Appendix B
Water Island Quitclaim Deeds & Restrictive Covenants
(December 21, 1996 & March 29, 2005)
QUITCLAIM DEED

THIS INSTRUMENT, made this 12th day of December, 1996, between THE UNITED STATES OF AMERICA, by and through its DEPARTMENT OF THE INTERIOR, OFFICE OF INSULAR AFFAIRS, herein called the "Grantor," and THE OFFICE OF THE GOVERNOR, U.S. VIRGIN ISLANDS, herein called the "Grantee,"

WITNESSETH: That for and in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor hereby grants, sells, releases, and quitclaims to the Grantee, the successors and assigns of the Grantee, all of the right, title, and interest of the Grantor in the real property including the improvements thereon described as follows:

Property located on Water Island near St. Thomas, United States Virgin Islands, designated as the hotel site and associated properties on Tract B, including the water frontage, dock and dockyard, including the deep water dock; the beach and associated lands on Tract C, and the public ferry dock and associated lands on Tract E as marked and shown on a copy of the 1979 map of the Department of the Interior, Bureau of Land Management, (revised July 1996) attached hereto as Exhibit 1, and containing according to said map approximately 50 acres, more or less and by reference made a part hereof. All public roads on Water Island, excluding those on the Sprat Bay properties, are also included.

TOGETHER WITH the rights, privileges, and appurtenances, including the use of the roads, ways, and public areas presently existing and designated for such purpose on said map, for use in common with other owners, for ingress and egress to said property.

TO HAVE AND TO HOLD the premises conveyed hereby in fee simple forever.
SUBJECT, HOWEVER, to Virgin Islands zoning regulations, now or hereafter in 
force, laws, rules, and regulations of the United States Virgin Islands, and to covenants,
restrictions, and easements of record, all of which shall run with the land and be binding upon 
the owners of all lots on Water Island, and inure to the benefit of all of such lots and to the 
Grantor herein. Additionally, the following nine items are also included as covenants and 
easements of record:

1. The property is sold in as is condition with no express implied warranties other than 
those expressly stated herein and subject to Article 6 below.

2. The Grantee agrees to comply with the restrictions on the property set forth in the list of 
Restrictive Covenants attached hereto as Exhibit 2, and by this reference made a part hereof 
which shall run with the land and be binding upon the owners from time-to-time of all lots on 
Water Island. Said list complies with the United States Fish and Wildlife Service Biological 
Opinion (no jeopardy) to protect endangered species and the National Historic Preservation 
Act to protect cultural and archaeological resources. Specific restrictions are addressed by 
tract and location.

3. The Grantee agrees not to introduce any non-native animal, with the exception of 
common household pets, such as cats, dogs, and caged birds, to Water Island.

4. The Grantee agrees not to use as a matter of course, off-road vehicles or heavy duty, 
mechanical beach cleaning equipment on any beach on Water Island and agrees further to 
keep animals off any beach on Water Island. This restriction shall not prohibit Grantee from 
using heavy duty equipment to return beach to its condition prior to any major storm or 
natural disaster.

5. The Grantee agrees to buy and the Grantor agrees to sell the property in consideration of 
the following obligations to be assumed by the Grantee.

a. The Grantee agrees to use all property for public purposes only, and as such the 
name of Water Island shall be retained to promote economic development of Water Island for 
the benefit of the U.S. Virgin Islands, including the residents of Water Island. The purpose 
of this provision, the operation of a hotel or tourist resort on the property shall be deemed 
public purposes, and the Grantee agrees to make a reasonable effort to have such an operation 
established.

b. The Grantee agrees that if the above identified property or any portion thereof is 
sold, the proceeds shall be paid to the United States Department of the Interior.
d. The Grantee agrees to provide the following services on Water Island:

1. A public dock, with regular scheduled public ferry service, and a deep-water dock.
2. Maintenance of roads and docks.
3. Establishment and maintenance of public recreation areas, including the public beaches on Water Island.
4. Fire protection.
5. Public safety officers.
7. Regular trash removal.

e. The Grantee agrees that Water Island residents will have access to public health, education, and municipal services on the same basis as other residents of the Virgin Islands. It is understood that, due to the unique condition of Water Island, some of the municipal services may be provided in a location other than Water Island (such as St. Thomas).

