

GUARANTY

THIS GUARANTY ("**Guaranty**") is made as of _____, 20__, by **THE PASHA GROUP**, a California corporation ("**Guarantor**") to and for the benefit of the CITY OF LOS ANGELES, acting by and through its Board of Harbor Commissioners ("**City**").

RECITALS

A. Whereas, Pasha Stevedoring & Terminals, L.P. ("PST" or "Tenant") and City are entering into a Settlement Agreement and Mutual Release of Claims ("Settlement Agreement") pertaining to a dispute over the past due compensation under Space Assignment No. 09-01 for Berths 206-209.

B. Whereas, among other things, entering into the Settlement Agreement is a material part of City's agreement to enter into Permit No. 958 and 959 (collectively, "Permits") with PST.

C. City has requested that Guarantor execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Settlement Agreement.

D. Whereas, Guarantor has agreed to execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Settlement Agreement; and

E. Guarantor acknowledges that the consummation of these transactions, including entering into Permit No. 958, Permit 959, and the Guaranty, provides direct benefits to Guarantor.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to obtain City's approval of the Permits and the Settlement Agreement and intending to be legally bound, Guarantor does hereby warrant, represent, and covenant unto City as follows:

1. GUARANTY.

Guarantor hereby absolutely, irrevocably and unconditionally guarantees the full and timely payment and performance of the debts, obligations, covenants, conditions and liability (monetary and non-monetary) of Tenant under the Settlement Agreement, whether now or hereafter made, incurred or created, voluntary or involuntary, due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and regardless of whether recovery against Tenant with respect to such obligations is prevented by bankruptcy, or otherwise (collectively, the "**Guaranteed Obligations**"). It is specifically agreed that that this Guaranty is a continuing guaranty.

2. SUBSEQUENT ACTS BY CITY.

City may, in its sole and absolute discretion and without notice to Guarantor, take any action which might otherwise be deemed a legal or equitable release or discharge of Guarantor's obligations hereunder without either impairing or affecting the liability of Guarantor for payment of the Guaranteed Obligations, which actions might include, by way of illustration and not limitation:

2.1 The renewal or extension of any of the Guaranteed Obligations or any payments hereunder including but not limited to an amendment of the Settlement Agreement;

2.2 The acceptance of partial payment or performance of the Guaranteed Obligations;

2.3 The settlement, release, compounding, compromise, cancellation, rearrangement or consolidation of any of the Guaranteed Obligations;

2.4 The collection of or other liquidation of any claims City may have in respect to the Guaranteed Obligations;

2.5 The granting of indulgences, forbearances, compromises, extensions or adjustments in respect to any covenant or agreement under the Settlement Agreement;

2.6 The release from liability of any guarantor, or payment of the Guaranteed Obligations or any portion thereof;

2.7 The release, surrender, exchange or compromise of any lien, security or collateral held by City as security for the Guaranteed Obligations; or

2.8 The release or compromise of any lien or security held by City as security for the liability of any person or entity who is guaranteeing the Guaranteed Obligations.

Any alterations of the terms of this Guaranty shall be in writing, mutually agreed to by City and by Guarantor and in conformity with the procedures set forth in City's Charter and Administrative Code.

3. EXPENSES.

Guarantor agrees to reimburse City for all expenses (including without limitation reasonable attorneys' fees, costs and expenses) incurred by City in enforcing the Guaranteed Obligations, pursuing any remedies relating to the Guaranteed Obligations set forth in the Settlement Agreement and enforcing this Guaranty.

4. PAYMENT BY GUARANTOR.

In the event that City sends Tenant a written notice ("Notice") of breach and demand to comply with the terms or conditions of the Settlement Agreement, Guarantor shall be sent a copy of the Notice and given an opportunity to cure the breach described in the Notice on the terms and conditions described in the Notice. Said Notice shall be sent to Guarantor in accordance with the terms of Section 17, below. City shall not be required to liquidate any lien or any other form of security, instrument, or note held by City prior to making such demand. THIS IS A GUARANTY OF PAYMENT AND PERFORMANCE AND NOT OF COLLECTION, and Guarantor hereby waives all rights that Guarantor may have, if any, to require that any action be brought against Tenant (or any other person or entity) or to pursue any other remedy before proceeding against Guarantor or to require that resort be first made against any security prior to demanding payment or performance hereunder before proceeding against Guarantor. No action of any of the parties, including but not limited to the making of this Guaranty shall release Guarantor from its obligations under the Settlement Agreement and this Guaranty. Guarantor remains primarily liable for all obligations, monetary and non-monetary, under the Settlement Agreement and shall remain primarily liable through the term of the Settlement Agreement.

