

## PURCHASE AND SALE AGREEMENT

THIS AGREEMENT (this "Agreement") is made as of this \_\_\_\_\_ day of December 2015 (the "Effective Date") by and between **Christian Kjaer ("CK") and GSJ Properties, Corp. ("GSJP" or "Corporation")** (collectively the "Sellers") and **Great St. Jim, LLC**, a Virgin Islands Limited Liability Company ("Purchaser").

### R E C I T A L S:

WHEREAS CK owns Parcel A Great St. James, No. 6A Red Hook Quarter, on the island commonly known as Great St. James Island, St. Thomas, U.S. Virgin Islands, designated and more particularly described in Exhibit A attached hereto, together with any buildings and other improvements located thereon (such land, buildings and improvements, the "Property");

WHEREAS GSJP, a U.S. Virgin Islands corporation, solely owned by CK, owns Parcel B-1 and B-2 Great St. James, No. 6A Red Hook Quarter on the island commonly known as Great St. James Island, St. Thomas, U.S. Virgin Islands, designated and more particularly described in Exhibit A attached hereto, together with any buildings and other improvements located thereon; which for purposes of this Agreement shall be deemed to be included in the defined term "Property".

WHEREAS GSJP has indicated that it has been deeded Parcels C-1 and C-2 Great St. James, No. 6A Red Hook Quarter, on the island commonly known as Great St. James Island, St. Thomas, U.S. Virgin Islands, designated and more particularly described in Exhibit A attached hereto, together with any buildings and other improvements located thereon, which for purposes of this Agreement shall be deemed to be included in the defined term "Property", which deed shall be recorded prior to the consummation of the sale of the Property.

WHEREAS CK is the permittee of a submerged land permit, for a dock on the Property, designated and more particularly described in Exhibit B attached hereto, which for purposes of this Agreement shall be deemed to be included in the defined term "Property";

WHEREAS, subject to the terms of this Agreement:

(i) CK desires to sell, assign, transfer and convey its interests in the Property to Purchaser on the Closing Date, and

(ii) CK, as the sole shareholder of GSJP, desires to sell, assign, transfer and convey all of his stock interests in GSJP (the "Stock Interest") to Purchaser on the Closing Date, in accordance with the terms and provisions of this Agreement; and

(iii) Purchaser desires to purchase the Property and the Stock Interests as more particularly described in Exhibit A and be assigned the submerged land permit as more particularly described in Exhibit B from Sellers, respectively, on the Closing Date, upon the terms more particularly set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

**ARTICLE 1**  
**PURCHASE AND SALE OF PARCEL A**

1.1 Purchase of Parcel A. Upon the terms and subject to the conditions herein set forth herein CK agrees to sell, transfer, convey and assign his respective interests in Parcel A to Purchaser free and clear of all liabilities and encumbrances other than the Permitted Exceptions, and Purchaser agrees to purchase and assume from CK his respective interests in Parcel A. **Purchaser has verified and CK has confirmed the availability of funds in the U.S. Virgin Islands to close prior to execution of this Agreement.**

1.2 Consideration. The Purchase Price for Parcel A shall be Seventeen Million Five Hundred Thousand and 00/100 U.S. Dollars (US \$17,500,000.00). Within two (2) business days of execution of this Agreement by CK, One Million Seven Hundred Thousand and 00/100 U.S. Dollars (US \$1,700,000.00) shall be deposited in escrow as provided for in Article 3.

1.3 Delivery of Warranty Deed. CK can and will deliver at closing marketable title via a warranty deed for Parcel A, free and clear of any and all encumbrances, will pay the cost of preparing the deed or sales documents and will pay the costs of securing the necessary attest and affixing the necessary tax stamps thereon.

**ARTICLE 2**  
**PURCHASE AND SALE OF GSJP STOCK INTEREST**

2.1 Purchase of Stock Interest. Upon the terms and subject to the conditions herein set forth herein, CK shall sell, convey, transfer, assign, grant and deliver the Stock Interest to Purchaser free and clear of all liabilities and encumbrances other than the Permitted Exceptions, and Purchaser shall accept the Stock Interest from CK. Sellers acknowledge and agree that, as of the Closing Date, GSJP shall own the assets listed in Section 2.2 below free and clear of all lien and encumbrances other than the Permitted Exceptions, and such assets shall constitute all of the assets of the Corporation.

2.2 Assets of the Corporation. GSJP's assets are the following parcels of real property:

2.2.1 Parcel B-1 and B-2 Great St. James, No. 6A Red Hook Quarter on the island commonly known as Great St. James Island, St. Thomas, U.S. Virgin Islands;

2.2.2 Parcels C-1 and C-2 Great St. James, No. 6A Red Hook Quarter which were previously owned by Merete Emilie Furst and were subsequently deeded by Executor's Deed to John Kund Furst, Kim Furst and Nina Furst as recorded on July 14, 2004 ("Fursts") which have been deeded over to GSJP, by an as yet to be recorded warranty deed. CK, as sole shareholder of GSJP, warrants that said deed shall be recorded prior to the Closing of this Transaction;

2.2.3 Any and all buildings, structures, fixtures and other improvements situated on the Property (collectively, the "Improvements");

2.2.4 Personalty - Any and all equipment, machinery, fixtures, furnishings and other items of personal property owned by the Corporation, located on the Property and used in the operation, repair and maintenance of the Property; and

2.2.5 All of the Sellers' right, title and interest in and to the any and all permits pertaining to or related in any way to the Property.

2.3 Consideration for Stock Interest. Purchaser agrees to pay the sum of Five Million and 00/100 U.S. Dollars (US \$5,000,000.00) for one hundred (100) percent of the shares of GSJP. Within two (2) business days of execution of this Agreement by CK as the sole shareholder of GSJP, Five Hundred Thousand and 00/100 U.S. Dollars (US \$500,000.00) shall be deposited in escrow as provided for in Article 3 of this Agreement. The \$500,000.00 escrow deposit for the Stock Interest and the \$1,700,000.00 escrow deposit for Parcel A shall collectively be referred to herein as the "Earnest Money Deposit".

### **ARTICLE 3** **EARNEST MONEY DEPOSIT**

3.1 Delivery of Earnest Money Deposit. To secure the performance by Purchaser of Purchaser's obligations under this Agreement, within two (2) business days of execution of this Agreement by CK, Purchaser shall deliver to April Newland Real Estate, Attention: April Newland (the "Escrow Agent") a wire transfer in the amount of Two Million Two Hundred Thousand and 00/100 U.S. Dollars (US \$2,200,000.00) as the Earnest Money Deposit.

3.2 Application of Earnest Money Deposit. The Earnest Money Deposit will be applied to the Purchase Price at Closing. The Escrow Agent shall, promptly upon receipt, place the Earnest Money Deposit in a federally insured, interest bearing account. All interest on the Earnest Money Deposit shall remain the property of Purchaser and will be reported to the Internal Revenue Service as income of the party entitled to receive the Earnest Money Deposit. Purchaser and Sellers shall promptly execute and deliver to the Escrow Agent all forms reasonably requested by the Escrow Agent with respect to the Earnest Money Deposit. The Escrow Agent is authorized and directed to pay the Earnest Money Deposit to the party entitled to receive the same under the terms of this Agreement.

### **ARTICLE 4** **PRE-CLOSING DELIVERABLES AND COVENANTS**

4.1 Within five (5) days of full execution of this document, Sellers shall provide Purchaser with copies of any and all documents which are pertinent to the Property including but not limited to the following: surveys, architectural and mechanical drawings, plans, etc.

4.2 Within fifteen (15) days of execution of this Agreement, Sellers will provide at its expense, a legally acceptable description of the real estate by survey drawing, metes and bounds description, measure brief, or other means for the purpose of preparing proper sales documents. The sale shall be subject to recorded easements, restrictions, reservations and Virgin Islands' law, rules and regulations; Purchaser shall have fifteen (15) days from the date of final execution of this Agreement to inspect the same and shall be deemed to consent to them unless it files a written objection by the end of said period with the Broker, as agent for the Sellers.

4.3 Sellers hereby covenant and agree with Purchaser that, between the date of this Agreement and the Closing Date:

4.3.1 Sellers will use reasonable efforts to cause the Property to be maintained and operated in as it presently exists in accordance with their current existing practices. Notwithstanding the foregoing, nothing in this Agreement shall be deemed to require Seller to make any improvements whatsoever from the date of this Agreement until Closing except as are in the ordinary course of business.

4.3.2 Sellers will notify Purchaser promptly of any material damage to the Property caused by fire or other casualty prior to the Closing.

### **ARTICLE 5** **INSPECTION; RIGHT OF ENTRY**

5.1 To the best of Sellers' knowledge, and except as disclosed to Purchaser, the Property is free of major structural electrical and plumbing defects and, in the case of a structure with major wooden components, free of significant termite

damage. Purchaser or its designees shall inspect the Property within fifteen (15) days of full execution of this Agreement for the purpose of inspecting the condition of the Property.

## 5.2 Right of Entry.

5.2.1 From the Effective Date to the Closing Date, Purchaser shall have the right to conduct due diligence reviews and to make physical inspections of the Property and to examine any operating files maintained by or for the benefit of Sellers in connection with the current maintenance and/or management of the Property ("Property Information"), including, without limitation, general records relating to the Property, correspondence, surveys, plans and specifications, warranties for services and materials provided to the Property, environmental audits and similar materials, to the extent Sellers are not prohibited by applicable contracts or law from disclosing such materials, and any other documents relating to the Property in Sellers' possession or control, but excluding materials not directly related to the current maintenance and/or management of the Property such as, without limitation, proprietary or confidential information. Notwithstanding anything herein to the contrary, Purchaser acknowledges that the Closing Date is not conditioned on the completion or further satisfaction by Purchaser of its due diligence review of the Property or Property Information. Purchaser shall keep all Property Information strictly confidential, provided that Purchaser may deliver copies of Property Information to its attorneys, accountants and other advisors in connection with the acquisition of the Stock Interest provided that such parties agree to maintain the confidentiality of such Property Information and that Purchaser is liable to Sellers for any breach by any such party of the confidentiality of such Property Information.

5.2.2 Purchaser may conduct on-site inspections of the Property from the Effective Date to the Closing Date. Purchaser understands and agrees that any such additional on-site inspections of the Property shall (i) only be conducted during business hours with not less than one (1) business day's prior notice to Sellers and (ii) shall be accompanied by Sellers' broker. Sellers may have its representatives attend any such inspections. Such physical inspection shall not disturb nor unreasonably interfere with the use of the Property by Sellers. Such physical inspection shall not be invasive (i.e., an inspection that does not break the surface of the land or involve any structural impact on the Improvements) in any respect, and in any event shall be conducted in accordance with standards customarily employed in the industry and in compliance with all governmental laws, rules and regulations. Following each entry by Purchaser with respect to inspections and/or tests on the Property, Purchaser shall repair any damage to the Property caused by Purchaser or any of its agents, consultants or representatives in connection with Purchaser's diligence activities at the Property, and restore the Property to the original condition as it existed prior to any such inspections and/or tests, at Purchaser's sole cost and expense.

5.2.3 Sellers shall reasonably cooperate with Purchaser in its due diligence but shall not be obligated to incur any liability in connection therewith. Purchaser shall not disrupt Sellers' activities on the Property and, except as otherwise set forth in this Agreement, shall not contact any on-site managers or employees working at the Property.

5.2.4 If dissatisfied for any reason, Purchaser at Purchaser's sole discretion shall have the right to cancel this Agreement with neither party having any claim against the other, except that the Earnest Money Deposit paid hereunder shall be immediately refunded to Purchaser in full.

## 5.3 Purchaser's Indemnities.

5.3.1 Purchaser covenants to defend, indemnify and save harmless Sellers' Indemnitees from and against any and all losses, injuries, claims, penalties, liabilities, fines, damages, costs or expenses (including, without limitation, reasonable attorneys' fees and costs) arising out of or resulting in any manner directly or indirectly from or in connection with the inspection of the Property by Purchaser or its agents, employees, representatives, consultants or contractors (but excluding all matters arising out of or related to the existing condition of the Property) and notwithstanding anything to the contrary in this Agreement, such obligation to indemnify, defend, protect and hold harmless Sellers shall survive Closing or any termination of this Agreement.

5.3.2 In no case shall any Realtor associated with this transaction be held responsible for damage or defects to the Property and no Realtor makes any professional or personal claim as to the condition of the Property except as presented by Sellers.

## **ARTICLE 6** **TITLE**

6.1 Within ten (10) days after the execution of this Agreement by all parties, Purchaser shall procure a current title commitment (the "Title Commitment") for an ALTA Owner's Title Policy, showing the state of the title to the Property, including Parcels B and C, which would appear in an ALTA Owner's Title Policy, if issued, accompanied by copies of all recorded instruments affecting title to the Property ("Title Exception Documents"). If any aspect of the Title Commitment is objectionable to Purchaser, in Purchaser's sole discretion, Purchaser shall notify Sellers of such fact in writing no later than the tenth (10th) business day after receipt of the Title Commitment (such 10-day period being herein called the "Title Review Period"). If Purchaser does not give notice of any objections to Sellers within the Title Review Period, Purchaser is deemed to approve the title as shown in the Title Commitment and the Title Exception Documents. If Purchaser provides timely objections, Sellers shall have ten (10) business days after receipt of Purchaser's notice (the "Title Cure Period") in which to cure or attempt to cure Purchaser's objections but Sellers shall have no obligation to cure any of Purchaser's objections. If Purchaser provides timely objections pursuant to this Section and Sellers do not cure all of Purchaser's objections within the Title Cure Period for any reason, then, within one (1) business day after the last day of the Title Cure Period, Purchaser shall, as its sole and exclusive remedy, waiving all other remedies, either: (i) terminate this Agreement by giving a termination notice to Seller, in which case the Escrow Agent shall immediately return the Earnest Money Deposit to Purchaser and the parties shall have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination); or (ii) waive the uncured objections by proceeding to Closing and be deemed to approve Sellers' title as shown in the Commitment and the Title Exception Documents. If Sellers do not timely receive notice of Purchaser's election to terminate under clause (i) above, Purchaser is deemed to waive the uncured objections and to approve title as shown in the Title Commitment and the Title Exception Documents. All exceptions appearing in the Title Commitment to which Purchaser does not object or which are deemed waived and accepted by Purchaser as set forth herein are herein referred to as the "Permitted Exceptions"; provided, however, that as to those exceptions to which Purchaser does object, if Sellers modify (or agrees to modify) any such exception to Purchaser's satisfaction, then such exception, as so modified and approved by Purchaser, shall be deemed included in the term "Permitted Exceptions". Notwithstanding anything to the contrary herein, Sellers shall cause all mortgages, deeds of trust and monetary liens (including liens for delinquent taxes, mechanics' liens and judgment liens) affecting the Property and all indebtedness secured thereby (the "Existing Liens") to be fully satisfied, released and discharged of record on or prior the Closing Date so that Purchaser shall take title to the Property free of the same. In no case shall any Existing Liens be a Permitted Exception. **The Virgin Islands Open Shoreline Act, Title 12, Section 401, et. seq. of the Virgin Islands Code and all governmental easements for utilities or otherwise, shall be considered and deemed a Permitted Exception.**

## **ARTICLE 7** **REPRESENTATIONS, WARRANTIES AND COVENANTS**

### 7.1 REPRESENTATIONS AND WARRANTIES OF CK.

7.1.1. Due Authority. CK has the full right and authority to enter into this Agreement and to transfer his interests in Parcel A to the Purchaser.

7.1.2. CK agrees that at closing any structures on the Property shall be broom clean and in essentially in the same condition as it is at present. Purchaser, or its designated agent, reserve the right to inspect the Property prior to Closing and all mechanical systems must be in proper working order.

7.1.2. CK shall bear all risk of loss prior to Closing, including but not limited to total or partial destruction of any of the buildings located on the Parcel due to casualty. CK's inability to deliver property as it

existed at the time of signing this Agreement shall give Purchaser the option to terminate this Agreement and immediately receive a full refund of the Earnest Money Deposit, and shall obligate CK to pay all costs set forth in \_\_\_\_\_. Purchaser shall have the option of reducing the purchase price by the amount of the loss and/or damage as determined by a licensed Virgin Islands appraiser mutually agreeable to both parties. However, if the parties are unable to reach an agreement within 30 days of receiving the appraisal from the agreed upon appraiser, then Purchaser shall have the right to terminate this Agreement and immediately receive a full refund of the Earnest Money Deposit.

## 7.2 REPRESENTATIONS AND WARRANTIES OF GSJP.

In order to induce Purchaser to purchase the Stock Interest, Sellers hereby represent and warrant the following:

7.2.1. Verification of Recitals. The recitals as mentioned above pertaining to the respective parties are true and correct. The recitals shall be construed to be part and parcel of this Agreement.