6. The Grantor will comply with the requirements of Section 9620 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 42 U.S.C. 9620, to the extent required with respect to the property subject to this sale. Grantor agrees to remove asbestos materials and hazardous materials. A list of suspected hazardous materials Grantor believes to be stored on the site is attached as Exhibit 3, Potential Hazardous Substances and Solid Wastes on Water Island, U.S. Virgin Islands (March 1994), to this quitclaim deed. The Grantee hereby agrees that any response action, or corrective action with respect to these or other possible hazardous materials that may currently be present on the transferred property shall be the responsibility of the Grantor. The Grantor may seek to secure contribution from other potentially responsible parties under CERCLA.

The Grantee hereby agrees to grant the Grantor access to the transferred property to the full extent necessary, in the judgment of the Grantor, to perform its responsibilities under CERCLA.

7. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this deed or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to the deed if made with a corporation or company for its general benefit.

8. The Grantee hereby agrees to indemnify and hold harmless the United States, its employees, agents, and assigns from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death arising out of the Grantee’s activities under this deed.

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Fed/VI: 10/12/94
9. The Grantor hereby releases the United States, its Departments, agencies, and employees from any claim for the value of possessory interests in improvements on Water Island whether the claim is predicated upon the Water Island master lease of 1922, any sublease, or any other basis. This release covers all and every property interest on Water Island including the interest in any house or dwelling as may have been constructed by the Grantor and the interest in common properties on Water Island including by way of example roads, docks, and beaches. The Grantor hereby agrees not to bring any claim for the value of any alleged possessory interest against the United States, its Departments, agencies, or employees in any judicial, administrative, arbitration, or other forum.
IN WITNESS WHEREOF, the Grantor has signed this instrument as of the date first written above.

THE UNITED STATES OF AMERICA,
DEPARTMENT OF THE INTERIOR

Allen P. Stayman, Director
Office of Insular Affairs

By Allen P. Stayman

IN WITNESS WHEREOF, the Grantee has acknowledged receipt of this instrument as of the date first written above.

THE UNITED STATES, VIRGIN ISLANDS
OFFICE OF THE GOVERNOR

Roy L. Schneider
Governor, U.S. Virgin Islands

WITNESSES: (two required)

On this 2 day of February, 1996, before me, personally appeared Allen P. Stayman, who acknowledged himself to be the Director, Office of Insular Affairs, United States Department of the Interior (Department). On behalf of the Department, he, being authorized to do so executed the foregoing instrument on behalf of the Department for the purposes therein contained by signing his name.

In witness wherefof I hereunto set my hand and official seal.

CERTIFICATION

The undersigned hereby certifies that for recording purposes, the consideration for the within conveyance does not exceed $__________________________.

Page 5 of 5
DATE: May 18, 2005
TO: James A. C'Bryan, Jr.
FAX: 774-4998
FROM: Libby Davis
RE: Water Island

Number of Pages (including cover sheet): 8

A date-stamped, attested copy of the Quitclaim Deed from the U.S. Department of Interior follows. The property in the deed now officially belongs to the Government of the Virgin Islands. Congratulations!
QUITCLAIM DEED

THIS INDENTURE, made this 21st day of March, 2005, between THE UNITED STATES OF AMERICA, by and through its DEPARTMENT OF THE INTERIOR, OFFICE OF INSULAR AFFAIRS, herein called the "Grantor," and THE GOVERNMENT OF THE U.S. VIRGIN ISLANDS, through the Governor, herein called the "Grantee."

WITNESSETH: That for and in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor hereby grants, sells, releases, and quitclaims to the Grantee, the successors and assigns of the Grantee, all of the right, title, and interest of the Grantor in the real property including the improvements thereon described as follows:

Property located on Water Island near St. Thomas, U.S. Virgin Islands, designated as Area I, Area J, Area K, Area L, Area M, Area M1, Area N, Area O, Area P, Area Q, Area R, Area S, Area T, Area U, Area V, Area W, Area X, Area Y, Lot D, Lot E, Tract A, Tract B, Tract C, Lot 7 (including all structures and improvements), Lot 25, Lot 24, Lot 87 (including all structures and improvements), Flamengo Bay Villas (Lot 8, Lot 9, Lot 10, Lot 14, Lot 16, Lot 18, Lot 19, Lot 22, Lot 25, Lot 26, and Lot 27), and Lot 279 (Sprat Point) as marked and shown on a copy of the 1979 map of the Department of the Interior, Bureau of Land Management, (revised July 1996) attached hereto as Exhibit 1, and by reference made a part hereof.