5. CUMULATIVE REMEDIES.

Guarantor hereby agrees that all rights and remedies that City is afforded by reason of this Guaranty are separate and cumulative and may be pursued separately, successively, or concurrently, as City deems advisable. In addition, all such rights and remedies are nonexclusive and shall in no way limit or prejudice City's ability to pursue any other legal or equitable rights or remedies that may be available. Without limiting the generality of the foregoing, Guarantor agrees that in any action by City by reason of the Guaranteed Obligations, City at its election may proceed (a) against Guarantor together with Tenant, (b) against Guarantor and Tenant individually (at the same time or at different times), or (c) against Guarantor only without having commenced any action against or having obtained any judgment against Tenant.

6. WAIVERS BY GUARANTOR.

6.1 Guarantor hereby waives:

6.1.1 Notice of acceptance of this Guaranty and of creation of the Guaranteed Obligations;

6.1.2 Presentment, notice of non-payment, and demand for payment of the Guaranteed Obligations other than the notice provided in Section 4, above;

6.1.3 Protest, notice of protest, and notice of dishonor or default to Guarantor or to any other party with respect to any of the Guaranteed Obligations;

6.1.4 Any defense or circumstance (including, without limitation, disability, insolvency, lack of authority or power, insanity, minority, death or dissolution), other than payment of the Guaranteed Obligations, which might otherwise constitute a legal or equitable discharge of Guarantor's liability hereunder;

6.1.5 Any rights to extension, composition or otherwise under the Bankruptcy Code or any amendments thereof, or under any state or other federal statute;

6.1.6 The right to trial by jury in any litigation arising out of, relating to, or connected with this Guaranty;

6.1.7 All rights or defenses that Guarantor may have as set forth in Division Three, Part 4, Title 13, currently Sections 2787 through 2914, of the California Civil Code, which address generally suretyship.

6.2 It is agreed between Guarantor and City that the foregoing waivers are a material element and essence of the Settlement Agreement and Permits transaction and that, but for this Guaranty and such waivers, City would decline to enter into the Settlement Agreement and Permits.

7. WAIVER AND RELEASE OF SUBROGATION AND PARTICIPATION.

Until such time as all obligations of Tenant under the Permit have been satisfied, Guarantor shall have no right of subrogation in or under the Permit, and no rights of reimbursement, indemnity or contribution from Tenant or any other rights by law, equity, statute or contract that would give rise to a creditor-debtor relationship between Guarantor and Tenant. Effective for the time period described in the preceding sentence, Guarantor hereby explicitly waives and releases any of the above-described rights of subrogation, reimbursement, indemnity, contribution, participation, and any right to require the marshaling of Tenant's assets under any circumstances.

8. SUBORDINATION.

Any obligation or debt of Tenant now or hereafter held by Guarantor is hereby subordinated to the Guaranteed Obligations and, upon the occurrence of an event of default under the Permit, Guarantor shall not enforce or collect any such indebtedness from Tenant. Any sums collected at City's request or collected in contravention of the prohibition set forth herein shall be held by Guarantor as trustee for City and shall be paid over to City on account of the Guaranteed Obligations; provided, however, such payments shall not impair, reduce or affect in any manner the liability of Guarantor under the other provisions of this Guaranty except to the extent of such payments.

9. REPRESENTATIONS AND WARRANTIES.

Guarantor hereby represents and warrants to City that:

9.1 Guarantor now has no defense whatsoever to any action, suit or proceeding whatsoever that may be instituted on this Guaranty;

9.2 No other agreement or special condition exists between Guarantor and City regarding the liability of Guarantor hereunder; and

9.3 This Guaranty constitutes a valid and binding obligation of Guarantor, enforceable in accordance with its terms.

10. STRICT PERFORMANCE: WAIVERS.

No failure, delay or omission by City to exercise any of the rights, powers, remedies and privileges hereunder shall be deemed a waiver thereof and every such right, power, remedy and privilege may be exercised repeatedly. No notice to or demand on Guarantor shall be deemed to be a waiver of the right of City to take further action without notice or demand as provided herein. In no event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing executed by City. Any waiver granted shall be applicable only in the specific instance for which it is given. Failure of City to insist upon strict performance or observance of any of the terms, provisions and covenants hereof or to exercise any right herein contained shall not be construed as a waiver or relinquishment of the right to demand strict performance at another time. Receipt by City of any payment or performance on the Guaranteed Obligations shall not be deemed a waiver of the breach of any provision hereof or of the Permit.

