



1160 Pier F Avenue
Long Beach, CA 90802

www.ssamarine.com

Highly Confidential

October 13, 2021

Mr. Eugene D. Seroka
Executive Director
The Port of Los Angeles
425 S. Palos Verdes Street
San Pedro, CA 90731

Dear Mr. Seroka,

We refer to Permit No. 907, dated as of November 19, 2014, granted by the City of Los Angeles to SSA Pacific, Inc. (the "*Company*"), as amended from time to time (the "*Agreement*"). Capitalized terms used and not defined herein shall have the meanings set forth in the Agreement.

Please be advised that an affiliate of Blackstone Infrastructure Partners, L.P. (the "*Investor*"), which presently owns a large minority interest in FRS Capital Corp. ("*FRS Capital*"), has entered into a definitive agreement to acquire in excess of a majority of the outstanding shares of capital stock of FRS Capital (the "*Transaction*"). FRS Capital indirectly owns 100% of the outstanding equity interests of the Company. The Transaction will not result in any change to the party to the Agreement, and the day-to-day operations of the Company and the management team thereof are expected to remain unchanged following the consummation of the Transaction.

While the terms of the Agreement are unclear as to their application to the Transaction, we are nonetheless writing to request your acknowledgement and consent to the Transaction. By way of additional background, the Investor initially invested in FRS Capital in 2019 and has been active in the governance thereof since then. The Investor is ultimately controlled by Blackstone Inc. ("*Blackstone*"). Blackstone is one of the world's leading investment firms, with total assets under management of \$684 billion as of June 30, 2021. Blackstone is also publicly traded on The New York Stock Exchange and, as of the date of this letter, has a market capitalization in excess of \$142 billion.

Given that the Transaction is not anticipated to have any impact on the Company or the Agreement, we would appreciate you signing in the space provided below as to your acknowledgement and consent to the Transaction.

Should you have any questions regarding the foregoing, please contact me at (562) 495-8307.

Sincerely,


William Fitz

ACKNOWLEDGED AND AGREED:

CITY OF LOS ANGELES

Name:

Title:

TRANSMITTAL 2



SSAPacific
A Carrix Enterprise

1131 SW Klickitat Way
Seattle Washington
98134

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December 17, 2021

Mr. Eugene D. Seroka
Executive Director
The Port of Los Angeles
425 S. Palos Verdes Street
San Pedro, CA 90731

Dear Mr. Seroka:

We refer to Permit No. 907, dated as of November 19, 2014, granted by the City of Los Angeles to SSA Pacific, Inc. (the “*Company*”), as amended from time to time (the “*Agreement*”) and our letter dated October 13, 2021 (the “*Letter*”) requesting acknowledgement and consent to the Transaction (as defined in the Letter) that resulted in Blackstone Infrastructure Partners, L.P. acquiring a majority of the outstanding shares of capital stock of FRS Capital Corp. Capitalized terms used and not defined herein shall have the meanings set forth in the Agreement.

You have requested more information regarding the Transaction pursuant to the requirements of Section 13.3.1 of the Agreement. We have responded to each relevant subsection below. Should you require any further information we are available for a teleconference to discuss these responses in more detail.

- (a) *Specific identification of the entity or entities with whom Tenant proposes to undertake the Transfer.*

The Transferees are entities controlled by Blackstone Infrastructure Partners, L.P. (the “*Investor*”).

- (b) *Specific and detailed description of the Transferee's entity type, ownership (including identification of all parent and subsidiary entities), background/history, nature of the Transferee's business, Transferee's character and reputation and experience in the operations proposed.*

The Investor is ultimately controlled by Blackstone, Inc., which is traded on The New York Stock Exchange. Detailed information regarding Blackstone, Inc. is available at <https://www.sec.gov/edgar/browse/?CIK=1393818>.

- (c) *Specific and detailed description of the type of Transfer proposed (e.g., assignment, sublease, grant of control, etc.) and the rights proposed to be transferred.*

An affiliate of the Investor entered into a definitive agreement to acquire in excess of a majority of the outstanding shares of capital stock of FRS Capital. Prior to the Transfer, FRS Capital indirectly owned 100% of the outstanding equity interests of the Company.

- (d) *Specific and detailed description of the operations proposed to be undertaken at the Premises by Tenant and Transferee if City consents to the Transfer which includes a breakdown of the responsibilities and duties of Tenant and Transferee.*

The Transaction will not result in any change to the party to the Agreement, and the day-to-day operations of the Company and the management team thereof are expected to remain unchanged.

- (e) *All of the terms of the proposed Transfer, including the total consideration payable by Transferee; the specific consideration (if any) payable by Transferee in connection with the Premises and/or uses under this Agreement if the proposed Transfer is part of an acquisition or purchase that involves assets outside this Agreement; the proposed use of the Premises; the effective date of the proposed Transfer; and a copy of all documentation concerning the proposed Transfer.*

The terms of the Transfer are confidential. No specific consideration was paid in connection with the Premises and/or uses under the Agreement. The Transfer constituted a sale of shares of the parent entity of Tenant, which holds a wide range of interests in infrastructure and other assets.

- (f) *The proposed form of a guaranty or guaranties providing greater or substantially the same protection to City as any guaranty in effect prior to or contemporaneous with the proposed Transfer.*

No guaranty is proposed to be provided in connection with the Transfer. The financial strength of the Tenant and its ability to meet its obligations remain unchanged following the Transfer.

- (g) *A business plan for the Transferee including specific estimates of revenue anticipated under each of the following categories: existing contracts, contracts under negotiation and other specified sources.*

Day-to-day operations and the business plan for the Premises are expected to remain unchanged.

- (h) *A general description of any planned Alterations or improvements to the Premises.*

No Alterations or improvements are planned.

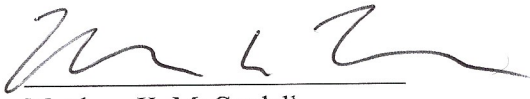
- (i) *A description of the worth of the proposed Transferee including an audited financial statement.*

Blackstone is one of the world's leading investment firms, with total assets under management of \$684 billion as of June 30, 2021. Blackstone is also publicly traded on The New York Stock Exchange and, as of the date of this letter, has a market capitalization in excess of \$150 billion. More information regarding the worth of Blackstone, including audited financial statements, is available at <https://www.sec.gov/edgar/browse/?CIK=1393818>.

While the terms of the Agreement are unclear as to their application to the Transaction, we are nonetheless writing to request your acknowledgement and consent to the Transaction. By way of additional background, the Investor initially invested in FRS Capital in 2019 and has been active in the governance thereof since then. Accordingly, and given that the Transaction is not anticipated to have any impact on the Company or the Agreement, we would appreciate you signing in the space provided below as to your acknowledgement and consent to the Transaction.

Should you have any questions regarding the foregoing, please contact me at (206) 382-2201.

Sincerely,

A handwritten signature in black ink, appearing to read 'M K McCardell', written over a horizontal line.

Matthew K. McCardell
General Counsel

ACKNOWLEDGED AND AGREED:

CITY OF LOS ANGELES

Name:
Title: