

BOARD OF DIRECTORS

Daniel J. Tydingco, Chairman
Christine Won Pat Baleto, Vice Chairperson
Mary Michelle Gibson, Secretary
Michael T. Benito, Member
Eduardo R. Ilao, Member



Resolution No. 2013-04

RELATIVE TO THE JOSE D. LEON GUERRERO COMMERCIAL PORT'S BOARD OF DIRECTORS ENDORSING THE MOBIL-CEMENTON-PAG AGREEMENTS AND ALLOWING CEMENTON TO COMPLETE CONSTRUCTION AND COMMENCE OPERATIONS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, on November 21, 2008, the Port Authority of Guam ("PAG") and Cementon Micronesia, LLC ("Cementon") entered into a Lease Agreement for the construction and operation of a cement terminal facility ("Lease"); and

WHEREAS, Mobil Oil Guam Incorporated ("MOGI") required, as a condition to entering into any of the agreements referenced below, that PAG design, construct and install a motor operated valve ("MOV"); and

WHEREAS, PAG agreed to bear the cost for the design, construction and installation of the MOGI-requested MOV at the Golf Pier Fuel Pipeline; and

WHEREAS, the MOV Contractor continues to construct and install the MOV, and, PAG and the MOV Contractor expect the MOV to be operational by the contractual completion date of July 2013; and

WHEREAS, MOGI and Cementon reached agreement on all material terms involving both the construction and installation of the cement transfer pipeline and Cementon's necessary access to and use of Golf Pier; and

WHEREAS, Cementon has satisfied PAG of its willingness and intent to maintain insurance sufficient to cover Cementon's liability under the Third Amendment to Management Agreement, Agreement regarding Construction of Improvement at Golf Pier and User Access Agreement; and

WHEREAS, Cementon has satisfied PAG that the United States Coast Guard ("USCG") remains aware of both Cementon's plans for construction and limited use of Golf Pier for the operation of Cementon's business; and

WHEREAS, it appears clear to PAG the USCG does not object to Cementon's proposals and appears to approve of all information and plans Cementon shared with the USCG; and

WHEREAS, PAG recognizes that during the construction period of the cement transfer pipeline, Cementon will assume all duties and obligations of the Manager under the Management Agreement relating to Golf Pier and Cementon will be solely responsible for the compliance with all federal and local laws, rules and regulations applicable to any and all activities conducted at Golf Pier; and

WHEREAS, MOGI and Cementon remained open, transparent and cooperative with PAG throughout this entire process; and

WHEREAS, PAG is the main lifeline of consumer goods into the Island of Guam and as such is responsible to deliver these goods in a timely and efficient manner;

now therefore be it

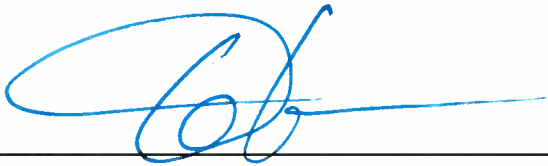
RESOLVED, PAG's Board of Directors confirm its desire and willingness to enter into and execute the Agreements as currently proposed, namely, the Third Amendment to Management Agreement, Agreement regarding Construction of Improvement at Golf Pier and User Access Agreement; and be it further

RESOLVED, PAG requests MOGI allow Cementon to immediately begin construction after Cementon executes the Agreement regarding Construction of Improvement at Golf Pier and User Access Agreement and that MOGI allow Cementon to begin operation of Cementon's intended business on its leased Port premises and controlled use of Golf Pier during the construction of the MOV; and be it further

RESOLVED, should either MOGI or Cementon fail to enter into the Agreement(s) as proposed, that the party unwilling to execute the Agreement(s) immediately inform PAG of its objection(s) and reason(s) for its unwillingness to execute the document(s) which appear to reflect agreements reached by PAG, MOGI and Cementon; and be it further

RESOLVED, the Chairman certify to and the Secretary attest the adoption hereof and that a copy of this resolution be transmitted to the Honorable Edward B. Calvo, Governor of Guam, Jaime Andres Ortega I., President, Mobil Oil Guam Incorporated, John D. Perez, Chief Executive Officer, Cementon, and Senator Thomas C. Ada, Chairman of the Committee on Public Safety, Infrastructure & Maritime Transportation.

**PASSED AND ADOPTED BY A MAJORITY VOTE BY THE BOARD OF
DIRECTORS THIS 30th DAY OF APRIL, 2013.**



**DANIEL J. TYDINGCO
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**



**MARY MICHELLE GIBSON
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

