless otherwise specified or otherwise required by context. Amounts not paid when due shall incur interest at one and a half percent (1.5%) per month from the date due until paid.

3.6. Credit against TOTE Lease. During the term of the TOTE Lease, TOTE shall be entitled to a reduction in the Preferential Use Fee (or Leasehold Area Rent, if the Bunkering Station is relocated to the south-western corner of the Property pursuant to Section 2.2.4 above) coming due under the TOTE Lease in the same amount as the Easement Fee (but not leasehold excise tax) payable by Grantee under Section 3.1 above (or under Section 2.2.4 above if the Bunkering Station is relocated to the south-western corner of the Property). Grantor shall provide notice to TOTE of any default by Grantee in paying the Easement Fee.

4. [Intentionally deleted]

5. Use.

5.1. Use of Easement Area. The Easement Area may be used as a LNG bunkering station to provide LNG to TOTE vessels as fuel and to other vessels as cargo, including

parking (provided however, that if Grantee completes either the Hylebos Construction or the Blair Construction, then after the expiration of the Grantee Preferential Period (as defined below), Grantee may continue to use the Bunkering Station to provide LNG to non-TOTE vessels as cargo only upon the prior written consent of Grantor in its sole and absolute discretion); secondary containment systems; related pipelines; marine loading facilities; safety and fire extinguishing facilities; pier; and emergency power generation facilities (the “**Permitted Uses**”). PSE intends to provide regional users with LNG, and may transport from the site via barge. The parties agree that export via LNG tank ship is not allowed. The Easement Area shall not be used for any other purpose without the prior written consent of both Grantor and TOTE, each in its sole and absolute discretion. Grantee shall not provide any fueling services from the Easement Area except to TOTE’s vessels. Grantee shall not under any circumstances use the Easement Area or permit the Easement Area to be used for any illegal purpose. Notwithstanding the Permitted Uses described above, nothing in this Agreement authorizes Grantee to undertake any site alterations, additions or improvements in or to the Easement Area (collectively, the “**Grantee Improvements**”) except as subject to the provisions of Section 7 below.

5.2. Vessel Preferential Rights: Grantee’s use of the Easement Area and adjoining berthing area for loading vessels shall be subject to TOTE’s preferential usage of the TOTE Terminal for berthing and loading/unloading vessels under the TOTE Lease, and subject to the preferential berthing rights of all subsequent tenants of the Property. For a period of ten (10) years (the “**Grantee Preferential Period**”) following substantial completion of the Bunkering Station and the Pipeline System (“**Commencement of Operations**”), Grantee shall have preferential rights for its operations involving loading of vessels that are designed to carry bulk LNG (secondary to TOTE and all subsequent tenants of the Property but preferential to other uses) for vessels up to ninety (90) feet wide by three hundred fifty (350) feet long to moor at the dock in the area depicted on Exhibit E (or at in the area depicted in Exhibit D if Grantee completes the Blair Construction) (the “**Grantee Preferential Rights**”). After the expiration of the Grantee Preferential Period, Grantor may give notice to Grantee that it desires to renegotiate the preferential usage of the TOTE Terminal as between Grantee and Grantor. Vessels larger than ninety (90) feet wide by three hundred fifty (350) feet long are not part of the Grantee Preferential Rights, and are subject to reasonable approval and scheduling by Grantor under applicable Tariffs (subject to Section 3.4 above regarding Fees and Charges).

6. Condition of Easement Area. Grantee has inspected the Easement Area, is aware of their condition, and accepts them as they are, subject to the TOTE Lease. In addition, the condition of the Easement Area includes the items set forth in Exhibit F attached hereto, and Grantee shall observe and perform all conditions and obligations as set forth in Exhibit F and in the Environmental Documents (as defined in Exhibit F, if any, and as applicable to Grantee). At the expiration or sooner termination of this Agreement, Grantee shall return the Easement Area to Grantor, and to TOTE to the extent of TOTE’s interest therein at such time, in the same condition in which received, subject to the provisions of Sections 7 and 8 below, and reasonable wear and tear excepted.

7. Alterations and Improvements.

7.1. Initial Grantee Improvements. Grantee anticipates making, constructing, or installing alterations, additions, or improvements (“**Grantee Improvements**”) in or to the

Easement Area pursuant to this Agreement, which are generally described in Exhibit G attached hereto. The parties acknowledge that Exhibit G is an approximate description of the Grantee Improvements and is not meant to be exhaustive, and that the Grantee Improvements to be made by Grantee may change during the Term of this Agreement, provided that all Grantee Improvements shall fall within the Permitted Uses. Any Grantee Improvements are subject to the review and approval process as set forth below and in Exhibit F. Unless otherwise agreed to in writing by Grantor and Grantee, any Grantee Improvements shall be subject to Grantor's prior written approval in accordance with Grantor's Tenant Improvement Procedure, as now in effect or as hereafter amended or adopted, and shall also be subject to TOTE's written approval, such approval not to be unreasonably withheld, conditioned or delayed, to determine whether such Grantee Improvements will have an adverse impact on TOTE's operations or improvements. Grantee shall make no Grantee Improvements in or to the Easement Area without the prior written consent of Grantor and TOTE, as provided above. Within sixty (60) days from installation of the Bunkering Station, Grantee shall provide to each of Grantor and TOTE a copy of the As-Built plans and specifications for the Bunkering Station. As between Grantee and TOTE only, to the extent the requirements in this Section 7.1 are addressed in the FSA, the FSA shall control, but the FSA shall not in any way affect Grantor's rights under this Agreement.

7.2. Grantee General Obligations. Grantee at its sole cost and expense shall be responsible for completing all Grantee Improvements on the Easement Area and all off-site improvements required for Grantee's operations at the Easement Area. Grantee at its sole cost and expense shall be responsible for obtaining all permits and performing all construction and implementing any mitigation required by any agency as a result of the construction to complete any Grantee Improvement or off-site improvement in full compliance with all applicable laws and permit requirements. Within sixty (60) days from installation of any Grantee Improvement in the Easement Area, Grantee shall provide to each of Grantor and TOTE a copy of the As-Built plans and specifications for such Grantee Improvement, including its location on the Property.

7.3. No Grantor Approval Required for Certain Actions. No approval of Grantor or TOTE shall be required for maintenance, repair, replacement (with same or similar), or remodeling of Grantee Improvements in the Easement Area, to the extent such work (a) does not increase the footprint of any existing or future improvements on the Easement Area, and (b) occurs above the ground surface. However, Grantee shall provide as-built drawings (or final design drawings if as-built drawings are not available) for such work to the Grantor and TOTE no later than sixty (60) days after the completion of such work for the Grantor's and TOTE's records regarding the Easement Area. For any other work by or for Grantee in the Easement Area, including but not limited to maintenance, repair, replacement (with same or similar), or remodeling work, which occurs below the ground surface, in water, or over water, or any additional improvements, Grantee must obtain prior written approval from Grantor in accordance with Grantor's Tenant Improvement Procedure, as now in effect or as hereafter amended or adopted, and obtain the prior written approval from TOTE, such approval not to be unreasonably withheld, conditioned or delayed, to determine whether such work will have an adverse impact on TOTE's operations or improvements.

7.4. Restoration Obligations. At the expiration or earlier termination of this Agreement, the Grantee Improvements shall either be removed by Grantee at its expense or, with the written consent of TOTE, which consent shall not be unreasonably withheld, conditioned, or

delayed, and which consent may be withheld or conditioned only to the extent such Grantee Improvements interfere with TOTE operations or improvements, shall remain in place and become the property of Grantor (and subject to the TOTE Lease during the term thereof), in whole or in part, at Grantor's option in its sole discretion and at no cost to Grantor. Grantor shall give Grantee and TOTE written notice of the Grantee Improvements to be removed from the Easement Area and those to be retained by Grantor no later than eighteen (18) months prior to the earlier of the natural expiration of (i) the PSE Facility Lease, or (ii) the TOTE Lease. Grantor shall give as much prior notice as is reasonably practicable under the circumstances if this Agreement terminates prior to its expiration. If this Agreement is terminated prior to its expiration, then Grantee shall have the right to holdover possession of the Easement Area for a period of time reasonably necessary for Grantee to complete its removal and restoration obligations under this Agreement, but in no event longer than eighteen (18) months (the "**Holdover Term**"). Such possession shall be month to month at the Easement Fee in effect immediately prior to the holdover possession and subject to termination by Grantee upon thirty (30) days' written notice at any time. All equipment and trade fixtures of Grantee, including but not limited to, racking, shelving, fixtures, furnishings, furniture, equipment, portable partitions and cabinets, and all personal property of Grantee (collectively, the "**Grantee Property**"), shall remain the property of Grantee and shall be removed on or before the expiration or earlier termination of this Agreement or any extension thereof unless Grantor consents to Grantee not removing certain Grantee Property (which shall also require the written consent of TOTE during the term of the TOTE Lease, which consent shall not be unreasonably withheld, conditioned, or delayed, and which consent may be withheld or conditioned only to the extent such Grantee Improvements interfere with TOTE operations or improvements, and if such Grantee Improvements remain, will be subject to the TOTE Lease during the term thereof); provided that Grantee shall make any repairs necessary to restore the Easement Area. Any Grantee Improvements required by Grantor to be removed by Grantee, or any Grantee Property, not removed by Grantee as required, may be removed and disposed of by Grantor at Grantee's expense or shall become the property of the Grantor at Grantor's option in its sole discretion and at no cost to Grantor (and subject to the TOTE Lease during the term thereof). TOTE shall have no obligation under the TOTE Lease to remove the Grantee Improvements or to otherwise restore the Easement Area to address any actions by Grantee under this Agreement; provided that if TOTE requests any Grantee Improvements to remain on the Property, then TOTE shall maintain such Grantee Improvements during the TOTE Lease and remove them and restore the Easement Area at the end of the TOTE Lease if so requested by Grantor, unless otherwise agreed by Grantor and TOTE.

8. Maintenance and Repair. Grantee shall at all times at its sole cost and expense keep the Easement Area and all Grantee Improvements now or hereafter located thereon and all appurtenances thereto, including but not limited to drainage and storm water facilities, in good repair and condition during the term of this Agreement, and in compliance with all applicable federal, state, and local laws, rules, regulations (including but not limited to LNG Regulations), standards, ordinances, permits and permit requirements, orders, and decrees of all governmental bodies having authority over Grantee, the Easement Area, any activity by Grantee or Grantee Parties in or about the Easement Area, or the Bunkering Station or its operation, as currently in effect or as may be hereafter amended or issued ("**Applicable Laws**"). The above obligations include maintenance, repair, renewal, and replacement as and when necessary.

9. **Compliance with all Laws.** From and after the Construction Start Date, Grantee shall keep the Easement Area and all Grantee Improvements now or hereafter located thereon in a clean and safe condition and shall comply with all Applicable Laws. Grantee shall also comply with the requirements of Exhibit F. Grantee shall defend, indemnify, and hold Grantor and TOTE harmless against all claims, costs (including but not limited to reasonable attorneys' fees), fees, fines, penalties, liabilities, losses, and damages that Grantor may incur to the extent related to any charge, claim, litigation, or enforcement action related to any actual or claimed violation of any of the foregoing by Grantee or any Grantee Parties.

10. **Taxes.** Grantee shall pay and save Grantor and TOTE harmless from any tax, assessment, charge, or fee imposed on the interest of either party in the Easement Area or imposed on the parties or either of them by reason of this Agreement or any improvement now or hereafter located on the Easement Area. In no event shall Grantee be liable for any estate taxes or inheritance taxes, transfer, gift or franchise taxes or gross receipts taxes of Grantor, any "roll back" or similar taxes attributable to periods before the Initial Term or any federal, state or local income taxes, any tax in lieu of net income tax, or any penalties or interest other than those attributable to Grantee's failure to comply timely with its obligations pursuant to this Agreement.

11. **Utilities.** Grantee shall have the right to use existing utility infrastructure on the Easement Area, provided that such use will be subject to Grantor's prior written approval under the procedures set forth in Section 7 and approval by TOTE, each such approval not to be unreasonably withheld, conditioned or delayed, and subject to the prior written approval of all applicable governmental agencies. From and after the Construction Start Date, Grantee shall be liable for, and shall pay when due, all charges for all utility services furnished to the Easement Area, including, but not limited to, light, heat, electricity, gas, water, sewage, storm sewer, storm water, waste water, requested janitorial services, and garbage disposal. All charges for utility installation or improvements by, for, or on behalf of Grantee shall be paid by Grantee. All utility installations and improvements shall be subject to the prior written approval of Grantor and TOTE, not to be unreasonably withheld, conditioned or delayed.

12. **Insurance.** Grantee shall, at its own expense, maintain marine general liability and commercial general liability or marine terminal operator insurance or equivalent with a reputable company(ies) with an A.M. Best Rating of A-VII or better (or equivalent) with minimum limits from the Construction Start Date until Commencement of Operations of Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate (per policy year), and with minimum limits after Commencement of Operations of Fifty Million Dollars (\$50,000,000) per occurrence and in the aggregate (per policy year), for bodily injury, death, property damage, and contractual liability, combined single limit per occurrence, and which shall include Grantor and TOTE as additional insureds. Grantee shall also maintain pollution legal liability insurance providing coverage for bodily injury, death, and property damage, and including coverage for environmental damage and related remediation and cleanup costs, with minimum limits of Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate (per policy year), and which shall also include Grantor and TOTE as additional insureds. Commencing on the Construction Start Date, Grantee shall also maintain an all-risk property insurance policy insuring all improvements placed on the Easement Area by Grantee at their full replacement cost. Grantee shall also maintain business auto liability coverage insuring all owned, rented, or leased vehicles to minimum limits of Three Million Dollars (\$3,000,000) combined single limit per occurrence. Grantee shall maintain Workers'

Compensation Insurance as required by law, and Employer's Liability Insurance with minimum limit of One Million Dollars (\$1,000,000) each accident. Grantee shall insure all personal property, equipment, and fixtures on the Easement Area or kept or stored thereon in such amounts as deemed reasonable by Grantee. Grantee may at its option self-insure for a portion of the above coverages. In such event, Grantee shall provide Grantor and TOTE with a Self-Insurance Warranty Letter to the effect that: (i) Grantee is self-insured and maintains a self-insurance program wherein the self-insured amount is no greater than Two Million Dollars (\$2,000,000); (ii) Grantee's self-insurance program will respond to the same extent as if an insurance policy specifically named Grantor and TOTE as additional insureds; and (iii) Grantee will maintain such self-insurance program for its obligations, including but not limited to its obligations to Grantor under this Section 12, for the duration of this Agreement. All policies issued on a claims-made basis shall provide for extended reporting periods of not less than two (2) years following the end of the Agreement term. Grantee shall deliver to Grantor and TOTE certificates of such insurance evidencing all required coverage and Grantor's and TOTE's additional insured status, and at Grantor's or TOTE's request shall also deliver to the requesting party a copy of all policies of such insurance and all endorsements thereto. Grantor and TOTE shall be given at least thirty (30) days' (ten (10) days' for non-payment of premiums) prior written notice of any cancellation or non-renewal of any required insurance. After the fifth (5th) anniversary of the Commencement Date, Grantor, in its reasonable discretion, may request an increase or decrease in the amounts of insurance coverage required herein at any time and from time to time during the term of this Agreement (but no more often than once every five (5) years) by giving one hundred twenty (120) days' written notice to Grantee and TOTE; provided however, that such request by Grantor shall be limited to amounts of insurance coverage that is commonly purchased for similar projects.

13. Waiver of Subrogation. If any Party experiences any injury, loss or damage to itself or its respective real or personal property, and if that injury, loss or damage was then insured against under any or all of the Parties' respective insurance policies, including any extended coverage endorsements thereto, then the appropriate insurance company(ies), and not any Party, shall be solely liable to compensate the Party(ies) who experienced the injury, loss or damage, and this shall be so regardless of whether any Party(ies) was responsible for such injury, loss or damage, to the extent permitted by law. To this end, the Parties hereby waive any rights each may have against the others as a result of any injury, loss or damage which is then insured against by any of them. This waiver is effective only to the extent that the insurance company(ies) actually pay(s) for such injury, loss or damage. In addition, the Parties agree to cause their respective insurance companies to waive any right of subrogation. This paragraph shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Parties.

14. Hold Harmless and Indemnity.

14.1. Limited Liability of Grantor. All personal property and Grantee Improvements on the Easement Area shall be at the sole risk of Grantee. Grantor, its members, commissioners, directors, officers, employees, agents, contractors, or subcontractors (collectively, the "**Grantor Parties**") shall not be liable for any injury to or death of any person, or damage to property, sustained or alleged to have been sustained by Grantee or others as a result of any condition (including future conditions) in the Easement Area or any building or improvement on the Easement Area, or due to the happening of any accident or occurrence of whatsoever kind or

nature and from whatsoever cause in and about the Easement Area, except to the extent any of the foregoing is proven by Grantee to have been caused by, arisen from or relate to the negligence or intentional misconduct of Grantor or Grantor Parties.

14.2. Grantee/TOTE. Grantee and TOTE agree to indemnify each other, in accordance with Section 16 of that certain LNG Fuel Supply Agreement between Grantee and TOTE dated October 27, 2014 (the “FSA”), provided that Grantee’s indemnification obligations to TOTE shall include wreckage and debris removal of and pollution emanating from the Pipeline System and the Bunkering Station. Unless expressly stated herein to the contrary, to the extent there is a conflict between the indemnity provisions of the FSA and the indemnity provisions of this Agreement, this Agreement shall control. Grantee shall also indemnify, defend (with attorneys reasonably satisfactory to TOTE) and hold TOTE and its officers, employees, and agents (collectively, the “**TOTE Parties**”) from and against any and all loss, liability, damages, claims, suits, costs, and expenses, including but not limited to attorneys’ fees, arising out of or related to any injury to or death of any person, or damage to any property, sustained or alleged to have been sustained by TOTE, or its employees, agents, servants, guests, invitees, or licensees as a result in whole or in part from any act, omission or negligence of Grantee, its contractors, licensees, or agents in connection with the construction of the Bunkering Station or other Grantee Improvements except to the extent that the loss, liability, damage, claim, suit, cost, and expense arises from the act, omission, or negligence of TOTE, its contractors, licensees, agents, employees or invitees.

14.3. Grantee of Grantor. Grantee agrees to indemnify, defend and hold Grantor and Grantor Parties harmless from any and all third party claims, and any and all costs (including but not limited to reasonable attorneys’ fees), fees, fines, penalties, liabilities, losses, injuries and/or damages suffered or alleged to have been suffered by any person, firm or corporation on or about the Easement Area, or related to this Agreement, or related to any operation or act or omission of Grantee or Grantee Parties on or about the Easement Area, and arising out of or based on or caused by or related to any act or event or incident or occurrence occurring during the Initial Term, Extension Term or Holdover Term, including but not limited to any and all claims for damages for loss of access, business interruption or loss, death, personal injuries, property damage, natural resource damages, attorney fees, consultant fees, fines, penalties, and any other costs or damages, and including but not limited to the use, disposal, transportation, generation, or sale of dangerous or hazardous or toxic waste, material, vapor, or substances, or of pollutants or pollution, except to the extent such loss or damage is proven by Grantee to result from (i) any environmental conditions not caused by or contributed to or exacerbated by Grantee or Grantee Parties or related to Grantee’s exercise of its rights hereunder or any operation or act or omission of Grantee or Grantee Parties, or (ii) the negligence or intentional misconduct of Grantor or Grantor Parties.

14.4. Grantor of Grantee. Grantor agrees to indemnify, defend and hold harmless Grantee and its shareholders, directors, officers, employees and agents (collectively, the “**Grantee Indemnitees**”), from and against any and all third party claims, and any and all costs (including but not limited to reasonable attorneys’ fees), fees, fines, penalties, liabilities, losses, injuries and/or damages suffered or alleged to have been suffered by any person, firm or corporation to the extent resulting from the negligence or intentional misconduct of Grantor or Grantor Parties.

14.5. TOTE/Grantor. TOTE and Grantor agree to indemnify each other in accordance with Sections 13 and 17(b)(viii) of the TOTE Lease, except that the exclusions from indemnification obligations shall also include any loss, liability, damages, fees, fines, penalties, injuries, claims and costs (including but not limited to reasonable attorneys' fees) to the extent arising from any act or omission of Grantee or Grantee Parties.

14.6. Mutual Waivers; Survival. Notwithstanding anything in this Agreement to the contrary, if a court of competent jurisdiction determines that any activity covered by the indemnities under this section of this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages or any other loss, fines, costs, and expenses caused by or resulting from the concurrent negligence or other act or omission of all or some of the Parties, each Party's liability hereunder shall be only to the extent of such Party's negligence or other act or omission. It is further specifically and expressly agreed that each Party hereby waives any immunity it may have under industrial insurance, RCW Title 51, solely for the purposes of the indemnification obligations of this Section 14, and only to the extent necessary to render the Parties' indemnity obligations enforceable. This waiver was mutually negotiated by the Parties. The indemnification obligations in this Agreement shall survive expiration or other termination of this Agreement.

15. Property Conservation. Grantee agrees to comply with all reasonable occupancy and use restrictions as may be required by Grantor's or Grantee's insurance property underwriter or agents and all applicable laws. At the request of Grantee, and at Grantee's sole cost and expense, Grantor may (but shall not be required to), or allow Grantee to, install or upgrade systems or other improvements including but not limited to sprinkler or fire suppression systems as may be required to reduce occupancy or use restrictions.

16. Inspection and Access. Grantee shall allow Grantor, any governmental or regulatory entity overseeing the environmental conditions described in Exhibit F (collectively, the "**Environmental Regulatory Entities**"), any potentially responsible party for the environmental conditions described in the Environmental Documents, or their respective representatives, access to the Easement Area during reasonable times upon at least one (1) business day's prior written notice, unless an applicable Environmental Document or applicable law requires or allows for a different period for access under such Environmental Document, or upon such lesser notice period as Grantee may agree to, except that in all cases in case of an emergency no notice shall be required, provided that Grantor shall give as much notice as reasonably possible, for the purpose of inspecting, monitoring, sampling, performing environmental remediation pursuant to the Environmental Documents, or in the case of Grantor, for other purposes permitted by this Agreement or by applicable law. With any entry on the Easement Area, all parties shall comply with Grantee's reasonable health, safety, and security rules for the Easement Area. Grantee may require Grantor and its contractors to sign a commercially reasonable form of nondisclosure agreement, consistent with the Washington State Public Records Act, prior to entry by Grantor or its contractors.

17. Default. A default of this Agreement shall occur if any of the following occurs:

17.1. Grantee fails to pay any Easement Fee or any other amount due under this Agreement and such failure is not cured within ten (10) days after Grantee's receipt of written notice thereof from Grantor.

17.2. Grantee fails to comply with any term, provision, or covenant of this Agreement and such failure constitutes a threat to human health, safety or property damage, and Grantee does not take action to cure such failure as soon as reasonably possible (i.e., Grantee must take action as soon as reasonably possible and must complete a cure as soon as reasonably possible), taking into account the nature of the emergency and the risk of the threat, and in all events within thirty (30) days after Grantee's receipt of written notice thereof from Grantor; provided that if the nature of the default cannot reasonably be cured within thirty (30) days, then Grantee shall have such additional cure period as is reasonably necessary to cure the default, provided that Grantee gives written notice to Grantor and TOTE of the additional cure period required, the reasons such additional cure period is required, and the actions to be taken by Grantee, and Grantee takes action as soon as reasonably possible and continuously and diligently pursues the cure to completion as soon as reasonably possible, but in no event longer than six (6) months unless otherwise agreed by Grantor and TOTE. In all events, Grantee shall commence as soon as reasonably possible and promptly and diligently complete any cure as soon as reasonably possible.

17.3. Grantee fails to comply with any term, provision, or covenant of this Agreement other than the failures described in Sections 17.1 and 17.2 above, and such failure is not cured within thirty (30) days after Grantee's receipt of written notice thereof from Grantor or TOTE; provided that if the nature of the default cannot reasonably be cured within thirty (30) days, then Grantee shall have such additional cure period as is reasonably necessary to cure the default, provided that Grantee gives written notice to Grantor and TOTE of the additional cure period required, the reasons such additional cure period is required, and the actions to be taken by Grantee, and Grantee promptly commences and continuously and diligently pursues the cure to completion, but in no event longer than six (6) months unless otherwise agreed by Grantor and TOTE. In all events, Grantee shall promptly commence and promptly and diligently complete any cure as soon as reasonably possible.

17.4. Grantee becomes insolvent, or allows placement of any liens arising out of any work performed or materials furnished or obligations incurred by Grantee and fails to cause the release of same or provide adequate bond or other security for the payment of same within ten (10) days after notice of the placement of said lien, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors, or a receiver, assignee or other liquidating officer is appointed for the business of Grantee and same is not discharged within sixty (60) days after appointment, or shall file a petition in bankruptcy under any section of the Bankruptcy Laws, provided that any involuntary insolvency, bankruptcy or similar filing against Grantee shall not be a default unless Grantee fails to discharge same within sixty (60) days after such filing.