11. CAPTIONS.

The captions appearing herein are used for reference only and shall not be construed as limiting anything set forth herein.

12. SEVERABILITY.

If any term, covenant, condition or provision of this Guaranty, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Guaranty, or the application thereof to any other person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

13. GOVERNING LAW.

This Guaranty shall be governed by the laws of the State of California without reference to choice of law rules.

14. CONSENT TO JURISDICTION; SERVICE OF PROCESS.

If there is a dispute or lawsuit in connection with this Guaranty, by execution hereof, Guarantor hereby agrees to irrevocably submit to the jurisdiction of the State and Federal Courts located in Los Angeles County, California.

15. ASSIGNMENT; DELEGATION; BINDING EFFECT.

The duties and obligations of Guarantor may not be delegated, assigned or transferred (collectively, "Transferred") by Guarantor without the prior written consent of City. The duties and obligations of Guarantor shall bind Guarantor's heirs, personal representatives, executors, successors and assigns.

16. TERMINATION, REINSTATEMENT; LIMITATIONS.

16.1 Subject to Section 16.2 below, Guarantor's obligations hereunder shall terminate and this Guaranty shall be released upon payment and performance in full of all debts, obligations and liabilities of PST under the Settlement Agreement.

16.2 This Guaranty shall remain in full force and effect and continue to be effective should any petition be filed by or against Tenant under the Bankruptcy Code, as at any time amended, for liquidation or reorganization, or should Tenant become insolvent or make an assignment for the benefit of creditors or a receiver or trustee be appointed for all or any significant part of Tenant's assets, and this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment of the Guaranteed Obligations, or any part thereof is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by City, whether as a "preferential transfer," "voidable preference," "fraudulent conveyance," or otherwise, as if the portion of such payment rescinded, reduced, restored or returned had never been made.

17. NOTICES.

Notice to either party shall be sent as follows and may be delivered personally or deposited in the United States mail, postage prepaid (without or without a return receipt requested card. Nothing shall preclude or render inoperative service of such notice in the manner provided by law.

To City:

The City of Los Angeles
Executive Director
425 S. Palos Verdes Street
San Pedro, California 90731

To Guarantor:

The Pasha Group
4040 Civic Center Drive, Suite 350
San Rafael, CA 94903

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IN WITNESS WHEREOF, Guarantor has duly executed this Guaranty the day and year first above written.

Guarantor:

THE PASHA GROUP,
a California corporation

Dated: May 8, 2023

By: George Pasha
Print Name: George Pasha
Title of Officer: CEO

By: Jay Bunker
Print Name: Jay Bunker
Title of Officer: COO

APPROVED AS TO FORM AND LEGALITY

5-15, 2023
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By: Estelle M. Braaf
ESTELLE M. BRAAF, Deputy

GUARANTY

THIS GUARANTY ("**Guaranty**") is made as of _____, 20__, by **THE PASHA GROUP**, a California corporation ("**Guarantor**") to and for the benefit of the CITY OF LOS ANGELES, acting by and through its Board of Harbor Commissioners ("**City**").

RECITALS

A. Whereas, Pasha Stevedoring & Terminals, L.P. ("PST" or "Tenant") has requested to be a tenant under a permit ("Permit No. 958" or "Permit") with City for certain premises as more particularly described in Exhibit "A" attached to Permit No. 958.

B. Whereas, City has requested that Guarantor execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Permit as a condition to grant the Permit to Tenant.

C. Whereas, Guarantor has agreed to execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Permit; and

D. Guarantor acknowledges that the consummation of these transactions, entering into Permit No. 958 and the Guaranty, provides direct benefits to Guarantor.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to obtain City's approval of the Permit and intending to be legally bound, Guarantor does hereby warrant, represent, and covenant unto City as follows:

1. GUARANTY.

Guarantor hereby absolutely, irrevocably and unconditionally guarantees the full and timely payment and performance of the debts, obligations, covenants, conditions and liability (monetary and non-monetary) of Tenant under the Permit including during any extension of the term or any period of holdover whether now or hereafter made, incurred or created, voluntary or involuntary, due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and regardless of whether recovery against Tenant with respect to such obligations is prevented by bankruptcy, or otherwise (collectively, the "**Guaranteed Obligations**"). It is specifically agreed that that this Guaranty is a continuing guaranty.