7.2.2. Due Authority. The Corporation is a U.S. Virgin Islands corporation duly organized, validly existing and in good standing under the laws of the U.S. Virgin Islands. The Corporation has the full right and authority to enter into this Agreement and to transfer the Stock Interest to be conveyed by the Corporation pursuant hereto and to consummate or cause to be consummated the transactions contemplated herein to be made by the Corporation. The persons signing this Agreement on behalf of Sellers are authorized to do so.

7.2.3. No Breach. The execution, delivery and performance of this Agreement by Sellers and the consummation of the transactions contemplated herein will not: (a) result in a breach or acceleration of or constitute a default or event of termination under the provisions of any agreement or instrument by which Seller or the Corporation is bound which would have a material adverse impact on the ownership and operation of the Corporation by Purchaser; or (b) constitute or result in the violation or breach by Sellers of any judgment, order, writ, injunction or decree issued against or imposed upon Sellers or result in the violation of any applicable law, rule or regulation of any governmental authority which, with respect to any of the foregoing, would have a material adverse impact on the ownership or operation of the Corporation by Purchaser.

7.2.4. Contracts. Neither CK nor the Corporation has entered into any written contracts, subcontracts, arrangements, licenses, concessions, easements or other agreements that will not be terminated as of the applicable Closing Date, either recorded or unrecorded, affecting all or any portion of the Property, or the use of it, or the Corporation, other than the Contracts, the CZM Permit or as may be reflected in the Title Policy;

7.2.5. No Lawsuits. There are no (a) existing, pending or, to Sellers' knowledge, threatened lawsuits, or appeals of prior lawsuits or proceedings before any judicial, administrative, bankruptcy, governmental, quasi-governmental or municipal tribunal, or appeals of prior lawsuits or proceedings affecting the Property or the Corporation; or (b) existing, pending or, to Sellers' knowledge, threatened condemnation proceedings affecting the Real Property;

7.2.6. No Other Party Rights. There are no agreements currently in effect which restrict the sale of the Property or the Stock Interests or grant any other party any rights to acquire any portion of the Property or the Stock Interests, including without limitation, any right of first offer, right of first refusal or purchase option;

7.2.7. Stock Interests. The Stock Interests represent all of the issued and outstanding securities of the Corporation. There are no outstanding securities that are convertible into, exchangeable for, or carrying the right to acquire, any equity securities or shares of the Corporation, or subscriptions, warrants, options, calls, puts, convertible securities, registration or other rights, arrangements or commitments obligating the Corporation to issue, sell, register, purchase or redeem any of its respective securities or any ownership interest or rights therein. There are no contracts, commitments, arrangements, understandings or restrictions to which Sellers, or any other person is bound relating in any way to any shares or other securities of the Corporation, including voting trusts or other similar agreements or

understandings with respect to the voting of the Corporation's securities. There are no stock appreciation rights, phantom stock rights, or similar rights or arrangements outstanding with respect to the Corporation. All securities issued by the Corporation have been issued in transactions exempt from registration under the Securities Act of 1933, as amended, and all applicable state securities or "blue sky" laws, and the Corporation has not violated the Securities Act of 1933, as amended, or any applicable state securities or "blue sky" laws in connection with the issuance of any such securities;

7.2.8. Good Title to Stock Interests. Sellers (a) are the lawful owner, of record, of the Stock Interests and (b) have good and marketable title to such Stock Interests, and (c) at Closing, will sell, transfer and convey same free and clear of any and all liens, encumbrances, restrictions and claims of every kind and with no restriction on the voting rights and other incidents of record and beneficial ownership pertaining thereto. Sellers are not the subject of any bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar proceeding affecting creditors' rights and remedies generally.

7.2.9. No Material Liabilities. Except for Permitted Exceptions, the Corporation has no material liabilities or obligations of any kind, whether accrued, absolute, contingent or otherwise, whether known or unknown, asserted or unasserted, accrued or unaccrued, or liquidated or unliquidated, and whether due or to become due, regardless of when asserted.

7.2.10. Business Operations. Neither Sellers nor the Corporation is subject to, or a party to, any charter, bylaw, mortgage, lien, lease, license, permit, agreement, contract, instrument, law, rule, ordinance, regulation, order, judgment or decree, or other restriction of any kind or character, that materially adversely affects the business practices, operations or condition of the Corporation or any of its assets or Property, or that would prevent consummation of the transactions contemplated by this Agreement, compliance by Sellers with the terms, conditions and provisions hereof or thereof or the continued operation of the Corporation's business after the date hereof on substantially the same basis as heretofore operated.

7.2.11. CZM Permit. To the Sellers' knowledge the CZM Permit is in full force and effect, as modified, and no suspension or cancellation, nor any proposed adverse modification of any of them is pending or, to the knowledge of Sellers, threatened. No consent of the governmental body issuing the CZM Permit is necessary for the consummation of the transactions contemplated by this Agreement.

7.2.12. Taxes of Corporation. The Corporation (i) has duly and timely filed with the appropriate governmental authorities all tax returns and reports required to be filed and (ii) has duly paid all taxes, interest, penalties, assessments and deficiencies and other governmental charges upon it and its properties, assets, income, franchises, business, sales and payrolls, including all amounts assessed as additional taxes, penalties and interest, except for taxes that have not yet been assessed against the Property, and other taxes that may be outstanding against the Property, which taxes will be paid prior to Closing.

7.2.13. No Liens. The Property is free and clear of all liens, charges, mortgages, easements, rights-of-way, covenants, conditions, restrictions, security interests, rights of first refusal and other encumbrances of any nature whatsoever except Permitted Exceptions.

