

CASINO LICENSE AGREEMENT AMENDMENT No. 5

This CASINO LICENSE AGREEMENT AMENDMENT No. 5 is entered into between IMPERIAL PACIFIC INTERNATIONAL (CNMI), LLC (“Imperial Pacific”), a Commonwealth of the Northern Mariana Islands (“CNMI”) limited liability company, the HONORABLE RALPH DLG. TORRES, Governor of the CNMI and the CNMI LOTTERY COMMISSION (“Lottery Commission”) (collectively “Parties”).

WHEREAS, Imperial Pacific has requested amendments to the Casino License Agreement (“License Agreement” or “CLA”) between the Commonwealth of the Northern Mariana Islands Lottery Commission and Imperial Pacific executed on 12 August 2014 (as amended); and

WHEREAS, the purpose of the requested amendment is to extend the time period required by the CLA to complete construction and begin operations of Phase One and Phase Two of the Integrated Resort and address concerns raised by the community and government regulatory agencies concerning the large scale development required in Phase One and Phase Two of the Integrated Resort; and

WHEREAS, to address these concerns and to support and promote the public requests for sustainable growth and further to ensure the Licensee complies with its statutory and contractual obligations to provide immediate economic stimulus and long-term benefits to the community, the Lottery Commission will include and add the elements and associated components of the Initial Gaming Facility structure and facilities towards Licensee’s obligations set out in the Development Proposal Requirements; and

WHEREAS, granting the extension of the time required by the CLA to complete construction and begin operations of Phase One and Phase Two -- and including the Initial Gaming Facility structure and facilities towards the Licensee’s total compliance obligations will result in advantages to both the CNMI and Licensee; and

WHEREAS, on the 31st day of July, 2017, the CNMI Lottery Commission held a properly noticed public meeting to discuss the details of the proposed amendments; and

WHEREAS, the public comments taken at the meeting reflected the community's understanding and support for Imperial Pacific’s justification to amend the Phase One and Phase Two Implementation Schedules and also to adjust the Licensee Development Proposal Requirements; and

WHEREAS, the CNMI Lottery Commission concluded that it is in the best interest of the Commonwealth to amend the CLA to (i) extend the CLA’s Phase One Implementation Schedule to five (5) years; and (ii) to extend the CLA’s Phase Two Implementation Schedule for an additional five (5) years; and (iii) to include elements and associated components of the Initial Gaming Facility as part of the Licensee Development Proposal Requirements; and

WHEREAS, the Lottery Commission, acting through the Chairman, negotiated the terms of this Amendment with the Licensee to amend the Implementation Schedules for the benefit of the CNMI; and

NOW, THEREFORE BE IT RESOLVED, based on the authority of the Lottery Commission to amend the CLA, and in the light of the foregoing recitals, the Parties agree to amend the License Agreement as follows:

1. Section 10, entitled Initial Gaming Facility, of the License Agreement (as amended by the Casino License Agreement Amendment No. 2, 3 and 4) shall now read as follows, with the underlined and struck-through language indicating the only changes to this Section:

“The initial gaming facility shall be a newly constructed or refurbished structure with guest rooms and services of similar quality as those identified for five star developments identified in Attachment B and Attachment C. (“Initial Gaming Facility”).

The Initial Gaming Facility shall have a minimum of two hundred and fifty (250) rooms, ~~and shall be submitted to the Development Plan Review Advisory Committee, as provided for in section 13 below, to assure compliance with this License Agreement.~~ The structures associated with the Initial Gaming Facility shall not be considered in evaluating Licensee efforts towards meeting the Licensee Development Proposal Requirements but and shall be considered as one of the allowed Development Sites as identified in section 8.

Subject to issuance of CNMI Government permits and consent of the Casino Commission, the Initial Gaming Facility may be completed in phases and operations of casino and other facilities may commence in phases provided that the Completion (as defined below) of the Initial Gaming Facility is completed within the schedule provided in this Agreement.

Prior to the full opening of the Initial Gaming Facility with casino and hotel operations, the Licensee may establish and operate a Temporary Live Training Facility on the first floor of the T Galleria, Garapan, as depicted in Exhibit A of this Amendment No. 2, or at the casino portion of the Initial Gaming Facility. The operation of the Temporary Live Training Facility shall be subject to regulation by the Casino Commission pursuant to Public Law No. 18-56, and the Licensee may not begin operation until the Casino Commission has promulgated regulations necessary for the proper regulation of the Temporary Live Training Facility.