2. SUBSEQUENT ACTS BY CITY.

City may, in its sole and absolute discretion and without notice to Guarantor, take any action which might otherwise be deemed a legal or equitable release or discharge of Guarantor's obligations hereunder without either impairing or affecting the liability of Guarantor for payment of the Guaranteed Obligations, which actions might include, by way of illustration and not limitation:

2.1 The renewal or extension of any of the Guaranteed Obligations or any payments hereunder including but not limited to an amendment of the Permit;

2.2 The acceptance of partial payment or performance of the Guaranteed Obligations;

2.3 The settlement, release, compounding, compromise, cancellation, rearrangement or consolidation of any of the Guaranteed Obligations;

2.4 The collection of or other liquidation of any claims City may have in respect to the Guaranteed Obligations;

2.5 The granting of indulgences, forbearances, compromises, extensions or adjustments in respect to any covenant or agreement under the Permit;

2.6 The release from liability of any guarantor, or payment of the Guaranteed Obligations or any portion thereof;

2.7 The release, surrender, exchange or compromise of any lien, security or collateral held by City as security for the Guaranteed Obligations; or

2.8 The release or compromise of any lien or security held by City as security for the liability of any person or entity who is guaranteeing the Guaranteed Obligations.

Any alterations of the terms of this Guaranty shall be in writing, mutually agreed to by City and by Guarantor and in conformity with the procedures set forth in City's Charter and Administrative Code.

3. EXPENSES.

Guarantor agrees to reimburse City for all expenses (including without limitation reasonable attorneys' fees, costs and expenses) incurred by City in enforcing the Guaranteed Obligations, pursuing any remedies relating to the Guaranteed Obligations set forth in the Permit, and enforcing this Guaranty.

4. PAYMENT BY GUARANTOR.

In the event that City sends Tenant a written notice ("Notice") of breach and demand to comply with the terms or conditions of the Permit, Guarantor shall be sent a copy of the Notice and given an opportunity to cure the breach described in the Notice on the terms and conditions described in the Notice. Said Notice shall be sent to Guarantor in accordance with the terms of Section 17, below. City shall not be required to liquidate any lien or any other form of security, instrument, or note held by City prior to making such demand. THIS IS A GUARANTY OF PAYMENT AND PERFORMANCE AND NOT OF COLLECTION, and Guarantor hereby waives all rights that Guarantor may have, if any, to require that any action be brought against Tenant (or any other person or entity) or to pursue any other remedy before proceeding against Guarantor or to require that

resort be first made against any security prior to demanding payment or performance hereunder before proceeding against Guarantor. No action of any of the parties, including but not limited to the making of this Guaranty shall release Guarantor from its obligations under the Permit and this Guaranty. Guarantor remains primarily liable for all obligations, monetary and non-monetary, under the Permit and shall remain primarily liable through the term of the Permit and any holdover period.

5. CUMULATIVE REMEDIES.

Guarantor hereby agrees that all rights and remedies that City is afforded by reason of this Guaranty are separate and cumulative and may be pursued separately, successively, or concurrently, as City deems advisable. In addition, all such rights and remedies are nonexclusive and shall in no way limit or prejudice City's ability to pursue any other legal or equitable rights or remedies that may be available. Without limiting the generality of the foregoing, Guarantor agrees that in any action by City by reason of the Guaranteed Obligations, City at its election may proceed (a) against Guarantor together with Tenant, (b) against Guarantor and Tenant individually (at the same time or at different times), or (c) against Guarantor only without having commenced any action against or having obtained any judgment against Tenant.

6. WAIVERS BY GUARANTOR.

6.1 Guarantor hereby waives:

6.1.1 Notice of acceptance of this Guaranty and of creation of the Guaranteed Obligations;

6.1.2 Presentment, notice of non-payment, and demand for payment of the Guaranteed Obligations other than the notice provided in Section 4, above;

6.1.3 Protest, notice of protest, and notice of dishonor or default to Guarantor or to any other party with respect to any of the Guaranteed Obligations;

6.1.4 Any defense or circumstance (including, without limitation, disability, insolvency, lack of authority or power, insanity, minority, death or dissolution), other than payment of the Guaranteed Obligations, which might otherwise constitute a legal or equitable discharge of Guarantor's liability hereunder;

6.1.5 Any rights to extension, composition or otherwise under the Bankruptcy Code or any amendments thereof, or under any state or other federal statute;

6.1.6 The right to trial by jury in any litigation arising out of, relating to, or connected with this Guaranty;

6.1.7 All rights or defenses that Guarantor may have as set forth in Division Three, Part 4, Title 13, currently Sections 2787 through 2914, of the California Civil Code, which address generally suretyship.