7.2.14. Good Title to Property. The Corporation (a) is the lawful owner of record of the Property, (b) has good and marketable title to such Property and (c) is not the subject of any bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar proceeding affecting creditor's rights and remedies generally.

7.2.15. The Corporation has not established or maintained any unrecorded fund or asset for any purpose, or made any false entries on any books or records for any purposes whatsoever.

7.2.16. Sellers have received no notice of any violation of any law, order, rule, regulation, writ, injunctions or decree of any governmental authority or court, domestic or foreign and to the best of the Sellers' knowledge, there are no such violations.

7.2.17. Sellers are not in violation of any applicable federal, state or territorial law or regulation relating to environmental or occupational health and safety matters. No expenditures are required in order to comply with any such statute, law or regulation relating to Sellers' business or ownership of the Property.

7.2.18. The representations and warranties of Sellers set forth in this Section 7 of this Agreement, as updated by the certificate of Sellers to be delivered to Purchaser at Closing, shall survive Closing for a period of two (2) years.

At all times during the term of this Agreement and as of the Closing Date, all of Sellers' representations, warranties and covenants in this Agreement shall be true, complete and correct in all material respects. For purposes of this Agreement, "to Sellers' knowledge" shall mean the actual knowledge of Christian Kjaer, the owner of record of Parcel A and the sole shareholder of the Corporation, who is the most knowledgeable person with regard to the Corporation and the Property.

### 7.3 REPRESENTATIONS AND WARRANTIES OF PURCHASER.

7.3.1. Due Authority. Purchaser has been duly organized and is validly existing and in good standing under the laws of the U.S. Virgin Islands. Purchaser has the full right, power and authority to purchase the Parcel A and the Stock Interests as provided in this Agreement and to carry out Purchaser's obligations hereunder, and all requisite action necessary to authorize Purchaser to enter into this Agreement and to carry out its obligations hereunder have been, or by the Closing will have been, taken. The person signing this Agreement on behalf of Purchaser is authorized to do so, and this Agreement is enforceable against Purchaser in accordance with its terms, subject to bankruptcy, insolvency and similar laws.

7.4 Sellers' Covenants. Sellers covenant and agree with Purchaser with respect to the Property that, from and after the Effective Date through the Closing, unless Purchaser's prior written consent (not to be unreasonably withheld or delayed) to any unpermitted action hereunder is first obtained, Sellers will (except as specifically provided to the contrary herein):

7.4.1 Not transfer to any third party any part of the Property or create on the Property any easements or mortgages which will survive the Closing or permit any changes to the zoning classification of the Property;

7.4.2 Not permit the Corporation to agree to modify or amend any existing contract or enter into any new lease, contract or other agreement affecting all or any portion of the Property that is not terminable without liability by the Corporation prior to Closing (each, a "New Agreement", and collectively, "New Agreements") without the prior written consent of Purchaser, which shall not be unreasonably delayed, conditioned or withheld. Sellers shall provide to Purchaser each proposed New Agreement, and Purchaser shall have three (3) business days from the delivery thereof in which to withhold its consent to the terms thereof in writing, if it so chooses, or else the same shall be deemed consented to by Purchaser. If Purchaser timely and reasonably withholds its consent, Sellers shall not, and shall not permit the Corporation to, agree to enter into such New Agreement.

7.4.3 Continue to insure and maintain the Property in a manner consistent with its practices prior to the date of this Agreement; and

7.4.4 Continue to comply with all material terms of the CZM Permit.

**ARTICLE 8**  
**TAXES & EXPENSES**

8.1 The parties acknowledge that the real property taxes are in arrears and that the real estate taxes for 2016 have not yet been billed. Purchaser shall receive credit at Closing (on the Closing statement) for real property taxes through calendar year 2015. The 2016 bill shall be credited based on the purchase price times the applicable millage rate. All tax credits at Closing shall be accepted by both parties as final. After receiving these credits at Closing, Purchaser shall be responsible for paying real estate taxes for 2016 when billed.

**ARTICLE 9**  
**CLOSING**

9.1 Closing. The closing of the transaction contemplated hereby (herein called the "Closing") shall take place through escrow at the office of April Newland Real Estate, on the 4th day of January, 2016 (the "Closing Date"). At the Closing, Sellers shall deliver to Purchaser the following:

- i. An executed warranty deed for Parcel A;
- ii. An effectively executed resolution by the Officers and Directors, and Shareholders of the Corporation providing the appropriate authority for the sale of the stock and assets of the Corporation;
- iii. A certificate of incumbency of the Corporation listing all the directors, officers and shareholders of the Corporation;
- iv. Stock certificates representing Sellers' full ownership of stock in the Corporation duly endorsed in blank for transfer;
- v. Unconditional resignations of all current officers and directors in appropriate form;
- vi. A current and complete set of corporate books and records for the Corporation including copies of all tax returns of the Corporation filed for the period 2004 to present;
- vii. A recent tax clearance letter for the Corporation from the Virgin Islands Bureau of Internal Revenue;
- viii. Any and all lease agreements of the Corporation together with all modifications, extensions, amendments and assignments thereof, including consents of transfer from any and all Landlords, as necessary or appropriate;
- ix. A duly executed release agreement in favor of the Corporation from Sellers' releasing the Corporation of all claims and dated as of the Closing Date;
- x. A current Certificate of Good standing;
- xi. A certificate as to the warranties set forth in Section 7; and
- xii. Any other documents necessary and reasonably requested by Purchaser to consummate the transaction contemplated herein.

At the Closing, Purchaser, shall, deliver the balance of the Purchase Price to Sellers by wire or certified funds.