TOGETHER WITH the rights, privileges, and appurtenances, including the use of the roads, ways, and public areas presently existing and designated for such purpose on said map, for use in common with other owners, for ingress and egress to said property.

TO HAVE AND TO HOLD the premises conveyed hereby in fee simple forever.

SUBJECT, HOWEVER, to Virgin Islands zoning regulations, now or hereafter in force, laws, rules, and regulations of the United States Virgin Islands, and to covenants, restrictions, and easements of record, all of which shall run with the land and be binding upon the owners of all lots on Water Island, and inure to the benefit of all of such lots and to the Grantee herein. Additionally, the following nine items are also included as covenants and easements of record:

1. The property is sold in as is condition with no express implied warranties other than those expressly stated herein and subject to Article 6 below, and Grantor's covenants in Exhibit 4 "Water Island Environmental Restrictive Covenants".
2. The Grantee agrees to comply with use restrictions on the property set forth in the list of Restrictive Covenants attached hereto as Exhibit 2, and by this reference made a part hereof which shall run with the land and be binding upon the owners from time-to-time of all lots on Water Island. Said list complies with the United States Fish and Wildlife Service Biological Opinion (no jeopardy) to protect endangered species and the National Historic Preservation Act to protect cultural and archaeological resources. Specific restrictions are addressed by tract and location.

3. The Grantee agrees not to introduce any non-native animal, with the exception of common household pets, such as cats, dogs, and caged birds, to Water Island.

4. The Grantee agrees not to use as a matter of course, off-road vehicles or heavy duty, mechanical beach cleaning equipment on any beach on Water Island and agrees further to keep animals off any beach on Water Island. This restriction shall not prohibit Grantee from using heavy duty equipment to return the beach to its condition prior to any major storm or natural disaster.

5. The Grantee agrees to buy and the Grantor agrees to sell the property in consideration of the following obligations to be assumed by the Grantee.

   a. The Grantee agrees to use all property for public purposes only, and as such the name of Water Island will be retained to promote economic development of Water Island for the benefit of the U.S. Virgin Islands, including the residents of Water Island. For purposes of this provision, the operation of a hotel or tourist resort on the property shall be deemed a public purpose.

   b. The Grantee agrees to assume all liability that may arise from the property prospectively effective as of the date of closing.

   c. The Grantee agrees to provide the following services on Water Island:

      (1) A public dock, with regular scheduled public ferry service, and a deep-water dock
      (2) Maintenance of roads and docks
      (3) Establishment and maintenance of public recreation areas, including the public beaches on Water Island
      (4) Fire protection
      (5) Public safety officers
      (6) Inspection and licensing of motor vehicles
      (7) Regular trash removal

   d. The Grantee agrees that Water Island residents will have access to public health, education, and municipal services on the same basis as other residents of the Virgin Islands. It is understood that, due to the unique
condition of Water Island, some of the municipal services may be provided in a location other than Water Island (such as St. Thomas).

6. As set forth more fully in Exhibit 4 "Water Island Environmental Restrictive Covenants," Grantor has complied with the requirements of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 42 U.S.C. § 9620(h) to the extent required with respect to the property subject to this sale. Consistent with CERCLA section 120(h)(3), Grantor covenants that all action currently necessary to protect human health and the environment with respect to hazardous substances remaining on the property as of the date of transfer has been taken.

7. The Grantee agrees to comply with the Environmental Restrictive Covenants attached hereto as Exhibit 4, including covenants necessary to assure use of property consistent with the environmental condition of the Flamingo Bay Landfill. The Flamingo Bay Landfill area is described in the attached Exhibit 5, boundary description and map, dated September 2004.

8. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this deed or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this deed if made with a corporation or company for its general benefit.

9. The Grantee hereby agrees to indemnify and hold harmless the United States, its employees, agents and assigns from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death arising out of the Grantee's activities under this Deed, including any breach of any covenant or failure to perform any obligation. In addition, subject to Grantor's warranty and covenants in Exhibit 4, Grantee hereby agrees to indemnify and hold harmless the United States, its employees, agents and assigns from any loss or damage and from any liability arising from releases of hazardous substances caused or contributed to by Grantee, or for which Grantee is otherwise responsible under Commonwealth or federal law.