6.2 It is agreed between Guarantor and City that the foregoing waivers are a material element and essence of the Permit transaction and that, but for this Guaranty and such waivers, City would decline to enter into the Permit.

7. WAIVER AND RELEASE OF SUBROGATION AND PARTICIPATION.

Until such time as all obligations of Tenant under the Permit have been satisfied, Guarantor shall have no right of subrogation in or under the Permit, and no rights of reimbursement, indemnity or contribution from Tenant or any other rights by law, equity, statute or contract that would give rise to a creditor-debtor relationship between Guarantor and Tenant. Effective for the time period described in the preceding sentence, Guarantor hereby explicitly waives and releases any of the above-described rights of subrogation, reimbursement, indemnity, contribution, participation, and any right to require the marshaling of Tenant's assets under any circumstances.

8. SUBORDINATION.

Any obligation or debt of Tenant now or hereafter held by Guarantor is hereby subordinated to the Guaranteed Obligations and, upon the occurrence of an event of default under the Permit, Guarantor shall not enforce or collect any such indebtedness from Tenant. Any sums collected at City's request or collected in contravention of the prohibition set forth herein shall be held by Guarantor as trustee for City and shall be paid over to City on account of the Guaranteed Obligations; provided, however, such payments shall not impair, reduce or affect in any manner the liability of Guarantor under the other provisions of this Guaranty except to the extent of such payments.

9. REPRESENTATIONS AND WARRANTIES.

Guarantor hereby represents and warrants to City that:

9.1 Guarantor now has no defense whatsoever to any action, suit or proceeding whatsoever that may be instituted on this Guaranty;

9.2 No other agreement or special condition exists between Guarantor and City regarding the liability of Guarantor hereunder; and

9.3 This Guaranty constitutes a valid and binding obligation of Guarantor, enforceable in accordance with its terms.

10. STRICT PERFORMANCE: WAIVERS.

No failure, delay or omission by City to exercise any of the rights, powers, remedies and privileges hereunder shall be deemed a waiver thereof and every such right, power, remedy and privilege may be exercised repeatedly. No notice to or demand on Guarantor shall be deemed to be a waiver of the right of City to take further action without notice or demand as provided herein. In no event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing executed by City. Any waiver granted shall be applicable only in the specific instance for which it is given. Failure of City to insist upon strict performance or observance of any of the terms, provisions and covenants hereof or to exercise any right herein contained shall not be construed as a waiver or relinquishment of the right to demand strict performance at another time. Receipt by City of any payment or performance on the Guaranteed Obligations shall not be deemed a waiver of the breach of any provision hereof or of the Permit.

11. CAPTIONS.

The captions appearing herein are used for reference only and shall not be construed as limiting anything set forth herein.

12. SEVERABILITY.

If any term, covenant, condition or provision of this Guaranty, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Guaranty, or the application thereof to any other person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

13. GOVERNING LAW.

This Guaranty shall be governed by the laws of the State of California without reference to choice of law rules.

14. CONSENT TO JURISDICTION; SERVICE OF PROCESS.

If there is a dispute or lawsuit in connection with this Guaranty, by execution hereof, Guarantor hereby agrees to irrevocably submit to the jurisdiction of the State and Federal Courts located in Los Angeles County, California.

15. ASSIGNMENT: DELEGATION: BINDING EFFECT.

The duties and obligations of Guarantor may not be delegated, assigned or transferred (collectively, "Transferred") by Guarantor without the prior written consent of City. The duties and obligations of Guarantor shall bind Guarantor's heirs, personal representatives, executors, successors and assigns.

16. TERMINATION, REINSTATEMENT; LIMITATIONS.

16.1 Subject to Section 16.2 below, Guarantor's obligations hereunder shall terminate and this Guaranty shall be released upon payment and performance in full of all debts, obligations and liabilities of Tenant to City under the Permit including any holdover period and any that remain beyond the expiration or termination of the Permit.