The Licensee shall cease operations at the Temporary Live Training Facility prior to the opening of the Initial Gaming Facility. However, upon issuance of all required CNMI Government permits and consent from the Casino Commission, the Licensee may transfer the operations of the Temporary Live Training Facility to the casino portion of the Initial Gaming Facility at any time prior to completion of the 250 rooms of the hotel portion of the Initial Gaming Facility. In no event may the Licensee

operate the Temporary Live Training Facility beyond August 31, 2018, or unless otherwise approved by the Casino Commission.

The Temporary Live Training Facility shall not be considered in evaluating the Licensee's efforts towards meeting the Licensee Development Proposal Requirements or as one of the allowed Development Sites as identified in section 8. The Licensee is not required to submit the plan for the Temporary Live Training Facility to the Development Plan Advisory Committee. However, the Licensee must submit a final plan for the Temporary Live Training Facility to the Casino Commission at least thirty (30) days before commencing operations at the Temporary Live Training Facility for a determination as to whether the plan is consistent with the applicable regulations.”

2. Section 11, entitled Implementation Schedules, of the License Agreement (as amended by the Casino License Agreement Amendment No.3) shall now read as follows, with the underlined and struck-through language indicating the only changes to this Section:

“The Licensee shall provide to the Development Plan Advisory Committee, as provided for in section 13 below, proposed implementation schedules for the completion of all elements of the Licensee Development Proposal Requirements ~~and the Initial Gaming Facility~~ (“Implementation Schedules”). Subject always to mutual agreement to the terms of the Casino License Agreement from time to time which may change aspects of the Implementation Schedule, the Implementation Schedule must follow the standard of detail provided in the suggested implementation schedule template exhibited as Attachment G. This Implementation Schedule shall divide the implementation of the Licensee Development Proposal Requirements into ~~three~~ two independent implementation schedules for: (1) ~~the Initial Gaming Facility (“Initial Gaming Facility Implementation Schedule”);~~ ~~(2)~~ phase one development of the Licensee Development Proposal Requirements (“Licensee Development Proposal Requirements – Phase One”); and ~~(3)~~ (2) phase two development of the Licensee Development Proposal Requirements (“Licensee Development Proposal Requirements – Phase Two”).

a. Initial Gaming Facility Implementation Schedule

The Initial Gaming Facility Implementation Schedule shall require completion and initiation of operations (collectively, “Completion” or “Completed”) by no later than August 31, 2018.

The Initial Gaming Facility shall include, at a minimum, the following elements and associated support components:

- (1) A 329 room four or five star luxury hotel;**
- (2) 14,140 square meters of gaming area;**
- (3) 3,870 square meters of food and beverage outlets;**
- (4) 186 square meters of retail space;**
- (5) 930 square meters of meeting space;**
- (6) 15 villas;**

- (7) 1,500 square meters of spa/fitness area; and**
- (8) Associated parking, site improvements, landscaping, furnishings, fixtures, utilities and infrastructure.**

b. Licensee Development Proposal Requirements - Phase One

The Licensee Development Proposal Requirements - Phase One shall be ~~structured to completed the basic structure of an Integrated Resort within thirty six (36) months of Land Acquisition, but no later than forty two (42) months from License Issuance Date~~ **by no later than August 13, 2023** - ("Phase One Implementation Schedule" or "Phase One"). Phase One shall result in the establishment of a fully functional Integrated Resort and include at a minimum the following elements and associated support components at a single Development Site:

- (1) An 800 room four or five star luxury hotel;
- (2) A \$100,000,000 themed entertainment facility with amphitheater;
- (3) 5,372 square meters of food and beverage outlets;
- (4) 2,500 square meters of meeting space (including indoor seating space for 600 persons);
- (5) 5,000 square meters of retail shops;
- (6) Wedding chapel;
- (7) 500 square meter spa/fitness area;
- (8) 10,000 square meters of gaming area (which includes back-of-house areas); and
- (9) Associated parking, site improvements, landscaping, furnishings, fixtures, utilities and infrastructure.

The Licensee is required to ~~couple the Licensee Development Proposal Requirements - Phase One with~~ **submit all other necessary components and permit applications and requirements documents to the permitting agencies in order** to establish a fully functional Integrated Resort ~~during not to exceed the period of Phase One Implementation Schedule~~ **timeline**.

c. Licensee Development Proposal Requirements - Phase Two

~~All the components of the Licensee Development Proposal Requirements that were not completed in Phase One shall be incorporated into the~~ Licensee Development Proposal Requirements - Phase Two ~~which~~ shall be completed by no later than **August 13, 2028**. ("Phase Two Implementation Schedule"). **Phase Two shall result in the establishment of a fully functional Integrated Resort and include at a minimum the following elements and associated support components at a single Development Site:**

- (1) A 875 room four or five star luxury hotel;**
- (2) 7,000 square meters of total gaming floor area**

- (3) 4,290 square meters of food and beverage outlets (at least 23 outlets)
- (4) 9,814 square meters of retail space
- (5) 600 seat theater
- (6) 5,664 square meters of meeting space including ballroom
- (7) 185 villas
- (8) 800 square meters of fitness area
- (9) 900 square meters of spa facility

”
—

~~d. Temporary Suspension of License Development Proposal Requirements—Phase One and Phase Two~~

~~The License Development Proposal Requirements for Phase One and Phase Two as set out in paragraphs 11 b and 11 c are hereby temporarily suspended until the extensions contemplated herein are concluded on or before August 1, 2017.~~

3. Section 16, entitled Community Benefit Fund, of the License Agreement (as amended by the Casino License Agreement Amendment No. 4) shall now read as follows, with the underlined and struck-through language indicating the only changes to this Section:

An important element of the Licensee Development Proposal Requirements are contributions which are to be used to benefit the community ("Community Benefit Contribution"). The timing, amount, and use of the Community Benefit Contribution shall be as follows:

- a. Within sixty days of the Date of License Issuance, Licensee shall provide ten million dollars (\$10,000,000) in the form of Commonwealth Utility Company vouchers which shall be distributed in consultation with the Governor.
- b. Upon the execution of an amendment to the License Agreement, on or before August 1, 2017 to extend the dates for the completed construction and beginning of operations of Phase One and Phase Two of the Integrated Resort, the Licensee shall by no later than January 1, 2018 contribute ten million dollars (\$10,000,000); and by no later than June 1, 2018 Licensee shall contribute an additional ten million dollars (\$10,000,000), for a total of (\$20,000,000) towards its community benefits programs and towards, amongst others: education, scholarships, infrastructure, health care, employee retirement benefits, as may be determined in consultation with the Governor.

~~Thereafter, upon the first full year of operation of the Licensee's first hotel in the Integrated Resort, beginning on or before October 1, 2019, and~~ Licensee shall annually contribute twenty million dollars (\$20,000,000) to be used for community benefit programs towards, amongst others: education, scholarships, infrastructure, health care, employee retirement benefits, as may be determined in

consultation with the Governor.

- c. All funds contributed by the Licensee to the Community Benefit Contribution shall remain under the possession and control of the licensee until distributed to selected programs or recipients.

IN WITNESS WHEREOF, the parties hereby execute this Amendment No. 5:

For the Commonwealth:



 Ralph DLG Torres
 Governor

7/31/17

 Date




 Mark O. Rabauliman
 Chairman
 CNMI Lottery Commission

July 31st, 2017

 Date

For the Licensee:

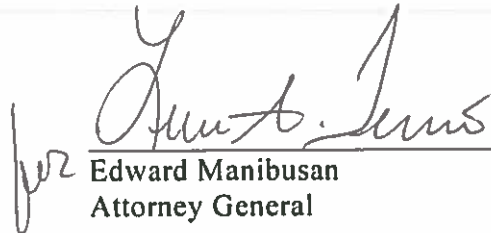


 Viola Alepuro
 Senior Vice President, Special Projects
 Imperial Pacific International (CNMI), LLC

July 31, 2017

 Date

Approved as to Legal Form and ^{Capacity} Sufficiency:



 Edward Manibusan
 Attorney General

7/31/2017

 Date