10. The Grantee hereby releases the United States, its Departments, agencies, and employees from any claim for the value of possessory interests in improvements on Water Island whether the claim is predicated upon the Water Island master lease of 1952, any sublease, or any other basis. This release covers all and every property interest on Water Island including the interest in any home or dwelling as may have been constructed by the Grantee and the interest in common properties on Water Island including by way of example roads, docks, and beaches. The Grantee hereby agrees not to bring any claim for the value of any alleged possessory interest against the United States, its Departments, agencies, or employees in any judicial, administrative, arbitration, or other forum.
IN WITNESS WHEREOF, the Grantor has signed this instrument as of the date first written above.

THE UNITED STATES OF AMERICA,
DEPARTMENT OF THE INTERIOR

[Signature]
Director
Office of Insular Affairs

By [Signature]

IN WITNESS WHEREOF, the Grantee has acknowledged receipt of this instrument as of the date first written above.

THE UNITED STATES, VIRGIN ISLANDS
OFFICE OF THE GOVERNOR

[Signature]
Governor, U.S. Virgin Islands

By [Signature]
WITNESSES: (two required)

On this [29th] day of [March], 2004 before me, personally appeared [Signature], who acknowledged himself to be the Director, Office of Insular Affairs, United States Department of the Interior (Department). On behalf of the Department, he, being authorized to do so executed the foregoing instrument on behalf of the Department for the purposes therein contained by signing his name.

In witness whereof I hereunto set my hand and official seal.

[Signature]
Notary Public
My commission expires 4/30/07
CERTIFICATION

The undersigned hereby certifies that for recording purposes, the consideration for the within conveyance does not exceed $___.

NOTE:

IN THE CADAstral RECORDS
OF COUNTRY/TOWN PROPERTY, BOOK FOR
WATER ISLAND, NO.10 SOUTHSIDE
QUARTER, ST. THOMAS, VIRGIN ISLANDS.

Cadastral Survey/Tax Assessor Offices

By: Thomas, M. L. Doed, May 16, 2005
City of St. Thomas, Special Assistant to the
Tax Assessor for Survey
Office of the Lieutenant Governor

AFFIDAVIT

It is hereby certified that the above mentioned property belongs to:

QUICK CLM DEED dated March 29, 2005

BELONGS TO: THE GOVERNMENT OF THE U.S.
VIRGIN ISLANDS, through the Governor (CHARTER)

Cadastral Survey/Tax Assessor Offices

By: Thomas, M. L. Doed, May 16, 2005
City of St. Thomas, Special Assistant to the
Tax Assessor for Survey
Office of the Lieutenant Governor
AFFIDAVIT

The undersigned hereby certifies that the within instrument is exempt from deed stamp tax and deed recording charges pursuant to Title 33 VIC Section 128 (1) as it is a transfer from the Government of the United States of America.

WITNESSES:

THE UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
Office of Insular Affairs

By: Nikolas Pula

DISTRICT OF COLUMBIA )
) ss:

On this 14th day of April, 2003, before me, personally appeared Nikolas Pula, who acknowledged himself to be the Director, Office of Insular Affairs, United States Department of the Interior ("Department"). On behalf of the Department, he, being authorized to do so, executed the foregoing instrument on behalf of the Department for the purposes therein contained by signing his name.

In witness whereof I hereunto set my hand and official seal.

[Signature]
Notary Public
My Commission Expires May 31, 2004
Exhibit 2

Water Island

Restrictive Covenants

The restrictive covenants specified are necessary to maintain a no jeopardy opinion by the U.S. Fish and Wildlife Service in compliance with the Endangered Species Act and to protect cultural resources in compliance with the National Historic Preservation Act. All lots and tracts referred to herein are those shown on the 1979 Bureau of Land Management map, a copy of which is attached as Exhibit 1 to all contracts.

DEFINITIONS OF TERMS

For purposes of these restrictive covenants all lots, parcels, villas, and areas of Water Island which have restrictions and are identified below, will be defined as either permanent nondevelopment or restricted development covenant. Any specific restrictions will be identified under restricted development covenant.

Permanent nondevelopment (if not already developed) means that to prevent erosion and other disturbances to endangered species, no additional development or removal of vegetation cover may occur from this date forward unless consulted and approved by the U.S. Fish and Wildlife Service and Virgin Islands Division of Fish and Wildlife; in addition with the Virgin Islands State Historic Preservation Officer for those few lots identified with an asterisk (*) below which have cultural restrictions. Those lots identified with an asterisk will also be provided a copy of the Preservation Covenant.