16.2 This Guaranty shall remain in full force and effect and continue to be effective should any petition be filed by or against Tenant under the Bankruptcy Code, as at any time amended, for liquidation or reorganization, or should Tenant become insolvent or make an assignment for the benefit of creditors or a receiver or trustee be appointed for all or any significant part of Tenant's assets, and this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment of the Guaranteed Obligations, or any part thereof is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by City, whether as a "preferential transfer," "voidable preference," "fraudulent conveyance," or otherwise, as if the portion of such payment rescinded, reduced, restored or returned had never been made.

17. NOTICES.

Notice to either party shall be sent as follows and may be delivered personally or deposited in the United States mail, postage prepaid (without or without a return receipt requested card. Nothing shall preclude or render inoperative service of such notice in the manner provided by law.

To City: The City of Los Angeles
Executive Director
425 S. Palos Verdes Street
San Pedro, California 90731

To Guarantor: The Pasha Group
4040 Civic Center Drive, Suite 350
San Rafael, CA 94903

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(Signature Page to follow)

IN WITNESS WHEREOF, Guarantor has duly executed this Guaranty the day and year first above written.

Dated: May 8, 2023

Guarantor:
THE PASHA GROUP,
a California corporation

By: George Pasha
Print Name: George Pasha
Title of Officer: CEO

By: Jay Bowden
Print Name: Jay Bowden
Title of Officer: CEO

APPROVED AS TO FORM AND LEGALITY
5/15, 2023
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By: Estelle M. Braaf
ESTELLE M. BRAAF, Deputy

GUARANTY

THIS GUARANTY ("**Guaranty**") is made as of _____, 20__, by **THE PASHA GROUP**, a California corporation ("**Guarantor**") to and for the benefit of the CITY OF LOS ANGELES, acting by and through its Board of Harbor Commissioners ("**City**").

RECITALS

A. Whereas, Pasha Stevedoring & Terminals, L.P. ("PST" or "Tenant") has requested to be a tenant under a permit ("Permit No. 959" or "Permit") with City for certain premises as more particularly described in Exhibit "A" attached to Permit No. 959.

B. Whereas, City has requested that Guarantor execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Permit as a condition to grant the Permit to Tenant.

C. Whereas, Guarantor has agreed to execute this Guaranty to irrevocably guarantee the timely payment and performance of all obligations of Tenant arising under the Permit; and

D. Guarantor acknowledges that the consummation of these transactions, entering into Permit No. 959 and the Guaranty, provides direct benefits to Guarantor.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to obtain City's approval of the Permit and intending to be legally bound, Guarantor does hereby warrant, represent, and covenant unto City as follows:

1. GUARANTY.

Guarantor hereby absolutely, irrevocably and unconditionally guarantees the full and timely payment and performance of the debts, obligations, covenants, conditions and liability (monetary and non-monetary) of Tenant under the Permit including during any extension of the term or any period of holdover whether now or hereafter made, incurred or created, voluntary or involuntary, due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and regardless of whether recovery against Tenant with respect to such obligations is prevented by bankruptcy, or otherwise (collectively, the "**Guaranteed Obligations**"). It is specifically agreed that that this Guaranty is a continuing guaranty.

2. SUBSEQUENT ACTS BY CITY.

City may, in its sole and absolute discretion and without notice to Guarantor, take any action which might otherwise be deemed a legal or equitable release or discharge of Guarantor's obligations hereunder without either impairing or affecting the

liability of Guarantor for payment of the Guaranteed Obligations, which actions might include, by way of illustration and not limitation:

2.1 The renewal or extension of any of the Guaranteed Obligations or any payments hereunder including but not limited to an amendment of the Permit;

2.2 The acceptance of partial payment or performance of the Guaranteed Obligations;

2.3 The settlement, release, compounding, compromise, cancellation, rearrangement or consolidation of any of the Guaranteed Obligations;

2.4 The collection of or other liquidation of any claims City may have in respect to the Guaranteed Obligations;

2.5 The granting of indulgences, forbearances, compromises, extensions or adjustments in respect to any covenant or agreement under the Permit;

2.6 The release from liability of any guarantor, or payment of the Guaranteed Obligations or any portion thereof;

2.7 The release, surrender, exchange or compromise of any lien, security or collateral held by City as security for the Guaranteed Obligations; or

2.8 The release or compromise of any lien or security held by City as security for the liability of any person or entity who is guaranteeing the Guaranteed Obligations.

Any alterations of the terms of this Guaranty shall be in writing, mutually agreed to by City and by Guarantor and in conformity with the procedures set forth in City's Charter and Administrative Code.