9.2 Delivery of Documents, Possession, and Other Items. At the Closing, Sellers shall deliver possession of the Property to Purchaser.

9.3 Closing Costs. Purchaser shall pay the cost of any survey, and the Owner's Policy of Title Insurance.

**ARTICLE 10**  
**INDEMNITIES**

10.1 Indemnity. Sellers shall, jointly and severally, defend, indemnify and hold harmless Purchaser from and against any and all liabilities, accounts payable, claims, damages, injuries, lawsuits, liens, tax obligations, or any other obligations, including without limitation, reasonable accountants' fees, attorneys' fees, professional fees, court costs, amounts paid

in settlement and costs and expenses of investigation, that arise from claims asserted by or obligations owed to any and all third parties arising out of, resulting from, or in any way related to:

- (a) Any act or omission of Sellers arising out of its ownership of the Property, the Share Interests or any asset of Corporation prior to the date of closing;
- (b) Any and all taxes, excise taxes, assessments, charges, penalties, and interest of whatsoever kind and character related to its ownership of the Property, the Share Interests or any asset of Corporation incurred prior to the date of closing; and/or
- (c) Any and all claims, actions, suits, proceedings, demands, assessments, liabilities, fines, penalties, judgments, costs and expenses incident to any of the foregoing.

## 10.2 Environmental Indemnity

10.2.1. Defined Terms. Unless the context otherwise requires, capitalized terms used but not otherwise defined herein shall have the meanings provided therefor in this Agreement, and the following terms shall have the following meanings:

(a) "Environmental Claim" means any lien or other encumbrance, or any notice, notification, request for information, claim, administrative, regulatory or judicial action, suit, judgment, demand or other communication (whether written or oral) by any Person or governmental authority alleging or asserting liability with respect to Indemnitor or the Property, whether for damages, contribution, indemnification, cost recovery, compensation, injunctive relief, investigatory, response, remedial or cleanup costs, damages to natural resources, personal injuries, fines or penalties arising out of, based on or resulting from: (i) the presence, Use or Release into the environment of any Hazardous Materials at any location, whether or not owned, leased or operated by Indemnitor; (ii) any fact, circumstance, condition or occurrence forming the basis of any violation, or alleged violation, of any Environmental Law; or (iii) any alleged injury or threat of injury to health, safety or the environment.

(b) "Environmental Laws" means any local, state, territorial, federal or other governmental authority, statute, ordinance, code, order, decree, law, rule or regulation and common law pertaining to or imposing liability or standards of conduct concerning the protection of human health, environmental regulation, contamination or clean-up including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Resource Conservation and Recovery Act, as amended, and any state super-lien and environmental clean-up statutes.

(c) "Environmental Report" means the environmental audit report with respect to the Property previously delivered to Purchaser, if required under this Agreement, and any amendments or supplements thereto delivered to Purchaser.

(d) "Hazardous Materials" means hazardous and/or toxic, dangerous and/or regulated, substances, solvents, wastes, materials, pollutants or contaminants, petroleum, tremolite, anthlophylic or actinolite or polychlorinated biphenyls (including, without limitation, any raw materials which include hazardous constituents) and any other substances, materials or solvents which are included under or regulated by Environmental Laws.

(e) "Indemnitor" shall mean Christian Kjaer and GSJ Properties, Corp., jointly and severally.

(f) "Property" has the meaning provided in the Recitals to this Agreement.

(g) "Person" means any individual, limited liability company, corporation, partnership, joint venture, estate, trust, unincorporated association, any federal, state, territorial, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

(h) "Purchaser" means Purchaser and its, partners, agents, employees, affiliates, participants and other investors, successors and assigns and the respective directors, officers, shareholders, partners, agents, employees, affiliates, subsidiaries, participants and other investors, successors and assigns, heirs, and legal representatives of each and all of the foregoing.

(i) "Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including, without limitation, the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land, submerged land or subsurface strata.

(j) "Remedial Work" means any inspection, assessment, investigation, site monitoring, containment, cleanup, removal, restoration, corrective action or other work of any kind to prevent, cure or mitigate a Release or which is reasonably necessary or desirable under an applicable Environmental Law.

(k) "Use" means, with respect to any Hazardous Materials, the generation, manufacture, processing, distribution, handling, use, treatment, recycling or storage of such Hazardous Materials, or transportation to or from the Property of such Hazardous Materials.

#### 10.2.2. Indemnification.

(a) Indemnitor hereby indemnifies and agrees to reimburse, defend and hold harmless Purchaser for, from and against all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs and expenses including, without limitation, interest, penalties, punitive and consequential damages, reasonable attorneys' fees, disbursements and expenses, and reasonable consultants' fees, disbursements and expenses asserted against, resulting to, imposed on, or incurred by Purchaser, directly or indirectly, in connection with any of the following:

(i) events, circumstances, or conditions which are alleged to, or do, form the basis for an Environmental Claim;

(ii) any pollution or threat to human health or the environment that is related in any way to Indemnitor's or any previous owner's or operator's management, use, control, ownership or operation of the Property, including, without limitation, all on-site and off-site activities involving Hazardous Materials, and whether occurring, existing or arising prior to or from and after the date hereof, and whether or not the pollution or threat to human health or the environment is described in the Environmental Report;

(iii) any Environmental Claim against any Person whose liability for such Environmental Claim Indemnitor has or may have assumed or retained either contractually or by operation of law;

(iv) the nonperformance or delayed performance and completion of any Remedial Work;

(v) the breach of any environmental representation, warranty or covenant set forth in this Agreement; or

(vi) any Remedial Work.