Restricted development covenant (if not already developed) is a covenant agreed to by the U.S. Fish and Wildlife Service and Bureau of Reclamation that should a building be constructed, only the vegetation within the footprint of the building, associated patio, and driveway is to be disturbed. This would help to reduce erosion into sensitive adjacent marine environments where sea turtles forage.

Lighting restrictions are performance based, meaning that lights are not to be directly visible from any beach. If new lighting is developed, it should be reviewed and the placement approved by the U.S. Fish and Wildlife Service, in conjunction with the Virgin Islands Division of Fish and Wildlife. Existing outdoor lighting (if any) would be reviewed and, if necessary, replaced with shielded outdoor lighting or otherwise modified to not be visible from the beach.
RESTRICTIVE COVENANTS ON ALL WATER ISLAND AREAS

The Buyer agrees not to introduce any non-native animal, with the exception of common household pets, such as cats, dogs, and caged birds, to Water Island.

The Buyer further agrees not to use off-road vehicles or heavy duty, mechanical beach cleaning equipment on any beach on Water Island and that animals will be kept off any beach on Water Island. This restriction shall not prohibit Buyer from using heavy equipment to return the beach to its conditions prior to any major storm or natural disaster.

Owners of boats, lessees, visitors, and clients must moor only at designated mooring sites to minimize impacts to the seagrass beds. The type, number, and location of these moorings will be determined in cooperation with the Virgin Islands Government, U.S. Fish and Wildlife Service, and the National Marine Fisheries Service. Anchoring or mooring in other areas would be prohibited.

RESTRICTIVE COVENANTS ON PUBLIC COMMON AREAS

Permanent Nondevelopment

Tract A Fort Segarra
Tract D (excluding privately owned lots 61, 62, 63, 86, an 87)
Tract F (cultural restriction*) Requires signed Preservation Covenant
Area J (cultural restriction*) Requires signed Preservation Covenant
Lot 279 (cultural restriction*) Requires signed Preservation Covenant

All salt ponds will be maintained as permanent nondevelopment which will consist of a buffer zone 13 feet (4 meters) in width, beginning with the upper limit of the wetlands to protect the candidate species known to inhabit the ponds.

Marina Basin off Flamingo Bay will be maintained as permanent nondevelopment which will consist of the mangrove fringe and buffer zone 13 feet (4 meters) in width, beginning with the upper limit of the wetlands.

Restricted Development Covenant

Tract B previously developed portions may be redeveloped for a hotel or tourist resort. This reference to tract B, excludes the villas and privately owned lots 48-60.

Tract B nondeveloped portions

Tract C, including Honeymoon Beach, will also include restrictions, such as setbacks from beachfront vegetation, in addition to outdoor lighting restrictions, to minimize impacts to sea turtles should additional development take place.
RESTRICTIVE COVENANTS ON SOUTHERN LOTS (WICA AREA)

Permanent Nondevelopment

The following lots if not already developed:

Lots 72 and 73 (cultural restrictions*) Requires signed Preservation Covenant
Lot 112 (cultural restriction*) Requires signed Preservation Covenant

Restricted Development Covenant

The following lots if not already developed:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10
Lots 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29
Lots 61, 62, and 63
Lot 71, including lighting restriction
Lot 78
Lots 86 and 87
Lots 94 and 95
Lot 100
Parcels 111, 142, and 143

RESTRICTIVE COVENANTS ON SPRAT BAY PROPERTIES

Permanent Nondevelopment

The following lots if not already developed:

Lot 201 (cultural restriction*) Requires signed Preservation Covenant
Lots 205 and 206 (cultural restriction*) Requires signed Preservation Covenant
Lot 208 (cultural restriction*) Requires signed Preservation Covenant
Lots 209 and 210
Lot 230
Lot 234
Lot 270

Restricted Development Covenant

Lots 202, 203, and 204
Lot 207
Lots 211, 212, 213, 214, 215, 216, 217, 218, 219, and 220
Lots 221, 222, 223, 224, 225, 226, 227, 228, and 229 (all including lighting restrictions)
Lots 231, 232, and 233
Lot 268
Lot 278
Exhibit 4
Water Island Environmental Restrictive Covenants

1. In accordance with the provisions of 42 U.S.C. § 9620(h) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and regulations of the U.S. Environmental Protection Agency (EPA) at 40 C.F.R. Part 373, the Grantor hereby notifies Grantee that hazardous substances are known to have been stored for a year or more, released and/or disposed of on the property.