3. EXPENSES.

Guarantor agrees to reimburse City for all expenses (including without limitation reasonable attorneys' fees, costs and expenses) incurred by City in enforcing the Guaranteed Obligations, pursuing any remedies relating to the Guaranteed Obligations set forth in the Permit, and enforcing this Guaranty.

4. PAYMENT BY GUARANTOR.

In the event that City sends Tenant a written notice ("Notice") of breach and demand to comply with the terms or conditions of the Permit, Guarantor shall be sent a copy of the Notice and given an opportunity to cure the breach described in the Notice on the terms and conditions described in the Notice. Said Notice shall be sent to Guarantor in accordance with the terms of Section 17, below. City shall not be required to liquidate any lien or any other form of security, instrument, or note held by City prior to making such demand. THIS IS A GUARANTY OF PAYMENT AND PERFORMANCE AND NOT

OF COLLECTION, and Guarantor hereby waives all rights that Guarantor may have, if any, to require that any action be brought against Tenant (or any other person or entity) or to pursue any other remedy before proceeding against Guarantor or to require that resort be first made against any security prior to demanding payment or performance hereunder before proceeding against Guarantor. No action of any of the parties, including but not limited to the making of this Guaranty shall release Guarantor from its obligations under the Permit and this Guaranty. Guarantor remains primarily liable for all obligations, monetary and non-monetary, under the Permit and shall remain primarily liable through the term of the Permit and any holdover period.

5. CUMULATIVE REMEDIES.

Guarantor hereby agrees that all rights and remedies that City is afforded by reason of this Guaranty are separate and cumulative and may be pursued separately, successively, or concurrently, as City deems advisable. In addition, all such rights and remedies are nonexclusive and shall in no way limit or prejudice City's ability to pursue any other legal or equitable rights or remedies that may be available. Without limiting the generality of the foregoing, Guarantor agrees that in any action by City by reason of the Guaranteed Obligations, City at its election may proceed (a) against Guarantor together with Tenant, (b) against Guarantor and Tenant individually (at the same time or at different times), or (c) against Guarantor only without having commenced any action against or having obtained any judgment against Tenant.

6. WAIVERS BY GUARANTOR.

6.1 Guarantor hereby waives:

6.1.1 Notice of acceptance of this Guaranty and of creation of the Guaranteed Obligations;

6.1.2 Presentment, notice of non-payment, and demand for payment of the Guaranteed Obligations other than the notice provided in Section 4, above;

6.1.3 Protest, notice of protest, and notice of dishonor or default to Guarantor or to any other party with respect to any of the Guaranteed Obligations;

6.1.4 Any defense or circumstance (including, without limitation, disability, insolvency, lack of authority or power, insanity, minority, death or dissolution), other than payment of the Guaranteed Obligations, which might otherwise constitute a legal or equitable discharge of Guarantor's liability hereunder;

6.1.5 Any rights to extension, composition or otherwise under the Bankruptcy Code or any amendments thereof, or under any state or other federal statute;

6.1.6 The right to trial by jury in any litigation arising out of, relating to, or connected with this Guaranty;

6.1.7 All rights or defenses that Guarantor may have as set forth in Division Three, Part 4, Title 13, currently Sections 2787 through 2914, of the California Civil Code, which address generally suretyship.

6.2 It is agreed between Guarantor and City that the foregoing waivers are a material element and essence of the Permit transaction and that, but for this Guaranty and such waivers, City would decline to enter into the Permit.

7. WAIVER AND RELEASE OF SUBROGATION AND PARTICIPATION.

Until such time as all obligations of Tenant under the Permit have been satisfied, Guarantor shall have no right of subrogation in or under the Permit, and no rights of reimbursement, indemnity or contribution from Tenant or any other rights by law, equity, statute or contract that would give rise to a creditor-debtor relationship between Guarantor and Tenant. Effective for the time period described in the preceding sentence, Guarantor hereby explicitly waives and releases any of the above-described rights of subrogation, reimbursement, indemnity, contribution, participation, and any right to require the marshaling of Tenant's assets under any circumstances.

8. SUBORDINATION.

Any obligation or debt of Tenant now or hereafter held by Guarantor is hereby subordinated to the Guaranteed Obligations and, upon the occurrence of an event of default under the Permit, Guarantor shall not enforce or collect any such indebtedness from Tenant. Any sums collected at City's request or collected in contravention of the prohibition set forth herein shall be held by Guarantor as trustee for City and shall be paid over to City on account of the Guaranteed Obligations; provided, however, such payments shall not impair, reduce or affect in any manner the liability of Guarantor under the other provisions of this Guaranty except to the extent of such payments.