18. Remedies. Upon any default by Grantee and expiration of any applicable cure period, Grantor and TOTE, acting separately or together, are entitled to the following remedies:

18.1. Terminate this Agreement, in which case Grantee shall immediately surrender the Easement Area to Grantor, and to TOTE to the extent of TOTE's interest therein at such time, and complete all restoration obligations under this Agreement. If Grantee fails to surrender the Easement Area, Grantor or TOTE may, in compliance with applicable law, enter upon and take possession of the Easement Area and expel and remove Grantee, Grantee's property, and any parties occupying all or any part of the Easement Area. In case of termination, Grantor shall receive as damages the sum of all Easement Fee and other amounts accrued under

this Agreement through the date of termination of this Agreement and not yet received by Grantor;
or

18.2. Sue to enforce the terms of this Agreement; or

18.3. Sue for damages; or

18.4. Cure such event of default if such event of default creates an imminent risk of or to health or safety or bodily injury or death, harm to the environment, or damage to property (provided such cure or the exercise thereof does not violate any Applicable Laws), and recover the costs thereof, including without limitation reasonable attorneys' fees and interest on the costs so incurred at the rate of twelve percent (12%) per year, which shall be recoverable as additional rent.

18.5. The above remedies are cumulative, not alternative, and are in addition to any and all other rights and remedies available under applicable law or equity.

18.6. In the event of the exercise by Grantor or TOTE of their respective rights under this Section 18, TOTE and Grantor shall cooperate with each other, taking into account their respective interests, and shall coordinate any remedy conducted or required by such parties in order to avoid any duplication of costs that would otherwise be incurred or reimbursed by Grantee hereunder; provided that in all events TOTE shall not delay Grantor's ability to respond or delay or hinder Grantor's response, particularly in circumstances involving threats to human health, safety, damage to property or the environment, or impacts to Grantor or its customers or other users of any facilities at the Port of Tacoma.

19. [Intentionally deleted]

20. **Assignments.** Grantee shall not, except by prior written consent of Grantor and TOTE, each in its sole and absolute discretion, assign, sublet, encumber, pledge, license, or otherwise convey (collectively "assign") any part or all of this Agreement or any rights thereunder. This Agreement may not be assigned or transferred by operation of law or by any process or proceeding of any court or otherwise. Notwithstanding the foregoing, Grantee may, but only upon the prior written consent of Grantor and TOTE, not to be unreasonably withheld, conditioned or delayed, assign the Agreement to an entity that is a minority owner of the Grantee Improvements and/or Grantee Property and does not have a majority or controlling beneficial interest or controlling managerial interest in Grantee; provided, however, that Grantee shall not be released from any obligations under this Agreement, and Grantor may look solely to Grantee with respect to all obligations under this Agreement. Any transfer of this Agreement by merger, consolidation, redemption, or liquidation, or any change(s) in ownership of, or power to vote or manage, which singularly or collectively represents a majority of the beneficial interest in Grantee or managerial control of Grantee, shall constitute an assignment under this section. Transfers among beneficial owners shall not constitute an assignment under this section. In addition to all other requirements regarding assignments, the Grantee under this Agreement and the Grantee under the Pipeline And Control Easement shall at all times be the same as the Lessee under the PSE Facility Lease and the Seller under the FSA. Grantee shall pay Grantor's reasonable attorneys' fees and other costs incurred as a result of any request to assign with respect to this Agreement.

21. Hazardous Substances.

21.1. Hazardous Substances Defined. As used in this Agreement, the term “**Hazardous Substances**” means any hazardous, toxic, dangerous or extremely dangerous substance, material, vapor, or waste, pollutant, or pollution, which is or becomes regulated by the United States Government, the State of Washington, or any local governmental authority. The term includes, without limitation, any substance containing constituents regulated as specified above.

21.2. Release Defined. As used in this Agreement, the term “**Release**” shall be defined as provided in 42 U.S.C. § 9601 and RCW 70.105D.020. In the event a conflict exists between the two definitions, the broader definition shall apply. For purposes of this Agreement, the term Release shall also include a threatened Release.

21.3. Use, Storage and Disposal. Notwithstanding any other provision of this Agreement, Grantee shall not use, store, treat, generate, sell or dispose of any Hazardous Substances in violation of any Applicable Laws (including but not limited to any environmental laws as described below) or this Agreement (including, without limitation, Exhibit F) on or in any manner that affects the Easement Area or improvements located thereon without the prior written consent of the Grantor; provided, however, that use of the Easement Area for its Permitted Uses as specified in Section 5 in accordance with this Agreement and all Applicable Laws does not violate this section.

21.4. Compliance with Laws. Grantee shall, at its sole cost and expense, comply with all Applicable Laws, including but not limited to all laws, rules, regulations, ordinances, permits and permit requirements, orders, decrees, and other governmental requirements regarding the proper and lawful generation, use, sale, transportation, storage, treatment and disposal of Hazardous Substances on or in any manner that affects the Easement Area.

21.5. Monitoring. Grantor, TOTE, or any designated agent of either may, each in its reasonable discretion and upon reasonable notice to Grantee as set forth in Section 16 above, enter upon the Easement Area for the purpose of (1) monitoring Grantee’s activities conducted thereon with respect to Grantee’s obligations under this Agreement, and (2) conducting environmental testing and sampling to determine compliance with Applicable Laws and the terms of this Agreement (collectively “**Monitoring Activities**”). All Monitoring Activities conducted by Grantor or TOTE shall be conducted at each such party’s sole cost and expense and so as not to unreasonably interfere with Grantee’s normal business operations or use of the Easement Area. Notwithstanding the foregoing, if such Monitoring Activities disclose the presence or Release of Hazardous Substances caused by Grantee or Grantee Parties or related to this Agreement in violation of either Applicable Laws or this Agreement, the reasonable cost of such Monitoring Activities shall be paid by Grantee pursuant to Section 21.8. In addition, within five (5) days of Grantor’s or TOTE’s written request, Grantee shall provide Grantor and TOTE with a detailed written description of Grantee’s generation, use, sale, transportation, storage, treatment, and disposal of Hazardous Substances on or which may otherwise affect the Easement Area, and any Release of Hazardous Substances on or which may otherwise affect the Easement Area, and copies of any correspondence or other communications between Grantee and any regulatory agency with respect thereto. Grantor’s and TOTE’s discretionary actions pursuant to this subsection shall not

constitute a release, waiver, or modification of Grantee's obligations otherwise specified in this Agreement, or of any of Grantor's or TOTE's rights under this Agreement. As between Grantee and TOTE only, to the extent the requirements in this Section 21.5 are addressed in the FSA, the FSA shall control.

21.6. Notifications. Grantee shall notify Grantor and TOTE and any applicable governmental agency required to be notified under Applicable Laws within twenty four (24) hours of the discovery (unless any applicable law requires a shorter period for notice, in which case such shorter period shall apply) of any Release of Hazardous Substances that may affect the Easement Area, and shall promptly provide Grantor and TOTE with a copy of any notifications given to any governmental entity regarding any such Release. Grantee shall promptly provide Grantor and TOTE with copies of any inspection report, order, fine, request, notice or other correspondence from any governmental entity regarding the Release of Hazardous Substances that may affect the Easement Area. Grantee shall provide Grantor and TOTE with a copy of all reports, manifest, material safety data sheets (MSDs), and identification numbers regarding Hazardous Substances at the same time they are submitted to the appropriate governmental authorities.

21.7. Environmental Assessment. Grantee shall, upon written request from Grantor or TOTE, based on (i) a reasonable belief there has been a Release of Hazardous Substances on or about the Easement Area during the term of this Agreement caused by Grantee or Grantee Parties or related to this Agreement or (ii) a discovery (either during or after the term of this Agreement) of Hazardous Substances reasonably believed by Grantor or TOTE to be caused by Grantee or Grantee Parties or related to this Agreement, provide Grantor and TOTE with an environmental assessment prepared by a qualified professional approved in advance by Grantor (which approval shall not be unreasonably withheld). The environmental assessment shall, at a minimum, certify that a diligent investigation of the Easement Area has been conducted, including a specific description of the work performed, and either (1) certify that diligent investigation of the Easement Area has revealed no evidence of a Release of Hazardous Substances or violation of Applicable Laws, or (2) if a Release or violation of Applicable Laws is detected, identify and describe: (i) the types and levels of Hazardous Substances detected; (ii) the nature and extent of the Release, including the physical boundaries thereof and whether the Release extends to or otherwise impacts property other than the Easement Area; (iii) the actual and potential risks to human health and/or the environment from such Release or violation; and (iv) the procedures and actions necessary to fully remedy the Release or violation in compliance with Applicable Laws. Grantee shall pay the expense of obtaining the environmental assessment and of performing all remediation related to such Release in accordance with Section 21.8, provided that the Release was caused by Grantee or Grantee Parties or related to this Agreement. Grantee's obligations under this subsection shall survive expiration or other termination of this Lease.

21.8. Hold Harmless and Indemnity.

21.8.1. Grantee shall defend, indemnify and hold Grantor and Grantor Parties, and TOTE and TOTE Parties, harmless from any loss, claim, fine or penalty arising from a Release of Hazardous Substances affecting the Easement Area to the extent caused by Grantee or the Grantee Parties or related to this Agreement. Such obligation shall include, but shall not be limited to, environmental response and remedial costs, other cleanup costs, environmental consultants' fees, reasonable attorneys' fees, fines and penalties, laboratory testing fees, claims by

third parties and governmental authorities for death, personal injuries, property damage, business disruption, lost profits, natural resource damages, and any other costs, and Grantor's expenses incurred pursuant to Section 21.5. Grantee's obligations under this subsection shall survive expiration or other termination of this Agreement.

21.8.2. Grantee shall have no obligation under Section 21.8 if Grantee can establish that the Release of Hazardous Substances and the damages resulting therefrom were caused solely by:

21.8.2.1. An act of God;

21.8.2.2. An act of war;

21.8.2.3. An act or omission of a third party other than (i) an employee or agent of Grantee or (ii) any person whose act or omission occurs in connection with a contractual relationship existing, directly or indirectly, with Grantee (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if Grantee establishes by a preponderance of the evidence that Grantee (a) exercised due care with respect to the Hazardous Substances concerned, taking into consideration the characteristics of such Hazardous Substances, in light of all relevant facts and circumstances, and (b) took reasonable precautions against foreseeable acts or omissions of any such third party and the foreseeable consequences of such acts or omissions;

21.8.2.4. Grantor;

21.8.2.5. TOTE; or

21.8.2.6. Any combination of the foregoing paragraphs.

21.8.3. Except as otherwise set forth in this Agreement, Grantor and TOTE shall not at any time hereafter commence, maintain or prosecute any action at law or otherwise, or assert any claim against Grantee or the Grantee Parties, for any actions, causes of action, obligations, costs, expenses, damages, losses, claims, liabilities, and demands of whatever character in law or in equity arising out of or in any way relating to the presence or future discovery of Hazardous Substances present at, on or under the Easement Area as of the Commencement Date and not caused, contributed to, released, or exacerbated by, Grantee or Grantee Parties ("**Pre-Existing Contamination**").

21.8.4. Notwithstanding the foregoing or anything else to the contrary, in the event Grantee discovers Hazardous Substances in the soil or groundwater (the "**Contaminated Media**") in the Easement Area, Grantee shall be responsible for the removal and disposal of such Contaminated Media at its sole cost and expense, but only to the extent (i) removal is necessary for construction, use, repair, replacement or removal of the Bunkering Station or any Grantee Improvements, or (ii) such Contaminated Media is caused, contributed to, released or exacerbated by Grantee or a Grantee Party.

21.8.5. Grantee's obligations under this Section 21.8 shall survive the expiration or termination of this Agreement.

21.9. Default and Cure. Notwithstanding any other provision of this Agreement, in the event of a Release of Hazardous Substances or violation of Applicable Laws affecting the Easement Area caused by Grantee or Grantee Parties or related to this Agreement, Grantor or TOTE shall give written notice of default to Grantee, and Grantee shall diligently pursue remediation and/or monitoring of any such Release and cure of such violation of Applicable Laws, as necessary to comply with applicable laws and/or the requirements of any governmental entity with jurisdiction over such Release or violation; provided that if such Release or violation affects any area outside the Easement Area, or if such Release or violation affects the Easement Area and any remedial activity may continue for longer than the remaining term of this Agreement, then at Grantor's or TOTE's request Grantee shall pursue a remedy as quickly as commercially, technically and legally practicable, notwithstanding that any governmental entity may allow a longer period for a remedy. Neither Grantor nor TOTE shall be entitled to exercise its remedies under Section 18 unless or until Grantee fails to remediate the Release in accordance with the terms of this provision. If Grantee fails to diligently pursue a remedy as stated above, then following thirty (30) days' written notice to Grantee, Grantor or TOTE may take steps to remediate such Release of Hazardous Substances or violation of Applicable Laws and Grantee shall pay the reasonable costs thereof. Grantor may impose an Easement Fee surcharge sufficient to recover Grantor's reasonable expenses together with interest at one and a half percent (1.5%) per month, for such portion of the unexpired term of this Agreement as the Grantor may deem proper, and such remedy if elected by Grantor shall be in lieu of other remedies under Section 18.

21.10. Release of Hazardous Substances. Notwithstanding any other provision of this Agreement, and without prejudice to any other such remedy, in the event of an uncured default due to (i) a Release of Hazardous Substances by Grantee or Grantee Parties, (ii) a violation of Applicable Laws by Grantee or Grantee Parties, or (iii) a breach of Section 21 of this Agreement by Grantee, Grantor and TOTE, each individually, shall be entitled to the following rights and remedies, at Grantor's or TOTE's option:

21.10.1. Grantor and TOTE may each individually recover any and all damages associated with the default, including but not limited to cleanup costs and charges, civil and criminal penalties and fees, any and all damages and claims asserted by third parties, and Grantor's attorneys' fees and costs.

21.10.2. Grantor may renegotiate the terms of this Agreement to recover any return on expenditures made by Grantor which were reasonably necessary to ensure that the Easement Area and the use of such Easement Area comply with all Applicable Laws.

21.11 Coordination of Remedies. In the event of the exercise by Grantor or TOTE of their respective rights under this Section 21, TOTE and Grantor shall cooperate with each other, taking into account their respective interests, and shall coordinate any remedy conducted or required by such parties in order to avoid any duplication of costs that would otherwise be incurred or reimbursed by Grantee hereunder; provided that in all events TOTE shall not delay Grantor's ability to respond or delay or hinder Grantor's response, particularly in circumstances involving threats to human health, safety, damage to property or the environment, or impacts to Grantor or its customers or other users of any facilities at the Port of Tacoma.

22. Grantor's Lien and Security Interest. Grantor waives any constitutional, statutory, or contractual lien or security interest on or in the assets of Grantee located on the Easement Area, including without limitation the Grantee Property. Grantor shall, at Grantee's request and cost, execute a reasonable lien waiver and access agreement requested by a reputable institutional lender providing financing for Grantee's Property so long as such party agrees (1) to provide Grantor with at least ten (10) business days prior notice before exercising any remedy to remove Grantee's Property, (2) to allow a representative of Grantor to be present during the exercise of any such remedy, (3) to repair and restore any damage caused by the removal of Grantee's Property, (4) to carry at least the same level of insurance as required of Grantee during any time that such third party is on the Easement Area, (5) to indemnify, defend and hold harmless Grantor from any claims arising out of or relating to the financing party's exercise of its rights, (6) that there will be no private or public auctions conducted at the Easement Area, (7) that if such party removes any part of Grantee's Property, then Grantor shall have the right to require Grantee and such party to remove, in whole or in part, Grantee's remaining fixtures, equipment, and improvements, including but not limited to Grantee's Property, and complete all restoration obligations of Grantee under this Agreement, at Grantor's option in its sole discretion and at no cost to Grantor, and (8) that the term of such financing shall not extend beyond, and the lien or security interest shall in all events automatically terminate on, the expiration or other termination of this Agreement.

23. Signs. All signs or symbols placed by Grantee in the windows or doors of the Easement Area, upon any exterior part of any building, or in any other location on the Easement Area, shall be subject to the prior written consent of Grantor and TOTE, which shall not be unreasonably withheld, conditioned, or delayed, and will be consistent with Grantor's signage policy and all applicable law. Any signs so placed on the Easement Area shall be so placed upon the understanding and agreement that Grantee will remove the same at the termination of this Agreement and repair any damage or injury to the Easement Area caused thereby, and if not so removed by Grantee, then Grantor or TOTE may remove the same at Grantee's expense.

24. Waiver. No word, act or omission of Grantor, TOTE, or Grantee (as applicable) shall be deemed to be a waiver of any default or noncompliance by Grantee, TOTE, or Grantor (as applicable) under the terms of this Agreement or of any right of Grantor, TOTE, or Grantee (as applicable) hereunder or of any notice given by Grantor, TOTE, or Grantee (as applicable) hereunder unless Grantor, TOTE, or Grantee (as applicable) so advises Grantee, TOTE, or Grantor (as applicable) in writing. The acceptance of any fee or charge by Grantor for any period or periods after a default or non-compliance by Grantee hereunder shall not be deemed a waiver of such default. No waiver by Grantor, TOTE, or Grantee (as applicable) of any default or noncompliance hereunder by Grantee, TOTE, or Grantor (as applicable) shall be construed to be or act as a waiver of any subsequent default or noncompliance by Grantee, TOTE, or Grantor (as applicable).

25. Incorporation of Exhibits and Schedules; Entire Agreement; Amendments. The schedules and exhibits attached hereto are each incorporated by reference. To the extent any provision in the schedules or exhibits conflicts with any provision contained in the main body of this Agreement, then the provision that is the most demanding on Grantee shall control. This Agreement constitutes the complete agreement between the Parties regarding its subject matter and supersedes all prior or contemporaneous writings or discussions relating to its subject matter. There are no terms, obligations, covenants or conditions regarding its subject matter other than

those contained herein. No modification or amendment of this Agreement, nor subsequent writing or discussion relating to the subject matter of this Agreement, shall be valid and effective unless evidenced by an agreement in writing signed by the party to be bound.

26. Invalidity of Particular Provision. It is the intention of the parties that each term or provision of this Agreement be enforceable to the fullest extent permitted by law. If any term or provision of this Agreement or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

27. Real Estate Commission. Each party represents and warrants that it is not represented by any broker, agent, or other person in connection with any of the transactions contemplated by this Agreement, and that it has not dealt with any broker, agent, or other person to which a commission or other fee is due in connection with any of the transactions contemplated by this Agreement, and that insofar as it knows, no broker, agent, or other person is entitled to any commission, charge, or fee in connection with any of the transactions contemplated by this Agreement. Each party agrees to indemnify, defend, and hold harmless the other party against any loss, liability, damage, cost, claim, or expense, including interest, penalties, and reasonable attorneys' fees, that the other party incurs or suffers by reason of a breach by the first party of the representations and warranties set forth in this section.

28. Attorneys' Fees. The substantially prevailing party in any and all actions and proceedings related to this Agreement, including but not limited to arbitrations, lawsuits, bankruptcy proceedings, and all appeals, shall be awarded its reasonable attorneys' fees and costs.

29. Venue; Applicable Law. All actions and proceedings related to this Agreement shall be filed and held in Pierce County, Washington. This Agreement shall be governed by Washington law, without regard to doctrines regarding choice of law.

30. Notices. All notices permitted or required under this Agreement may be given by personal service, by certified or registered mail, or by email if so provided by a party, at the addresses after each signature to this Agreement. Notice by personal service or certified or registered mail shall be effective on receipt or refusal by the addressee. Notice by email shall be effective upon written acknowledgment of receipt by the addressee. Each party may change its notice address and information by written notice to the other parties pursuant to this section.

31. Casualty. If the Easement Area, or any improvements or Grantee Improvements located thereon, are damaged by fire or other casualty, then neither Grantor nor TOTE shall have any obligation to repair or restore the same. Grantee shall repair or restore the improvements and Grantee Improvements then located on the Easement Area and damaged by such casualty, or shall construct replacement improvements, subject to Grantor's and TOTE's prior written approval pursuant to Section 7 above; provided however: (i) if the Easement Area is damaged by earthquake, lahar, tsunami, or other catastrophe to such an extent that the Easement Area and improvements or Grantee Improvements cannot be repaired or restored within a reasonable time period; or (ii) if the damage occurs in the last five (5) years of the term of this Agreement, then Grantee shall have no obligation to repair or restore the improvements or Grantee Improvements

located on the Easement Area, and at its option, may terminate the Agreement by giving written notice to Grantor within forty five (45) days from such damage. Any termination under this section is effective as of the date of such notice of termination. Upon such termination, Grantee will be entitled to be reimbursed for any prepaid Easement Fee on a pro rata basis based on the date of termination. No damages or other compensation shall be payable by Grantor or TOTE for any inconvenience, loss of use, loss of business, annoyance, or any other loss or claim, by Grantee directly, incidentally, or consequentially arising from any damage to the Easement Area or any improvements or Grantee Improvements, by fire or other casualty or from any repair to the Easement Area, any other areas used by Grantee, any Grantor-owned improvements, any Grantee Improvements, or any part of any of the above.

32. Condemnation. If all or any part of the Easement Area or this Agreement is taken by condemnation or conveyed under a threat of condemnation, then this Agreement shall automatically terminate with respect to such part of the Easement Area or this Agreement taken by the condemnation as of the earlier of the date title vests in the condemning authority or the condemning authority first takes possession of the Easement Area. If all or any part of the Easement Area or this Agreement is taken by condemnation or conveyed under a threat of condemnation and Grantee in its reasonable discretion deems the remaining Easement Area unsuitable for Grantee's use and gives written notice thereof to Grantor and TOTE within thirty (30) days from the earlier of the date title vests in the condemning authority or the condemning authority first takes possession of the Easement Area so taken, then this Agreement shall automatically terminate in its entirety as of the earlier of the date title vests in the condemning authority or the condemning authority first takes possession of the Easement Area so taken. If this Agreement is not terminated in its entirety following any condemnation or conveyance in lieu of condemnation, the Easement Fee shall be reduced by the percentage of the Easement Area so taken. All proceeds from any taking or condemnation related to the land and any improvements not constructed or installed by Grantee shall belong to and be paid to Grantor, and all proceeds from any taking or condemnation related to the Grantee Improvements or the Grantee Property shall belong to Grantee; provided that any award to Grantee shall be separately designated and shall not reduce Grantor's recovery with respect to the land and the improvements not constructed or installed by Grantee. Grantee waives any and all claims to any portion of such proceeds related to the land and any improvements not constructed or installed by Grantee, including but not limited to any claim related to any value of the easement or unexpired term of this Agreement. All awards shall be separately designated to each party.

33. Holdover. If Grantee without written consent of Grantor (and TOTE during the term of the TOTE Lease) stays in possession of the Easement Area after the expiration or termination of this Agreement (and the expiration of the Holdover Term, if applicable), then the easement shall be on a month-to-month basis, on the terms and conditions of this Agreement, except that the Easement Fee shall be increased to two hundred percent (200%) of the Easement Fee last payable under this Agreement. This section does not grant any right to Grantee to holdover, and Grantee is liable to Grantor and TOTE for any and all damages and expenses of Grantor and TOTE as a result of any holdover.

34. Impact Indemnification, Impact Fee, and Termination.

34.1. Indemnity for Impacts. In addition to, and without limiting or otherwise affecting the provisions of Section 7.4, Section 9, or Section 14 above, or any other provision of this Agreement, Grantee shall indemnify, defend (with attorneys reasonably satisfactory to Grantor), protect, and hold harmless Grantor against any costs, claims, liabilities, or damages (whether general, consequential (except that consequential damages shall be limited to consequential damages claimed by third parties), direct, or otherwise), resulting from Grantee's landside or in-water operations. Grantee shall be responsible for any and all financial burdens incurred by Grantor or as a result of any obligation of Grantor or Grantee to indemnify, defend, or hold harmless any and all other persons arising out of or related to Grantee's operations at the Port of Tacoma. The parties agree and intend that Grantor shall not suffer any burdens, costs, claims, damages, liabilities, or losses of any kind or nature whatsoever as a result of Grantee's operations, and Grantee shall fully defend, indemnify, protect, and hold harmless Grantor therefrom.

34.2. Cure Period. If any regulations or other requirements related to Grantee's operations in or about the Easement Area impairs the use of any water or uplands in the Port of Tacoma area, as determined by Grantor (the "**LNG Impact**"), then Grantee shall be granted ninety (90) days (the "**Cure Period**") to cure or mitigate the LNG Impact to Grantor's reasonable satisfaction; provided that Grantee reimburses Grantor its costs to compensate Grantor and other water and upland users the amount of their increased costs resulting from the LNG Impact during the period of impairment. If such cure or mitigation reasonably requires more than ninety (90) days, Grantee may be granted additional time if (i) Grantee agrees to cease operations and activities that result in an LNG Impact (other than the continued existence of this Agreement), (ii) Grantee provides Grantor with a written explanation of the additional cure period requested and the actions to be taken by Grantee to achieve such cure, (iii) Grantor and Grantee mutually agree to a reasonable extended cure period based on the actions to be taken and the anticipated time required to achieve such cure, and (iv) Grantee continuously and diligently pursues such cure.

34.3. Impact Fee. If Grantee is unable to cure or mitigate said impacts to Grantor's satisfaction within the Cure Period (as may be extended pursuant to Section 34.2 above), then Grantor shall have the right to charge Grantee an impact mitigation fee as reasonably determined by Grantor based on Grantor's actual or projected loss and Grantor's actual or projected liability to third parties (the "**Impact Fee**"); provided however that no Impact Fee shall be charged so long as Grantee has ceased operations and activities that result in an LNG Impact (other than the continued existence of this Agreement). In the event Grantee determines in its commercially reasonable discretion that the Impact Fee renders Grantee's operations at the Easement Area uneconomical, Grantee shall have the right to terminate this Agreement upon thirty (30) days' notice.

34.4. Termination. If Grantee is unable to cure or mitigate said impacts under this Section 34 (including all subsections thereof) to Grantor's satisfaction within the Cure Period (as may be extended as provided for in Section 34.2 above), and Grantee does not cease (or recommences) operations and activities that result in an LNG Impact (other than the continued existence of this Agreement), then in addition to Grantor's right to charge Grantee an Impact Fee under Section 34.3 above, Grantor in its sole and absolute discretion shall have the right to terminate this Agreement on thirty (30) days written notice to Grantee. Grantor's right to terminate

under this Section 34.4 shall be based on Grantor's or any other person's actual or projected burdens, costs, claims, damages, liabilities, or losses resulting in whole or in part from the LNG Impact, and shall not be based on a potential Port of Tacoma customer's philosophical objection to Grantee's operations. Grantor's right to terminate this Agreement under this Section 34.4 is reasonable because an Impact Fee may be an inadequate remedy, and because Grantee has the right to conduct operations at an alternative location under the PSE Facility Lease.

35. Easement Area Security. Grantee at its sole cost and expense shall provide security for the Easement Area, including, if required by Applicable Laws, the preparation and maintenance of a U.S. Coast Guard approved Facility Security Plan And Assessment for the Easement Area. The Facility Security Plan And Assessment and all revisions and replacements thereof shall be subject to the prior review and approval in writing by Grantor, which shall not be unreasonably withheld, conditioned, or delayed, provided that it shall be deemed unreasonable for Grantor to withhold, condition or delay its consent if Grantor's requirements or comments are inconsistent with Applicable Laws. Grantor and Grantee shall maintain the confidentiality of the Facility Security Plan And Assessment to the greatest extent allowed by applicable law.

36. Vessel Traffic. Several marine terminals are presently located on the Blair Waterway on which the Easement Area is located, and on other waterways that may be affected by Grantee's operations. Throughout the term of this Agreement (including all extensions), Grantee agrees to cooperate with Grantor and other marine terminal operators to coordinate through Grantor, or through Grantor's designee or a separate association for the management of vessel traffic in the Blair Waterway or other waterways or Commencement Bay, as the case may be, the entry and exiting and movement of Grantee's vessels, to maximize the efficient traffic of all vessels and avoid interference with such traffic. Grantee acknowledges and agrees that the Blair Waterway on which the Easement Area is located primarily serves container terminals, and that container ship traffic shall have priority over Grantee's vessels and Grantee's operations.

37. Force Majeure. Neither party shall be held responsible for delays in the performance of its obligations hereunder when caused by industry wide strikes, industry-wide lockouts or labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor that could not reasonably have been anticipated, governmental restrictions, regulations, or controls, delay in issuance of permits beyond time periods typical for the area, enemy or hostile governmental action, civil commotion, fire or other casualty, any of which could not reasonably have been anticipated by such party, are beyond the reasonable control of such party and which, by the exercise of due diligence, such party is unable, wholly or in part, to prevent or overcome ("**Force Majeure**"), provided that this shall not apply to excuse any failure of either party to comply with any monetary obligations hereunder.

38. Survival of Indemnity Obligations. All obligations of a party to defend, indemnify, hold harmless, or release the other party shall survive the expiration or other termination of this Agreement.

39. Memorandum of Easement. Concurrently herewith, Grantor, Grantee, and TOTE shall execute a Memorandum of Easement in the form attached hereto as Exhibit H.

40. Access over Remainder. Grantee shall have the right of pedestrian and vehicular access over the remainder of the Property in order to access the Easement Area via access routes designated from time to time by TOTE or its successor, and approved by Grantor which shall not be unreasonably withheld, conditioned, or delayed.

41. TOTE Consent. TOTE hereby consents and agrees to the terms and conditions of this Agreement. TOTE and Grantor agree that this Agreement shall be the exclusive agreement between TOTE, Grantor, and Grantee or any of them regarding the possession and use by Grantee of the Easement Area during the term of this Agreement, except that TOTE and Grantee have also entered into the FSA, and except that TOTE and Grantor will also enter into one or more amendments to the TOTE Lease consistent with this Agreement. Any requirement for the consent or approval of TOTE under this Agreement, any consent or approval by TOTE stated in this Agreement or given by TOTE under this Agreement, any right of TOTE to make any request, demand, or objection, or receive anything, under this Agreement, and any obligation to provide TOTE with any insurance, report or study, or other thing, shall only be effective during the term of the TOTE Lease.

SIGNATURES APPEAR ON FOLLOWING PAGES

GRANTOR:

THE NORTHWEST SEAPORT ALLIANCE
As licensee/agent for the Port of Tacoma

By: _____

Title: _____

Date: _____

Address for Notice:

The Northwest Seaport Alliance
Attn: Real Estate
P.O. Box 2985
Tacoma, WA 98401

PORT OF TACOMA

By: _____

Title: _____

Date: _____

Address for Notice:

Port of Tacoma
Attn: Real Estate
P.O. Box 1837
Tacoma, WA 98401

And:

State of Washington)
County of Pierce) ss
)

I certify that I know or have satisfactory evidence that John Wolfe is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the CEO of THE NORTHWEST SEAPORT ALLIANCE and the CEO of the PORT OF TACOMA to be the free and voluntary act of each such party for the uses and purposes mentioned in the instrument.

Dated: 8/02/16

Judith L. Doremus
Printed Name of Notary: Judith L. Doremus
Public in and for the State of Washington
My commission expires on 1/22/20

APPROVED AS TO FORM:

[Signature]
Counsel for Port of Tacoma

JUDITH L DOREMUS
NOTARY PUBLIC
STATE OF WASHINGTON
MY COMMISSION EXPIRES
JANUARY 22, 2020

GRANTEE:

PUGET SOUND ENERGY, INC.

By: R. Garrett

Title: Director, Strategic Initiatives

Date: August 24, 2016

Address for Notice: Puget Sound Energy
Attn: General Counsel
P.O. Box 97034, PSE-12
Bellview, WA 98009-9734

State of Washington)

) ss

County of King)

I certify that I know or have satisfactory evidence that Roger Garrett is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Director, Strategic Initiatives of the PUGET SOUND ENERGY, INC. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8/24/16

Carol A. Nelson
Printed Name of Notary: Carol A. Nelson
Public in and for the State of Washington
My commission expires on 7-20-17



TOTE:

TOTEM OCEAN TRAILER EXPRESS, INC.

By: Michael J. Moore

Title: President

Date: 8/23/16 8/31/16

Address for Notice: TOTE Maritime Alaska
32001 32nd Ave S. Suite 200
Federal Way, WA 98001

State of WA)
) ss
County of Pierce)

I certify that I know or have satisfactory evidence that Michael Moore is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the President of the TOTEM OCEAN TRAILER EXPRESS, INC. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8/31/2016

Shannon L Peter
Printed Name of Notary: Shannon L Peter
Public in and for the State of Washington
My commission expires on 01-10-2020

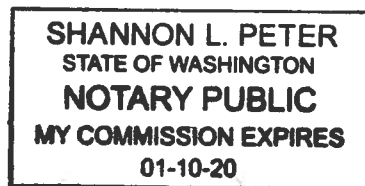


EXHIBIT A

PROPERTY

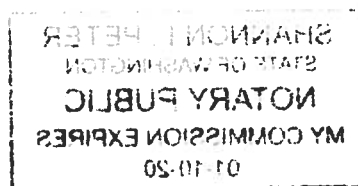
A PORTION OF THE BLOCKS 1, 9, 13 AND 14 OF STATE LAND COMMISSIONERS REPLAT OF BLOCKS 13 THRU 48, INCLUSIVE, TACOMA TIDELANDS, FORMERLY KING COUNTY, SOMETIMES KNOWN AS ASHTON'S REPLAT, ACCORDING TO THE MAP THEREOF FILED IN THE OFFICE OF THE COMMISSIONER OF PUBLIC LANDS AT OLYMPIA, DECEMBER 23, 1918 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS DISK AT THE INTERSECTION OF EAST 11TH STREET AND ALEXANDER AVENUE, SAID MONUMENT ALSO BEING PORT OF TACOMA CONTROL POINT NO. 121, AS SHOWN ON PORT OF TACOMA 2007 SURVEY CONTROL MAP TITLED "BLAIR-HYLEBOS PENINSULA SURVEY CONTROL MAP";
THENCE SOUTH 44°06'27" WEST, 60.00 FEET TO THE INTERSECTION OF THE CENTER LINE OF VACATED EAST 11TH STREET AND THE SOUTHERN MARGIN OF ALEXANDER AVENUE AS SHOWN ON RECORD OF SURVEY UNDER AUDITOR'S FILE NUMBER 200903105001 AND THE **POINT OF BEGINNING**;
THENCE SOUTH 45°53'37" EAST ALONG SAID SOUTHERN MARGIN, 170.00 FEET TO THE SOUTHEAST LINE OF BLOCK 9 OF SAID ASHTON'S REPLAT;
THENCE SOUTH 44°06'27" WEST ALONG SAID SOUTHEAST LINE, 667.50 FEET;
THENCE NORTH 45°53'37" WEST, 904.43 FEET; THENCE SOUTH 44°06'27" WEST, 102.50 FEET, MORE OR LESS, TO THE PIERHEAD LINE OF THE BLAIR WATERWAY;
THENCE NORTH 45°53'37" WEST ALONG SAID LINE, A DISTANCE OF 1151.38 FEET;
THENCE NORTH 44°06'27" EAST, 102.50 FEET; THENCE NORTH 45°53'37" WEST, 607.18 FEET TO THE SOUTHEAST LINE OF BLOCK 1 OF SAID ASHTON'S REPLAT;
THENCE CONTINUING NORTH 45°53'37" WEST, 271.82 FEET;
THENCE NORTH 44°06'30" EAST, 667.50 FEET TO THE SOUTHERN MARGIN OF ALEXANDER AVENUE EXTENDED; THENCE SOUTH 45°53'37" EAST ALONG SAID SOUTHERN MARGIN, A DISTANCE OF 2764.81 FEET TO THE **POINT OF BEGINNING**.

(CONTAINING 47.68 ACRES, MORE OR LESS)



KENNETH W. SWINDAMAN, P.L.S.
WASHINGTON STATE REGISTRATION NO. 34130

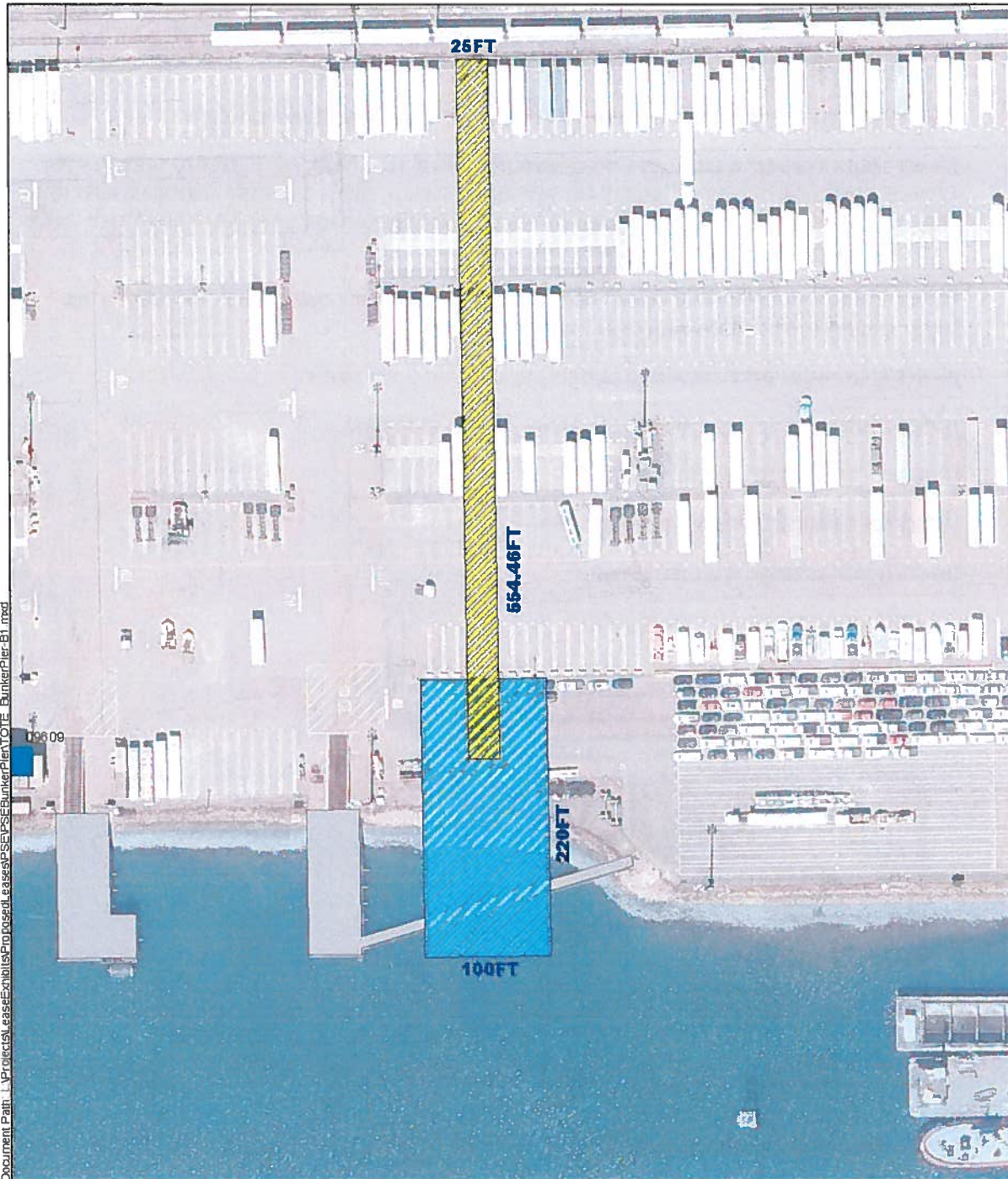


2601 South 35TH Street, Suite 200, Tacoma, Washington 98409
(253) 473-4494 Fax: (253) 473-0599



EXHIBIT B-1

DEPICTION OF EASEMENT AREA



Document Path: I:\Project\al\ase\Exhibits\Proposed\Leases\PSE\PSEBunkerPier\TOTE BunkerPier-B1.mxd

EXHIBIT B-1

SHEET: 1 OF 1

PURPOSE: EASEMENT EXHIBIT

DATE: 7/14/2016

AUTHOR: Brian Archer



PSE BUNKERING EASEMENT

TACOMA, WA 98421

PORT PARCEL #: 1A

LEGAL NOTICE: This easement is subject to the terms and conditions of the Port of Tacoma's Standard Easement Agreement. The easement is for the use of the Port of Tacoma and its subsidiaries and is not to be used for any other purpose. The easement is for the use of the Port of Tacoma and its subsidiaries and is not to be used for any other purpose. The easement is for the use of the Port of Tacoma and its subsidiaries and is not to be used for any other purpose.

Legend

- Pipeline Easement = 13,861.55SF or .3182 Acres
- Bunker Easement = 22,000SF or .51 Acres

0 35 70 140 Feet



EXHIBIT B-2

LEGAL DESCRIPTION OF EASEMENT AREA

THAT PORTION OF BLOCK 14, STATE LAND COMMISSIONER'S REPLAT OF BLOCKS 13 TO 48, INCLUSIVE, TACOMA TIDELANDS, FORMERLY KING COUNTY, SOMETIMES KNOWN AS THE ASHTON REPLAT, IN SECTION 27, TOWNSHIP 21 NORTH, RANGE 3 EAST, W.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE BRASS DISK AT THE INTERSECTION OF EAST 11TH STREET AND TAYLOR WAY;

THENCE SOUTH 44°05'51" WEST, ALONG THE CENTERLINE OF EAST 11TH STREET, 653.39 FEET TO THE BRASS DISK AT THE INTERSECTION OF EAST 11TH STREET AND ALEXANDER AVENUE, SAID MONUMENT ALSO BEING PORT OF TACOMA CONTROL POINT NO. 121, AS SHOWN ON PORT OF TACOMA 2007 SURVEY CONTROL MAP TITLED "BLAIR-HYLEBOS PENINSULA SURVEY CONTROL MAP";

THENCE SOUTH 44°06'32" WEST 60.00 FEET TO THE INTERSECTION OF THE CENTERLINE OF VACATED EAST 11TH STREET AND THE SOUTHERLY MARGIN OF ALEXANDER AVENUE;

THENCE NORTH 45°54'09" WEST, ALONG SAID SOUTHERLY MARGIN, 874.59 FEET;

THENCE SOUTH 44°09'21" WEST 491.12 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 45°50'39" EAST 50.00 FEET;

THENCE SOUTH 44°09'21" WEST 220.00 FEET;

THENCE NORTH 45°50'39" WEST 100.00 FEET;

THENCE NORTH 44°09'21" EAST 220.00 FEET;

THENCE SOUTH 45° 50'39" EAST 50.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 22,000 ± SQ. FT. OR 0.51 ± ACRES MORE OR LESS.



MICHAEL A. MCEVILLY, P.L.S.
WASHINGTON STATE REGISTRATION NO. 44639
SITTS & HILL ENGINEERS, INC.
4815 CENTER STREET, TACOMA, WA 98409

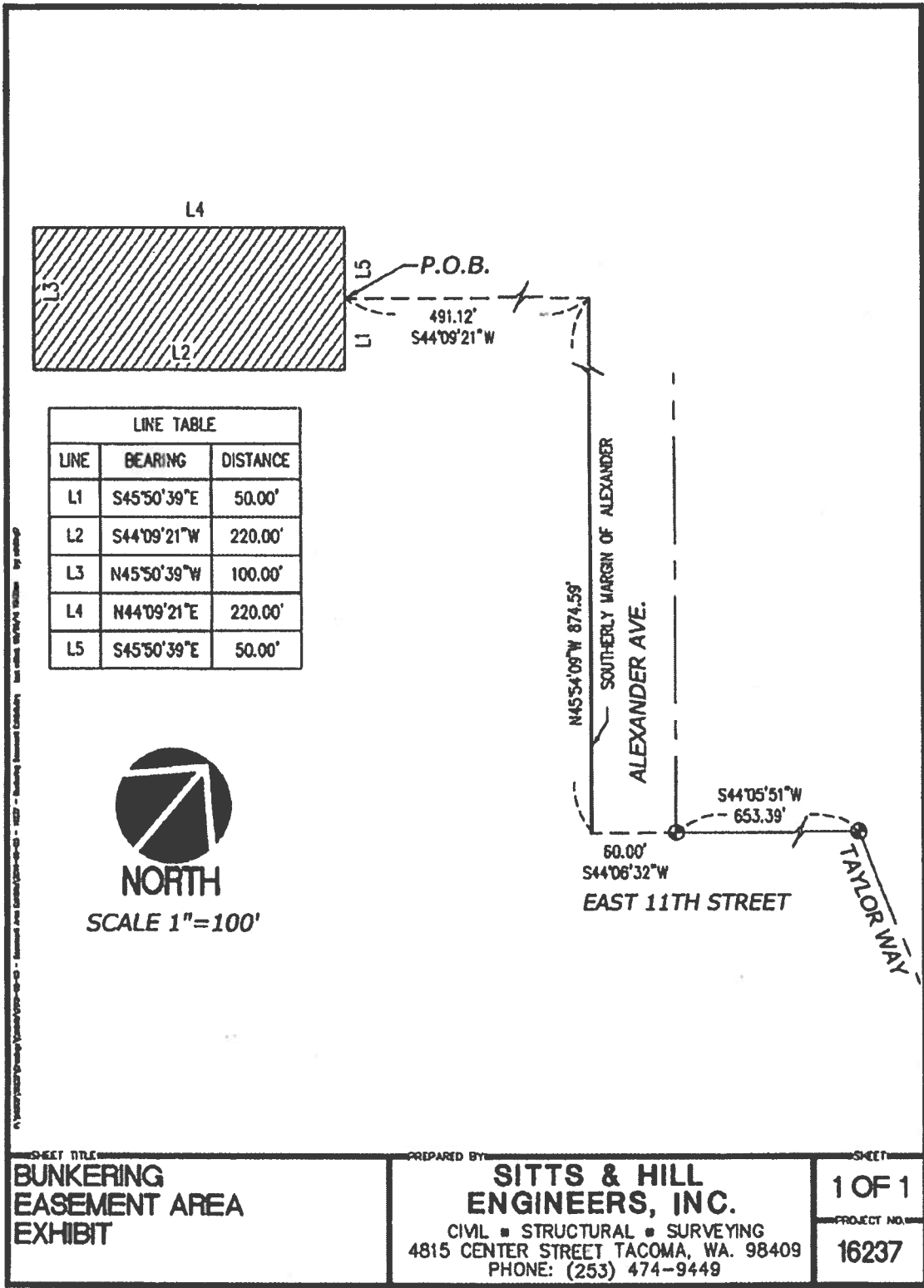


EXHIBIT C-1

DEPICTION OF TEMPORARY EASEMENT AREA

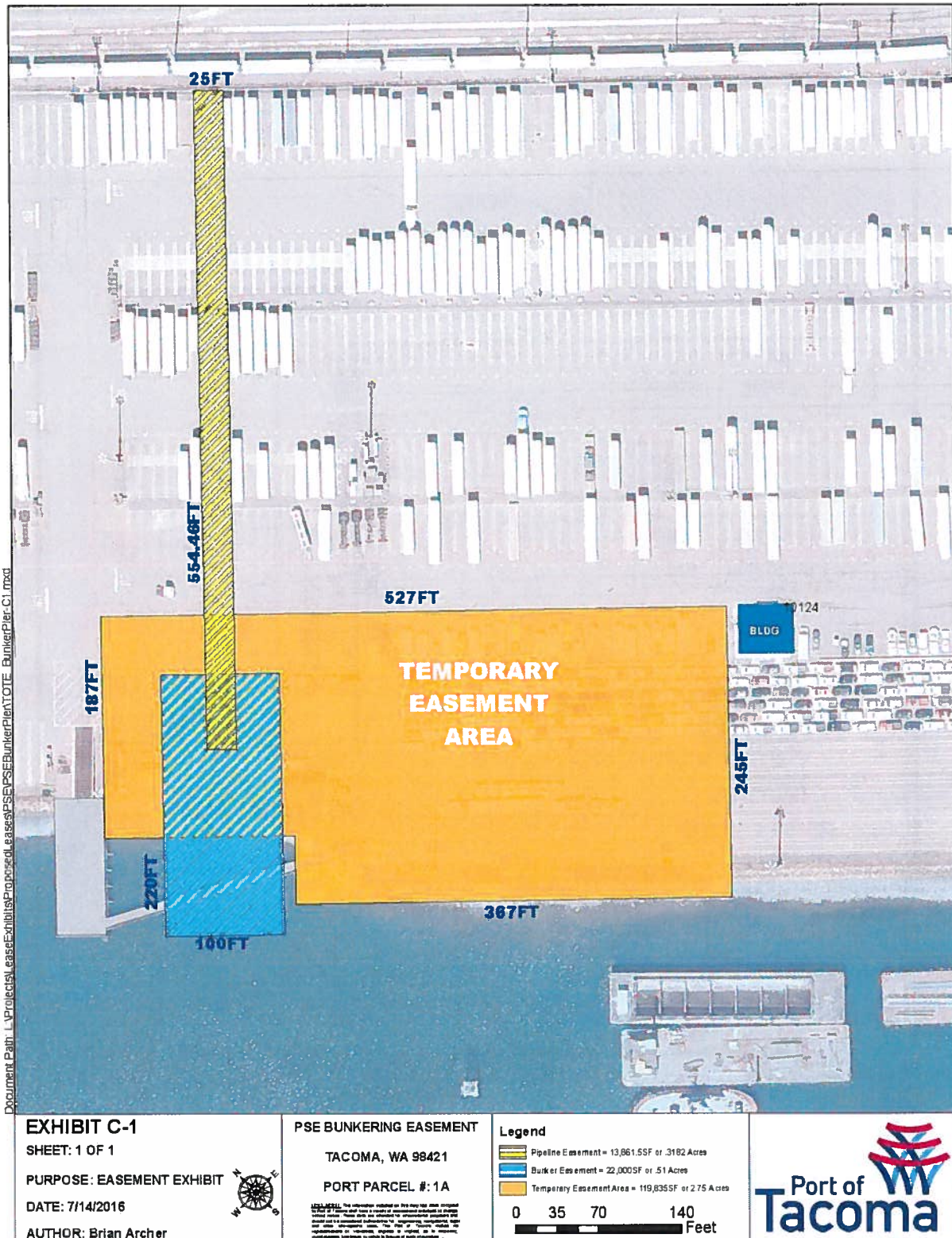


EXHIBIT C-2

DESCRIPTION OF TEMPORARY EASEMENT AREA

THAT PORTION OF BLOCK 14, STATE LAND COMMISSIONER'S REPLAT OF BLOCKS 13 TO 48, INCLUSIVE, TACOMA TIDELANDS, FORMERLY KING COUNTY, SOMETIMES KNOWN AS THE ASHTON REPLAT, IN SECTION 27, TOWNSHIP 21 NORTH, RANGE 3 EAST, W.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE BRASS DISK AT THE INTERSECTION OF EAST 11TH STREET AND TAYLOR WAY;

THENCE SOUTH 44°05'51" WEST, ALONG THE CENTERLINE OF EAST 11TH STREET, 653.39 FEET TO THE BRASS DISK AT THE INTERSECTION OF EAST 11TH STREET AND ALEXANDER AVENUE, SAID MONUMENT ALSO BEING PORT OF TACOMA CONTROL POINT NO. 121, AS SHOWN ON PORT OF TACOMA 2007 SURVEY CONTROL MAP TITLED "BLAIR-HYLEBOS PENINSULA SURVEY CONTROL MAP";

THENCE SOUTH 44°06'32" WEST 60.00 FEET TO THE INTERSECTION OF THE CENTERLINE OF VACATED EAST 11TH STREET AND THE SOUTHERLY MARGIN OF ALEXANDER AVENUE;

THENCE NORTH 45°54'09" WEST, ALONG SAID SOUTHERLY MARGIN, 874.59 FEET;

THENCE SOUTH 44°09'21" WEST 440.35 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 45°50'39" EAST 427.00 FEET;

THENCE SOUTH 44°09'21" WEST 245.00 FEET;

THENCE NORTH 45°50'39" WEST 367.00 FEET;

THENCE NORTH 44°09'21" EAST 58.00 FEET;

THENCE NORTH 45°50'39" WEST 160.00 FEET;

THENCE NORTH 44°09'21" EAST 187.00 FEET;

THENCE SOUTH 45°50'39" EAST 100.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 119,835 ± SQ. FT. OR 2.75 ± ACRES MORE OR LESS.



MICHAEL A. MCEVILLY, P.L.S.

WASHINGTON STATE REGISTRATION NO. 44639

SITTS & HILL ENGINEERS, INC. 4815 CENTER STREET, TACOMA, WA 98409

EXHIBIT D **DEPICTION AND DESCRIPTION OF** **SOUTH-WESTERN CORNER OF PROPERTY**



Document Path: L:\Projects\LeaseExhibits\ProposedLeases\PSEBunkerPier\TOTE BunkerPier-D.mxd

<p>EXHIBIT D SHEET: 1 OF 1 PURPOSE: EASEMENT EXHIBIT DATE: 7/20/2016 AUTHOR: Brian Archer</p>	<p align="center">PSE BUNKERING EASEMENT TACOMA, WA 98421 SOUTH-WEST CORNER OF PORT PARCEL #: 1A</p> <p><small>LEGEND: The information contained on this map was derived from the Port of Tacoma's aerial photography and is not intended to be used for any other purpose. The Port of Tacoma makes no representation or warranty, express or implied, for the accuracy, completeness, timeliness, or quality of the information.</small></p>	<p>Legend</p> <ul style="list-style-type: none"> Bunker Easement = 22,000 SF or 51 Acres Maximum Barge Berthing Area (350 FT x 60 FT) TOTE Leased Area <p>0 60 120 240 Feet</p>	
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EXHIBIT E

GRANTEE PREFERENTIAL RIGHTS AREA

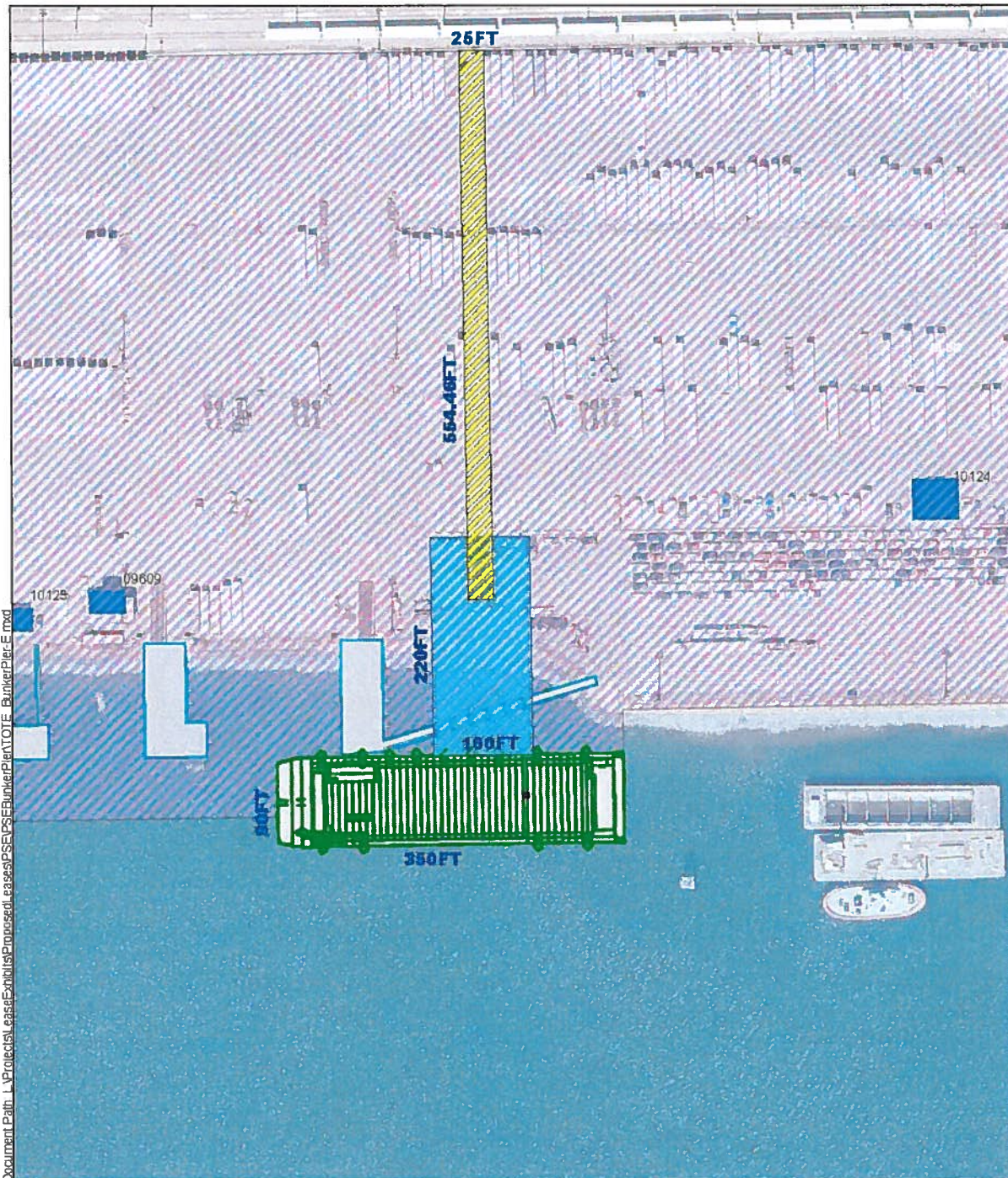


EXHIBIT E

SHEET: 1 OF 1

PURPOSE: EASEMENT EXHIBIT

DATE: 7/20/2016

AUTHOR: Brian Archer



PSE BUNKERING EASEMENT GRANTEE PREFERENTIAL RIGHTS TACOMA, WA 98421

PORT PARCEL #: 1A

NOTES: The information contained on this map has been compiled from a variety of sources and is not intended to be used for any purpose other than the intended purpose of the map. The user of this map assumes all responsibility for the accuracy and completeness of the information shown on this map. The Port of Tacoma makes no representation or warranty, expressed or implied, as to the accuracy, completeness, timeliness, or quality of the information shown on this map.

Legend

- Pipeline Easement = 12,801.55 For 3182 Acres
- Bunker Easement = 22,005F or 51 Acres
- Maximum Barge Berthing Area (350FT x 90FT)
- Totem's Leased Area

0 40 80 160 Feet



EXHIBIT F

ENVIRONMENTAL REQUIREMENTS

500 East Alexander Avenue, Tacoma, Washington 98421
Port Parcel: 1A

Use

The Easement Area located at the above address (and Port Parcel number) and as defined in Section 1 of the Agreement, may be used for the purposes stated in Section 5 of the Agreement. The Easement Area shall not be used for any other purpose without the prior written consent of Grantor and TOTE, in its sole and absolute discretion.

General

During the term of this Agreement, Grantee and Grantee's employees, agents, representatives, contractors, subcontractors, consultants, subconsultants, customers, licensees, invitees, visitors, and guests (collectively, the "**Grantee Parties**") shall, at Grantee's sole cost and expense, and as stated in the Agreement, comply with all applicable federal, state, and local laws, statutes, ordinances, regulations, rules, permits and permit requirements, orders, and decrees, of all governmental bodies having authority over the Easement Area or any activity conducted thereon, as currently in effect or as may be hereafter amended or issued.

Additional Grantee Environmental Requirements

Grantee acknowledges and agrees that:

- i. Grantee shall inform Grantor and TOTE of any environmental or regulatory issues, including but not limited to spills or releases, within twenty four (24) hours of discovery (unless any applicable law requires a shorter period for notice, in which case such shorter period shall apply), and shall promptly provide Grantor and TOTE with copies of all environmental compliance related notices and correspondence related to the Easement Area as required under Section 20 of the Agreement.
- ii. Releases of Hazardous Substances into the water and/or sediments of the Blair Waterway, or upland where they can migrate to adjacent remediation sites could result in Grantee liability under federal Superfund and/or Clean Water Act laws and/or under State MTCA laws.

Grantee Alterations to Easement Area and Associated Permitting

Grantee is responsible for obtaining pertinent federal, state and local development and environmental permits associated with any work performed by Grantee on the Easement Area. Grantee shall give prior written notice thereof to Grantor and shall coordinate with Grantor regarding all permitting, design, construction, and operation activities. In addition, at Grantor's request, Grantee shall provide a copy of all permit applications and similar and related documents to Grantor. Grantee, at its sole cost and expense, shall be responsible for demonstrating compliance with applicable requirements for environmental review under the State Environmental Policy Act at Ch. 43.21 C RCW and the National Environmental Policy Act

at 42 U.S.C. 4321 et seq., prior to undertaking any Grantee Improvements under this Agreement. Grantee acknowledges that per Port of Tacoma Commission Resolution 2011-06, Revised State Environmental Policy Act (SEPA) and Procedures adopted September 15, 2011, as amended or revised, Grantor can serve as SEPA lead agency. If Grantee requests Grantor to serve as SEPA lead agency and an Environmental Impact Statement (EIS) is required, then Grantee shall reimburse Grantor for its time and expenses associated with those SEPA EIS efforts, including but not limited to Grantor's staff time costs and consultants' time and costs.

Hazardous Substances

Hazardous Substances shall be managed (including but not limited to, handling, secondary containment, and disposal) in accordance with Grantee's operating permits, all pertinent and applicable federal, state, and local regulatory requirements, and as required under the Agreement.

Air Quality

Grantee shall, at its sole cost and expense, comply with all applicable federal, state, and local laws, statutes, ordinances, regulations, rules, permits and permit requirements, orders, and decrees, including, but not limited to, air quality and odor, of all governmental bodies having authority over the Easement Area or any activity conducted thereon.

Water and Sediment Quality Protection

Municipal/Industrial Stormwater: Environmental Permits for Grantor-owned stormwater systems are maintained by Grantor unless amended in accordance with applicable permit processes. Grantee recognizes Grantor as a municipality, and shall satisfy all requirements of Ecology's National Pollution Discharge Elimination System (NPDES) General Municipal Stormwater (MS4) Permit to the extent applicable to the Easement Area and Grantee's facilities, activities, and operations thereon, including but not limited to those of any subtenants. Based on Grantee's facilities, operations, and activities, Grantee also may be required to obtain an Industrial Stormwater General Permit (ISGP) or individual stormwater permits from Ecology.

It is Grantee's responsibility, during the term of the Agreement, to comply with the applicable stormwater permit based on Grantee's facilities, activities, and operations at the sole cost of the Grantee, during the term of the Agreement or as required by Ecology. A Stormwater Pollution Prevention Plan (SWPPP) is a requirement of Grantor's MS4 Permit. Grantee must submit to Grantor's Environmental Programs Department a SWPPP, and all subsequent revisions to the SWPPP, that is compliant with Grantor's MS4 Permit, or if applicable, the Grantee's ISGP or other applicable Ecology issued stormwater permit (Grantor can provide to Grantee a MS4 or ISGP SWPPP template at Grantee's request). Grantee shall defend, indemnify, and hold harmless Grantor against any and all costs (including but not limited to reasonable attorney fees), expenses, damages, fines, penalties, and liabilities of any kind incurred by Grantor as a result of Grantee's stormwater discharge.

Wastewater Discharge: Grantee shall, at its sole cost and expense, comply with the City of Tacoma Municipal Sewer System Industrial Wastewater Discharge Permit requirements, as applicable.

Coatings for Galvanized Metals: Un-coated galvanized metals shall not be used on equipment or structure surfaces exposed to natural elements, nor stored or staged out of doors without sufficient protection, in order to reduce the potential of exceeding standards for zinc or other metals in stormwater runoff; provided, however, that Grantee may continue to use the existing galvanized metal fence until such use is no longer permitted by any applicable law or governmental agency.

Emergency/Spill Response: Grantee and Grantee Parties shall have an effective spill response plan in accordance with all applicable federal, state, and local regulations and permits, and Grantee shall have all necessary equipment and supplies on-hand to conduct an emergency or spill response. Grantee shall initiate spill response immediately after a spill and notify Port of Tacoma Security (253-383-9472) during any incident or event. If a spill response is undertaken by Grantor at Grantee's request, or is determined to be necessary by Grantor to prevent risk of bodily injury or death, or to prevent risk of damage to the environment, or to prevent risk of damage to Easement Area, then Grantee shall reimburse Grantor for spill response to spills originating from Grantee and Grantee Parties, whether on or off the Easement Area.

Environmental Safety

Personnel Protection and Liability Management: Due to the presence of historic contamination on and adjacent to the Easement Area, all subsurface disturbances or excavations upland or offshore and all over-water work, including but not limited to operation and maintenance (O&M) activities, (i) must be pre-approved by Grantor's Facilities Development Department, and (ii) shall be conducted by workers trained and certified to respond to, or handle hazardous materials, such as Occupational Safety and Health Administration (OSHA) Hazardous Waste Operations and Emergency Response (HAZWOPER) certification if required by law or the Environmental Documents.

Noise control: Grantee shall comply with the City of Tacoma's Ordinance No. 27673 and Tacoma Municipal Code Title 8, Chapter 8.122, entitled "Noise Enforcement" or any variances granted to Grantee therefrom. Grantor shall not be required to support any request by Grantee for any variance.

Invasive Species Control

The Grantee shall take measures to prevent and control invasive species from entering or infesting the Easement Area or surrounding areas. If an invasive species infestation is discovered, the Grantee shall take measures to control and eliminate the invasive species from infected areas both on and off the Easement Area to the extent it is linked to Grantee or Grantee Parties, all at the sole cost of Grantee.

Vineyard Snail Eradication Area: The Easement Area is located within a Washington State Department of Agriculture (WDA) and United States Department of Agriculture (USDA) Vineyard Snail eradication area which encompasses the area of the Blair-Hylebos Peninsula from Lincoln Avenue, north to the northern-most extent of the peninsula. The eradication program consists of properly conducted debris removal, vegetation removal and disposal, and molluscicide applications. Grantee shall not remove debris, vegetation, or soil from the Easement Area prior to a review by the Port's Environmental Programs Department. The Port

will determine, as necessary, the proper treatment and disposal methods for debris, vegetation, and soil from the Easement Area in order to comply with Vineyard Snail eradication measures.

Environmental Stewardship

Habitat and Critical Areas Protection: Grantor shall identify and notify Grantee of all known critical habitats and jurisdictional wetlands adjacent to or on the Easement Area as of the Agreement Commencement Date. Thereafter, Grantee shall update as necessary the list of all such areas. Grantee shall comply with all legal requirements with respect to all such areas. The Easement Area are located along the Blair Waterway and therefore may be subject to the City of Tacoma's Critical Areas Preservation Ordinance (Ordinance 27728, Tacoma Municipal Code [TMC] 13.11), the City of Tacoma's Shoreline Management Area of Washington State's Shoreline Management Act of 1971 (RCW 90.58) propagated under the TMC 13.1 0, and the Blair Waterway may be designated as "Waters of the United States", under the Clean Water Act of 1972 (33 U.S.C. §1251 et seq. and as amended and clarified). These aforementioned ordinances, codes, and acts restrict certain land uses or activities within these areas and may require an exemption or development permits for certain uses or activities. The Grantee is required to comply with all requirements and restrictions of these ordinances and codes.

Renewable Energy: Grantee agrees to consider the use of renewable energy and electric powered equipment where practical and feasible.

Clean Ship: To the extent practicable, vessels owned, leased, or otherwise controlled by Grantee shall switch to distillate or low sulfur bunker fuel in main or auxiliary engines during transit, maneuver and at berth. When appropriate, Grantee shall equip the vessels owned, leased, or otherwise controlled by Grantee calling Port of Tacoma with the most recent best reasonable available emission control technologies, such as seawater scrubbers, catalytic converters, diesel particulate filtration system or equivalent.

Low Impact Development: Grantee will consider adopting low impact practices including LEED Certification and sustainable building practices for all Grantee Improvements.

Emission Control

Northwest Ports Clean Air Strategy: Grantee shall assist Grantor to meet the goals and objectives of the Northwest Ports Clean Air Strategy by implementing programs, policies, plans or procedures to meet Actions and Performance Targets as listed in the Northwest Ports Clean Air Strategy 2013 update, as amended or revised.

At reasonable request by Grantor, Grantee shall participate, at commercially reasonable cost to Grantee, in small scale emission reduction pilot studies or projects that tests the feasibility and effectiveness of technology or change in operation. Grantor and Grantee will mutually explore potential pilot technology and funding.

Emission Inventory: At reasonable request by Grantor, Grantee shall provide, at commercially reasonable cost to Grantee, equipment data, terminal activity data, and available air testing results needed for Grantor's air quality assessment, and provide reasonable access to allow monitoring by Grantor's staff and consultants and contractors, subject to Section 16 of the Agreement.

Anti-Idling and Energy Conservation: Grantee agrees to post anti-idle signs and develop and implement, as feasible and practicable, an anti-idle policy for all equipment on the Easement Area. Grantor and Grantee will mutually explore technical idle reduction technology and funding.

Periodic Review

Grantor and Grantee shall periodically review and adjust Grantee's environmental performance requirements at Grantor's reasonable request. Such request by Grantor shall be reasonable based on applicable law at such time and other relevant facts and circumstances up to and at such time.

GRANTEE IMPROVEMENTS

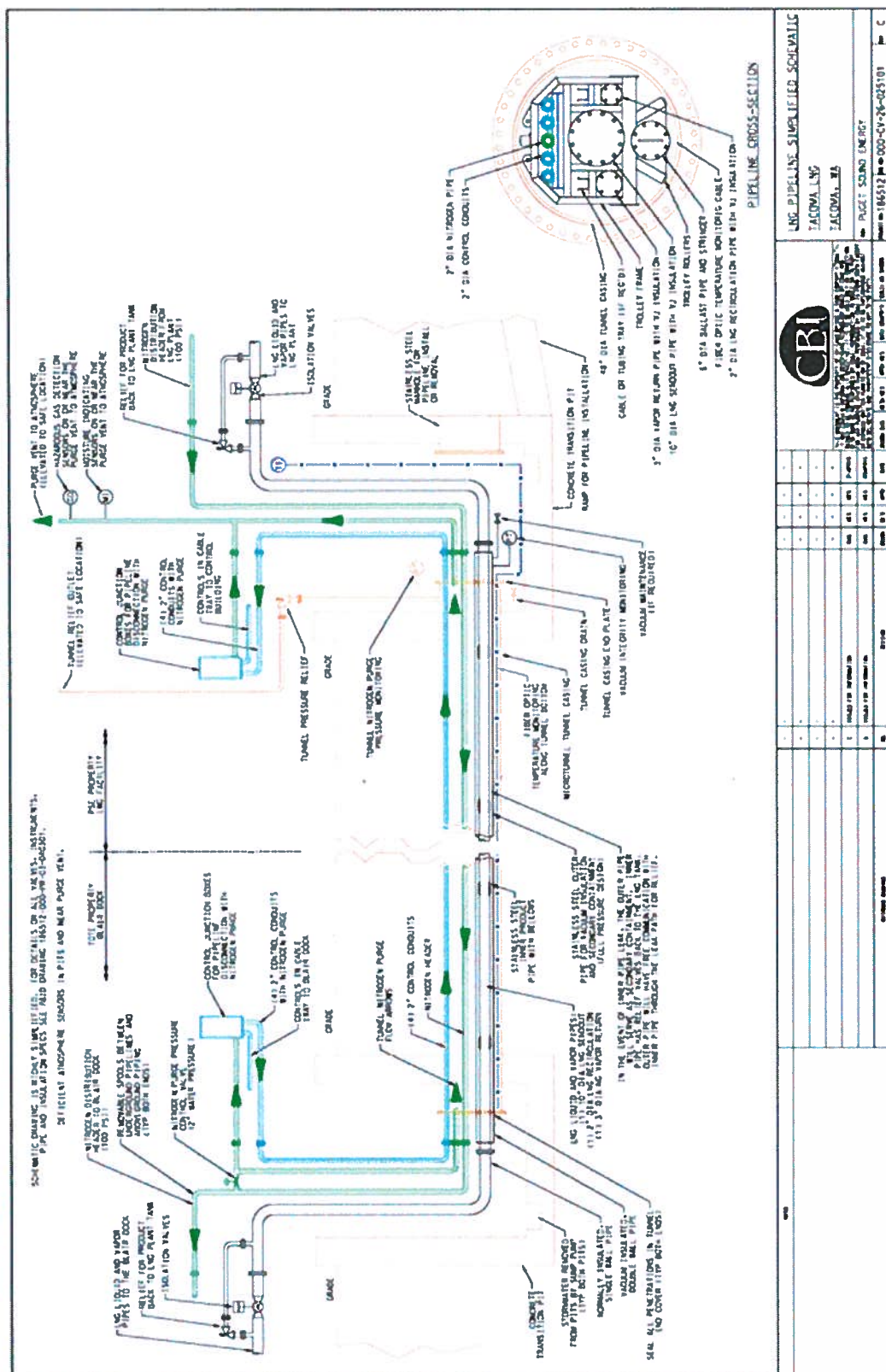


EXHIBIT H

FORM MEMORANDUM OF EASEMENT

WHEN RECORDED RETURN TO:

Riddell Williams P.S.
Attn: Denice Tokunaga
1001 4th Avenue, Suite 4500
Seattle, Washington 98154

MEMORANDUM OF EASEMENT

This Memorandum of Easement (the “**Memorandum**”), made and entered into as of the _____ day of _____, 2016, by and between THE NORTHWEST SEAPORT ALLIANCE, a Washington port development authority, as agent for the PORT OF TACOMA, a Washington port district, and the PORT OF TACOMA, a Washington port district (collectively “**Grantor**”), PUGET SOUND ENERGY, INC., a Washington corporation (“**Grantee**”), and TOTEM OCEAN TRAILER EXPRESS, INC., an Alaska corporation (“**TOTE**”), WITNESSES THAT:

RECITALS

A. Grantor, Grantee, and TOTE entered into a Bunkering Easement Agreement dated _____ (the “**Easement**”), whereby Grantor is granting Grantee easement rights over a portion of the land described on Exhibit A attached hereto and made a part hereof (the “**Property**”), such portion being depicted on Exhibit B-1 and described in Exhibit B-2 attached hereto and made part hereof (the “**Easement Area**”), and TOTE as a tenant of the Property is consenting and agreeing thereto.

B. This Memorandum is being executed and recorded to evidence the Easement and shall not be construed to limit, amend or modify the provisions of the Easement in any respect.

MEMORANDUM

1. GRANTOR. The name of Grantor is THE NORTHWEST SEAPORT ALLIANCE, a Washington Port development authority, as agent for the PORT OF TACOMA, a Washington port district, and the PORT OF TACOMA, a Washington port district, having addresses at _____ and _____.

2. GRANTEE. The name of the Grantee is PUGET SOUND ENERGY, INC., a Washington corporation, having an address at _____.

3. ADDITIONAL PARTY. TOTEM OCEAN TRAILER EXPRESS, INC., an Alaska corporation, having an address at _____, is also a party to the Easement, and consents and agrees to the terms and conditions thereof.

4. LEGAL DESCRIPTION. The specific legal description of the real estate upon which the Easement Area is located is depicted on Exhibit B-1 and described on Exhibit B-2 attached hereto and incorporated herein by this reference. Grantee also has rights of access over the remainder of the Property in order to access the Easement Area as further described in the Easement. Grantee also has certain temporary construction easement rights over a portion of the area depicted on Exhibit C-1 and described on Exhibit C-2 attached hereto and incorporated herein by this reference.

5. INITIAL TERM. The initial term of the Easement is a period commencing on the Effective Date (as that term is defined in the Easement) and terminating the earlier of (a) termination of the PSE Facility Lease (as that term is defined in the Easement) or (b) Grantee's non-use of or failure to maintain the Bunkering Station (as that term is defined in the Easement) for a period of five (5) years, beginning on the day following the last use of the Bunkering Station for transmission of LNG. The Easement may also be terminated under other circumstances, as provided in the Easement.

6. EXTENSION TERMS. The term of the Easement may be extended pursuant to certain terms and conditions more particularly set forth in the Easement.

7. OTHER TERMS. In addition to the those terms referenced herein, the Easement contains numerous other terms, covenants and conditions, and notice is hereby given that reference should be made to the Easement directly with respect to the details of such terms, covenants and conditions.

8. CONFLICT. In the event of a conflict between the provisions of this instrument and the Easement, the provisions of the Easement shall control.

[Signature Page to Follow]