(b) The indemnity provided in this Agreement governs Indemnitor's liability for all matters covered hereby and shall be exclusive of any exculpation of Indemnitor from personal liability provided in this Agreement. Nothing in this Agreement shall be deemed to deprive Purchaser of any rights or remedies provided to it elsewhere in this Agreement or otherwise available to it under law.

(c) This indemnity provision shall survive the Closing and continue in perpetuity.

**ARTICLE 11**  
**TERMINATION & REMEDIES**

11.1 Sellers' Closing Default. If Sellers have not terminated this Agreement pursuant to any of the provisions authorizing such termination, and Sellers fail to perform any of the agreements contained herein which are to be performed by Sellers at or before Closing, Purchaser as its sole and exclusive remedy, waiving all other remedies, either (i) enforce specific performance of Sellers' obligation to convey the Property to Purchaser in accordance with this Agreement; or (ii) terminate this Agreement by giving notice to Sellers within five (5) business days thereafter, in which event the Escrow Agent, shall return the Earnest Money Deposit to Purchaser and the parties have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination).

11.2 Purchaser's Default. If Purchaser has not terminated this Agreement pursuant to any of the provisions authorizing such termination, and Purchaser fails to perform any of the agreements contained herein which are to be performed by Purchaser at or before Closing, Sellers shall be entitled to terminate this Agreement and receive the Earnest Money Deposit as Sellers' sole and exclusive remedy; provided, however that this provision will not limit Sellers' right to receive reimbursement for attorneys' fees pursuant to any express provision of this Agreement, nor waive or affect Purchaser's indemnity obligations and Sellers' rights to those indemnity obligations under this Agreement.

**ARTICLE 12**  
**NOTICES**

12.1 Any notice, request, demand, instruction or other communication to be given to either party hereunder, except those required to be delivered at the Closing, shall be in writing, and shall be deemed to be delivered (a) upon receipt, if delivered by email (provided, however, if any notice is sent by email it shall also be followed by another herein approved method of delivery), (b) on the first business day after having been delivered to a national overnight air courier service, (c) upon receipt, if hand delivered, or (d) three business days after deposit in registered or certified mail, return receipt requested, addressed as follows:

To Sellers:

c/o Kevin F. D'Amour, P.C.  
5143 Palm Passage  
Suites 18B and 19B  
St. Thomas, USVI 00802



To Purchaser:

c/o Kellerhals Ferguson Kroblin PLLC  
9100 Havensight Port of Sale  
Suite 15-16  
St. Thomas, VI 00802



or to such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable party sent in accordance herewith.

**ARTICLE 13**  
**MISCELLANEOUS**

13.1 Commissions. April Newland Real Estate, Erika Kellerhals and Kevin F. D'Amour have acted as brokers in this transaction. Each has agreed to accept a commission of two percent (2%) each of the Purchase Price (the "Commissions"). Sellers shall pay the Commissions in full at Closing.

13.2 Further Instruments. Sellers will, whenever reasonably requested by Purchaser; and Purchaser will, whenever reasonably requested by Sellers; execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, and all conveyances, assignments and all other instruments and documents as may be reasonably necessary in order to complete the transaction herein provided and to carry out the terms and provisions of this Agreement.

13.3 Entire Agreement. This Agreement and the exhibits attached hereto contain the entire agreement between the parties. No modification or amendment of this Agreement shall be of any force or effect unless made in writing and executed by Purchaser and Sellers.

13.4 No Third Party Beneficiaries. Notwithstanding anything to the contrary contained herein or in any agreement or other document delivered at Closing, no third parties shall be third party beneficiaries of this Agreement or of any documents delivered at Closing, and no third parties shall have any right to enforce this Agreement or any document delivered at Closing against Purchaser.

13.5 No Partnership or Joint Venture. Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of (i) principal and agent, (ii) a partnership, or (iii) a joint venture between the parties hereto; it being understood and agreed that neither any provisions contained herein nor any acts of the parties hereto shall be deemed to create any relationship between the parties hereto other than the relationship of seller and purchaser.

13.6 Counterparts. This Agreement may be executed in any number of counterparts and may be delivered by facsimile transmission or other electronic means, including portable document format (.pdf), and each executed counterpart shall have the same force and effect as an original instrument. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart. Any signature page to any counterpart may be detached from such counterpart without impairing the legal

effect of the signature thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

13.7 Time of the Essence. Time is of the essence with respect to the performance of all obligations provided herein and the consummation of all transactions contemplated hereby.

13.8 Assignment. This Agreement, and the rights and obligations hereunder, may not be assigned by Purchaser.

13.9 Dates. Whenever any determination is to be made or action is to be taken on a date specified in this Agreement, if such date shall fall on Saturday, Sunday or legal holiday under the laws of the United States Virgin Islands, then in such event said date shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

13.10 Binding on Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representative, successors and assigns whenever the context so requires or admits.

13.11 Dispute Resolution, Governing Law, Jurisdiction and Venue.

(a) Any dispute, controversy or claim arising out of or relating in any way to the agreement including without limitation any dispute concerning the construction, validity, interpretation, enforceability or breach of the agreement, shall be exclusively resolved by binding arbitration upon a Party's submission of the dispute to arbitration. In the event of a dispute, controversy or claim arising out of or relating in any way to the agreement, the complaining Party shall notify the other Party in writing thereof. Within thirty (30) days of such notice, management level representatives of both Parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within ten (10) days after such notice, the complaining Party shall seek remedies exclusively through arbitration.

(b) This agreement to arbitrate shall be specifically enforceable. A Party may apply to any court with jurisdiction for interim or conservatory relief, including without limitation a proceeding to compel arbitration.

(c) The arbitration shall be conducted by three arbitrators. The chairman of the Arbitration panel shall be James T. Giles, former Chief Judge, U.S. District Court for the Eastern District of Pennsylvania, and presently is of counsel with Pepper Hamilton LLP, resident in the Philadelphia office. Each party shall name their own Arbitrator within five days of a party's filing of a notice of arbitration. If a Parties fails to time name its arbitrator then the Arbitrator shall be immediately selected by the American Arbitration Association.

(d) The arbitration shall be conducted under the International Centre for Dispute Resolution in accordance with its International Arbitration Rules.

(e) The arbitration shall be conducted in Lausanne, Switzerland.

(g) The laws of the Territory of the U.S. Virgin Islands shall be applied in any arbitration proceedings, without regard to principles of conflict of laws.

(h) Notwithstanding the agreed to venue and choice of law agreed to by the parties, the parties may utilize counsel from any jurisdiction of their choosing to advocate on its behalf.

(i) It is the intent of the parties that, barring extraordinary circumstances, arbitration proceedings will be concluded within ninety (90) days from the notice of arbitration. Failure to adhere to this time limit shall not constitute a basis for challenging the award.

(j) Except as may be required by law, neither a party nor its representatives may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

(k) The Parties shall not be entitled to discovery in the arbitration, except that any Party shall be entitled to request no more than 100 pages of documents and to take three depositions not to exceed eight hours for each such deposition. Any Party shall be entitled to depose any expert who will testify in the arbitration proceeding but shall pay the regular hourly rate of such expert during such deposition. In addition to the foregoing, any Party shall be entitled to take the deposition of a witness who will testify at the arbitration but who is unavailable to testify at the hearing to preserve such witness' testimony for the arbitration hearing.

(l) The Parties shall exchange a copy of all exhibits for the arbitration hearing and shall identify each witness who will testify at the arbitration, with a summary of the anticipated testimony of such witness ten days before the arbitration hearing.

(m) The arbitration panel shall be entitled to issue injunctive and other equitable relief. The arbitration panel shall award interest from the time of the breach to the time of award at the rate of 2.5% prejudgment.

(n) The cost of the arbitration proceeding and any proceeding in court to confirm or to vacate any arbitration award, as applicable (including, without limitation, reasonable attorneys' fees and costs), shall be borne by the unsuccessful party, as determined by the arbitration panel, and shall be awarded as part of the arbitrator's award. It is specifically understood and agreed that any party may enforce any award rendered pursuant to the arbitration provisions of this Section by bringing suit in any court of competent jurisdiction. The parties agree that the arbitrator shall have authority to grant injunctive or other forms of equitable relief to any party. This Section shall survive the termination or cancellation of this Agreement.

(o) Each party shall pay its own arbitrator's fees and expenses and half of the fees and expenses of the panel Chairman and the arbitration fees and expenses of the American Arbitration Association. The arbitration panel shall be entitled to award the foregoing arbitration and administrative fees and expenses as damages in its discretion.

13.12 Attorneys' Fees. Should either party hereto institute arbitration to enforce this Agreement including for damages by reason of any alleged breach of any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party all reasonable attorneys' fees and all arbitration costs in connection with said proceeding, as determined by the Arbitration Panel, not to exceed \$20,000.00.

13.13 Risk of Loss. Except as otherwise provided herein, Sellers shall bear the risk of loss with respect to the Property until the Closing.

13.14 Reporting Person. The Escrow Agent is hereby designated as the "Reporting Person" pursuant to Section 6045 of the Code and the regulations promulgated thereunder.

13.15 Bulk Sales Act. Purchaser and Sellers hereby jointly waive any and all provisions of the any bulk sales act, statute or regulation that may be applicable to the sale and purchase herein contemplated.

13.16 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof

13.17 Confidentiality. The parties shall keep this transaction and any documents received from each other confidential, except to the extent necessary to (a) comply with applicable law and regulations or (b) carry out the obligations set forth in this Agreement. Any such disclosure to third parties must indicate that the information is confidential and should be so treated by the third party.

13.18 Casualty. If prior to the Closing, the Property, or any part thereof, is materially damaged, Purchaser shall have the right, exercisable by giving written notice to Sellers within five (5) Business Days after receiving written notice of such damage or destruction (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as may be expressly provided to the contrary elsewhere in this Agreement), and any money (including the Earnest Money Deposit) or documents in escrow shall be immediately returned to the party depositing the same, or (ii) to accept the Property in its then condition and to proceed with the Closing without any abatement or reduction in the Purchase Price and receive an assignment of all of Sellers' right to any insurance proceeds for repairs, if any, payable by reason of such damage or destruction plus receive a credit against the Purchase Price equal to Sellers' applicable insurance deductible with respect to such casualty. If Purchaser elects to proceed under clause (ii) Sellers shall not compromise, settle or adjust any claims to such proceeds without Purchaser's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. If prior to the Closing, any non-material portion of the Property is damaged, Purchaser shall accept the Property in its then condition (without any abatement or reduction in the Purchase Price) and proceed with the Closing, in which case Purchaser shall be entitled to an assignment of all of Sellers' rights to any insurance proceeds for repairs, plus receive a credit against the Purchase Price equal to Sellers' applicable insurance deductible with respect to such casualty (or the entire cost of restoration in the case of a casualty that for any reason is not an insured event; provided, however, that Sellers shall not be obligated to credit Purchaser for more than \$100,000 in the case of an uninsured event, but if Sellers does not elect to credit to Purchaser the entire cost of restoration, Purchaser shall have the same rights it has with respect to a material damage). If any such non-material damage occurs, Sellers shall not compromise, settle or adjust any claims to such insurance proceeds or such award, if any, as the case may be, without Purchaser's prior written consent, which shall not be unreasonably withheld or delayed.

*[Signature pages follow]*