9. REPRESENTATIONS AND WARRANTIES.

Guarantor hereby represents and warrants to City that:

9.1 Guarantor now has no defense whatsoever to any action, suit or proceeding whatsoever that may be instituted on this Guaranty;

9.2 No other agreement or special condition exists between Guarantor and City regarding the liability of Guarantor hereunder; and

9.3 This Guaranty constitutes a valid and binding obligation of Guarantor, enforceable in accordance with its terms.

10. STRICT PERFORMANCE: WAIVERS.

No failure, delay or omission by City to exercise any of the rights, powers, remedies and privileges hereunder shall be deemed a waiver thereof and every such right, power, remedy and privilege may be exercised repeatedly. No notice to or demand on Guarantor shall be deemed to be a waiver of the right of City to take further action without notice or demand as provided herein. In no event shall any modification or waiver of the provisions of this Guaranty be effective unless in writing executed by City. Any waiver granted shall be applicable only in the specific instance for which it is given. Failure of City to insist upon strict performance or observance of any of the terms, provisions and covenants hereof or to exercise any right herein contained shall not be construed as a waiver or relinquishment of the right to demand strict performance at another time. Receipt by City of any payment or performance on the Guaranteed Obligations shall not be deemed a waiver of the breach of any provision hereof or of the Permit.

11. CAPTIONS.

The captions appearing herein are used for reference only and shall not be construed as limiting anything set forth herein.

12. SEVERABILITY.

If any term, covenant, condition or provision of this Guaranty, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Guaranty, or the application thereof to any other person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

13. GOVERNING LAW.

This Guaranty shall be governed by the laws of the State of California without reference to choice of law rules.

14. CONSENT TO JURISDICTION; SERVICE OF PROCESS.

If there is a dispute or lawsuit in connection with this Guaranty, by execution hereof, Guarantor hereby agrees to irrevocably submit to the jurisdiction of the State and Federal Courts located in Los Angeles County, California.

15. ASSIGNMENT: DELEGATION: BINDING EFFECT.

The duties and obligations of Guarantor may not be delegated, assigned or transferred (collectively, "Transferred") by Guarantor without the prior written consent of City. The duties and obligations of Guarantor shall bind Guarantor's heirs, personal representatives, executors, successors and assigns.

16. TERMINATION, REINSTATEMENT; LIMITATIONS.

16.1 Subject to Section 16.2 below, Guarantor's obligations hereunder shall terminate and this Guaranty shall be released upon payment and performance in full of all debts, obligations and liabilities of Tenant to City under the Permit including any holdover period and any that remain beyond the expiration or termination of the Permit.

16.2 This Guaranty shall remain in full force and effect and continue to be effective should any petition be filed by or against Tenant under the Bankruptcy Code, as at any time amended, for liquidation or reorganization, or should Tenant become insolvent or make an assignment for the benefit of creditors or a receiver or trustee be appointed for all or any significant part of Tenant's assets, and this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment of the Guaranteed Obligations, or any part thereof is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by City, whether as a "preferential transfer," "voidable preference," "fraudulent conveyance," or otherwise, as if the portion of such payment rescinded, reduced, restored or returned had never been made.

17. NOTICES.

Notice to either party shall be sent as follows and may be delivered personally or deposited in the United States mail, postage prepaid (without or without a return receipt requested card. Nothing shall preclude or render inoperative service of such notice in the manner provided by law.

To City:

The City of Los Angeles
Executive Director
425 S. Palos Verdes Street
San Pedro, California 90731

To Guarantor:

The Pasha Group
4040 Civic Center Drive, Suite 350
San Rafael, CA 94903

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(Signature Page to Follow)

IN WITNESS WHEREOF, Guarantor has duly executed this Guaranty the day and year first above written.

Dated: May 8, 2023

Guarantor:
THE PASHA GROUP,
a California corporation

By: George Pasha
Print Name: George Pasha
Title of Officer: CEO

By: Jay Bowden
Print Name: Jay Bowden
Title of Officer: CEO

APPROVED AS TO FORM AND LEGALITY

May 15, 2023
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By: Estelle M. Braaf
ESTELLE M. BRAAF, Deputy