

BELL STREET CRUISE TERMINAL SUBLEASE AGREEMENT

THIS BELL STREET CRUISE TERMINAL SUBLEASE AGREEMENT (the “Sublease Agreement”) is made as of this ___ day of August 2015 by and between NORWEGIAN CRUISE LINE HOLDINGS LTD., a Bermuda corporation (“NCLH”), and the PORT OF SEATTLE, a Washington municipal corporation (“Port”).

WHEREAS, the Port is the owner of the Bell Street Cruise Terminal at Pier 66 Seattle, Washington; and

WHEREAS, the Port has leased the Bell Street Cruise Terminal Area to NCLH under that certain Bell Street Cruise Terminal Lease Agreement of even date herewith (the “Prime Lease”); and

WHEREAS, the Port has acknowledged that NCLH does not wish to operate from or manage the Bell Street Cruise Terminal Lease Area outside of the Cruise Season (as those terms are defined in the Prime Lease) and that the Port has therefore agreed to sublease substantially all of the Bell Street Cruise Terminal Lease Area from NCLH annually for the period outside of the Cruise Season (specifically including the Extension Period, if exercised),

NOW THEREFORE, for and in consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties agree as follows:

1. **Definitions.** Capitalized terms in this Sublease Agreement shall have the same meaning as set forth in the Prime Lease. In addition, the following terms shall have the meanings set forth:

a. **Sublease Premises.** “Sublease Premises” shall mean that portion of the Bell Street Cruise Terminal Lease Area indicated on Exhibit A, excluding only those certain offices and storage areas located within the Bell Street Cruise Terminal Lease Area of which NCLH shall retain exclusive use.

2. **Sublease.** Subject to the provisions, covenants and agreements contained in this Sublease Agreement, NCLH subleases to the Port and the Port hereby subleases from NCLH the Sublease Premises. NCLH specifically reserves to itself a right to access the Sublease Premises identical to that set forth in Section 25.8 of the Prime Lease. The Port and Tenant acknowledge that the plans for the redevelopment of the Bell Street Cruise Terminal are preliminary and subject to change. As a result, while Exhibit A reflects the best information available to the parties today regarding the boundaries of the Sublease Premises, it is preliminary. The parties explicitly recognize that the precise boundaries of the Sublease Premises may change. As part of the redevelopment of the Bell Street Cruise Terminal, the Port will, with Tenant’s reasonable assistance, prepare revised drawings accurately reflecting the Subleased Premises. The Port shall

complete this document and deliver to Tenant a proposed, final Exhibit A (the “Proposed Exhibit”) depicting the final configuration and boundaries of the Sublease Premises. Unless Tenant provides the Port with objection to the Proposed Exhibit within ten (10) days of receipt, the Proposed Exhibit shall automatically become incorporated herein as Exhibit A and the preliminary Exhibit A shall thereafter be of no force and effect. In the event that Tenant has any objection to the Proposed Exhibit, the parties shall meet promptly and in good faith to resolve those objections.

3. Term. Subject only to the need for NCLH to complete the Project following the 2017 Cruise Season, this Sublease Agreement shall first commence at the end of the 2017 Cruise Season and shall annually extend from the end of the Cruise Season each calendar year until the beginning of the Cruise Season the following calendar year for the Term of the Prime Lease. In the event construction of the Project extends beyond the end of the 2017 Cruise Season, this Sublease Agreement shall then commence fifteen (15) days following substantial completion of the Project. In the event that the parties exercise the Extension Period set forth in Section 3.2 of the Prime Lease, this Sublease Agreement shall automatically extend for such Extension Period. Where reference is made in this Sublease Agreement to the “term” of the Sublease Agreement, such reference shall refer only to those portions of time occurring outside the Cruise Season while this Sublease Agreement is actively in effect. In the event the Prime Lease is terminated for any reason, this Sublease Agreement shall likewise terminate on the same date.

4. Rent. For the sublease rights granted under this Sublease Agreement, the Port shall pay NCLH rent (“Sublease Rent”) as set forth on Exhibit B. The Sublease Rent shall be due and payable annually not later than January 31 of each recurring sublease term (i.e. January 31, 2018 for the term extending from the end of the end of the Cruise Season 2017 until the beginning of the Cruise Season 2018). In the event that the commencement of this Sublease Agreement is delayed as provided in Section 3, the Sublease Rent will be prorated for any partial annual term based on the actual number of days in that annual term. In the event that either party provides notice of an intention to renegotiate the consideration under the Prime Lease as provided by Section 3.2 of the Prime Lease, the Sublease Rent for the Extension Period shall likewise automatically be subject to such renegotiation as well.

5. Security. The Port shall not be required to provide any security for this Sublease Agreement.

6. Alterations; FF&E. Except as may be expressly approved by NCLH in its reasonable discretion, the Port shall have no right to undertake any Alterations under this Sublease Agreement. The Port shall retain ownership of all trade fixtures, business equipment and furnishings from time to time installed by the Port and shall, unless otherwise agreed by NCLH, remove them at the end of each annually recurring term.

7. Use. Notwithstanding any restriction on use set forth in the Prime Lease, the Port may make use of the Sublease Premises for any legal use, specifically including (but not limited to) Event Activities. The Port shall be responsible for complying with the requirements of Section 8.2 of the Prime Lease for any such use.