The Grantee has been provided with and hereby acknowledges the receipt of several environmental reports, including Bureau of Reclamation, Site investigation Report, Former Fort Segarra, Water Island, U.S. Virgin Islands (April 27, 2004) and U.S. Corps of Engineers, Engineering Evaluation/Cost Analysis for Former Fort Segarra, Water Island, U.S. Virgin Islands (March 2004), and Site Investigation Report, Plot D and Lot 101, (March 2003) describing the hazardous substance and chemical agent investigations of the property and the type, quantity, and storage, disposal, and release of such materials, to the extent that such information is available.

In particular, those reports note that hazardous substances disposed of on the property for a year or more or stored, or released include an estimated 443,590 pounds of asbestos-containing material (ACM), CASRN (13 2207-33-1). The Grantee has also been provided with and hereby acknowledges the receipt of a supplemental report dated (June 2004) documenting that additional ACM has been removed from the property. Final asbestos removal is documented in Closure Report, Flamingo Bay Stockpile, Water Island (November 5, 2004).

2. In accordance with the provisions of 42 U.S.C. § 9620(h)(3), the Grantor hereby covenants and warrants that:

a. All remedial action necessary to protect human health and the environment has been taken with respect to any hazardous substance remaining on the property as of the date of transfer; and

b. With respect to any hazardous substance which became located on the property prior to the transfer to Grantee and which remained on the property after the date of transfer, any additional remedial action found to be necessary after the date of transfer shall be conducted by the Grantor; provided, however, that this covenant shall not apply to the extent that (i) Grantee is, at the time of transfer, a potentially responsible party with respect to the property; or (ii) Grantee, its successors in interest, its transferees, its assigns, and any person or entity occupying the property pursuant to an authorization from the Grantee cause or contributes to the release of hazardous substances at the property; or (iii) the remedial action is necessitated by soil excavation or disturbance at the Flamingo Bay Landfill, which is subject to the restriction set forth below.
c. The Grantor reserves a perpetual easement over and through and a right of access to the property to perform any additional environmental investigation, monitoring, sampling, testing, remedial action, corrective action, or any other action necessary for the Grantor to meet its environmental obligations under applicable law and as provided in this Deed. This easement and right of access shall be binding on the Grantee, its successors and assigns, and shall run with the land. This reservation includes the right to access and use utilities on the property at reasonable cost to the Grantor. In exercising this right of access, except in case of imminent danger to human health or the environment, the Grantor shall give to the Grantee, or then record owner, reasonable notice of actions to be taken on the property and shall use reasonable means to avoid and/or minimize interference with the use of the property.

**Restriction on Flamingo Bay Landfill**

With respect to the closed Flamingo Bay Landfill, described in the attached survey and report dated September 29, 2004, (map Exhibit 5) the Grantor has undertaken an investigation of the property and has concluded that the following covenant is necessary to assure use of the property consistent with its environmental condition.

1. The Grantee, its successors and assigns, transferees, and any person or entity occupying the property pursuant to an authorization from the Grantee, shall not conduct or permit others to conduct (1) any excavation, digging, drilling or other disturbance of the soil or ground below a depth of one foot without prior written approval of the United States.

2. Any additional remediation of the Flamingo Bay Landfill necessitated because of Grantee’s request to conduct excavation, digging, drilling or other disturbance of the soil or ground below a depth of one foot will be at no additional cost to the United States and with the express written consent of the United States. Consent may be conditioned upon such terms and conditions as the United States deems reasonable and appropriate, including performance and payment bonds and insurance.

3. The Grantee covenants for itself, its successors and assigns, that it shall include and otherwise make legally binding this restriction in all subsequent lease, transfer or conveyance documents relating to the property. Notwithstanding this provision, failure to include this restriction in subsequent conveyances does not abrogate the status of these restrictions as binding upon the parties, their successors and assigns.
Indemnification

Subject to the environmental warranty granted by the United States and set forth above, Grantee, its successors and assigns hereby covenant and warrant that it shall indemnify, defend, and hold harmless the United States and its agencies from any injury, damage, loss, claim, liability, cost, and judgment arising from the acts or omissions of Grantee’s employees, agents, contractors or lessees, arising out of, or in connection with, Grantee’s use, occupancy or operations on the property.

Anti-Deficiency Act

The obligation of the Grantor to conduct any remediation under this DEED is subject to the availability of appropriated funds to the Department of the Interior, and nothing in this Deed shall be interpreted to require obligations or payments by the Grantor in violation of the Anti-Deficiency Act.