8. Provisions related to Cruise Ship Activities. Articles 9, 10, 11, and 12 of the Prime Lease shall have no application to this Sublease Agreement.
9. Taxes. The Port shall be responsible for any taxes arising by virtue of any use under this Sublease Agreement.
10. Indemnity and Insurance. The Port shall indemnify NCLH to the same degree that NCLH is required to indemnify the Port under the Prime Lease for any condition or occurrence arising during the term of this Sublease Agreement. Likewise, NCLH shall indemnify the Port to the same degree that the Port is required to indemnify the NCLH under the Prime Lease for any condition or occurrence arising during the term of this Sublease Agreement. The Port shall maintain such insurance as it elects consistent with the requirements of Chapter 48.62 of the Revised Code of Washington.
11. Operating Expenses; Utilities. The Port shall be responsible for any Operating Expenses arising during during the term of this Sublease Agreement. To the extent that there are significant differences in the amount of those Operating Expenses and utilities between the Cruise Season and non-Cruise Season, the parties shall reasonably agree on a protocol by which to allocate any Operating Expenses and utilities between the Cruise Season and non-Cruise Season.
12. Repair & Maintenance. The parties repair and maintenance obligations shall remain as set forth in Sections 16.1 and 16.2 of the Prime Lease. The Port shall comply with the provision of Section 16.3 for any use of the Sublease Premises during the term of this Sublease Agreement.
13. Environmental Responsibilities. The Port shall comply with the requirements of Section 17.1, 17.2 and 17.4 of the Prime Lease during the term of this Sublease Agreement, as though the Port were the “Tenant” thereunder.
14. Damage & Destruction; Other Termination Rights. The parties’ rights and responsibilities in the event of damage and destruction to the Sublease Premises shall remain as set forth in Article 18 of the Prime Lease. Any election to terminate the Prime Lease shall automatically operate to terminate this Sublease Agreement, and any right of rent abatement shall likewise apply to this Sublease Agreement. Likewise, in the event of any termination under Article 22 of the Prime Lease, any termination of the Prime Lease shall automatically operate to terminate this Sublease Agreement and the parties rights shall generally be as set forth in Article 22.
15. Default. This Sublease Agreement shall subject to the provisions of Article 21 of the Prime Lease as though the Port were the “Tenant” thereunder; provided, however, the Events of Default set forth in Section 21.1.1, 21.1.4, and 21.1.5 shall not apply.
16. No Waiver; Right to Perform. As to the provisions of this Sublease Agreement, NCLH shall have all of the rights of the Port as provided by Article 23 of the Prime Lease.
17. Assignment and Subletting. Notwithstanding any restriction on assignment and subletting set forth in Article 24 of the Prime Lease, the Port may from time-to-time assign or

sublease all or any portion of its rights under this Sublease Agreement, specifically including (but not limited) to its event manager, so long as the Port remains fully responsible to NCLH for the obligations of this Sublease Agreement.

18. Miscellaneous. Sections 25.1, 25.7, 25.8, 25.11, 25.12, 25.13, 25.14, 25.15, 25.16, and 25.17 of the Prime Lease apply equally to this Sublease Agreement.

19. Exhibits. Exhibits A and B are attached to this Sublease Agreement after the signatures and by this reference incorporated herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PORT OF SEATTLE

NORWEGIAN CRUISE LINE HOLDINGS LTD.

By: _____
Its: _____

By: _____
Its: _____

ACKNOWLEDGMENTS

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of August 2015, before me, personally appeared _____ to me known to be the _____ of the PORT OF SEATTLE, a Washington municipal corporation, the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was duly authorized to execute the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of _____
Residing at: _____
My commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of August 2015, before me, personally appeared _____ to me known to be the _____ of NORWEGIAN CRUISE LINE HOLDING LTD., a Bermuda corporation, the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was duly authorized to execute the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of _____
Residing at: _____
My commission expires: _____

EXHIBIT A

- Map of Sublease Premises -

EXHIBIT B

- Sublease Rent -

<i>Period</i>	<i>Sublease Lease Rent</i>
End of Season 2017 – Beginning of Season 2018	\$310,700
End of Season 2018 – Beginning of Season 2019	\$324,700
End of Season 2019 – Beginning of Season 2020	\$339,300
End of Season 2020 – Beginning of Season 2021	\$354,500
End of Season 2021 – Beginning of Season 2022	\$370,400
End of Season 2022 – Beginning of Season 2023	\$387,100
End of Season 2023 – Beginning of Season 2024	\$404,600
End of Season 2024 – Beginning of Season 2025	\$422,800
End of Season 2025 – Beginning of Season 2026	\$441,900
End of Season 2026 – Beginning of Season 2027	\$461,800
End of Season 2027 – Beginning of Season 2028	\$482,500
End of Season 2028 – Beginning of Season 2029	\$504,100
End of Season 2029 – Beginning of Season 2030	\$526,800
Extension Period	
End of Season 2030 – Beginning of Season 2031	\$550,500
End of Season 2031 – Beginning of Season 2032	\$575,200
End of Season 2032 – Beginning of Season 2033	\$601,100
End of Season 2033 – Beginning of Season 2034	\$628,200
End of Season 2034 – Beginning of Season 2035	\$656,400