

ETC & I / U & GO

A RESOLUTION

Concurring to the amendments and addendum proposed to the lease agreement between the Kosrae State Government and Liancheng Overseas Fishery (FSM) Co., Ltd.

1 **WHEREAS**, Liancheng entered into a lease agreement with the Kosrae State
2 Government on or about April 11, 2015 for the lease of an area of approximately 2,757 square
3 meters on Okat Dock. The original lease amount was US\$1,000.00 per month, for the fish
4 transshipment operation and other related purposes of Liancheng Overseas Fishery (FSM) Co.,
5 Ltd.; and

6 **WHEREAS**, Liancheng and Kosrae State Government amended this lease on or about
7 November 17, 2015, to increase the lease payment to US\$2,500.00 per month; and

8 **WHEREAS**, in a separate agreement between the same parties an Amendment to the
9 Promissory Note, Acknowledgement of Loan, Security Agreement, and Repayment Option was
10 made and entered into by both parties on or about September 12, 2019, for the repayment of a
11 loan incurred by Kosrae State, when Liancheng paid off a debt owed by Kosrae State; and

12 **WHEREAS**, this agreement is an Amendment to the Lease Agreement payment terms
13 made and entered into by both parties for the lease of Okat Dock Facilities on or about
14 November 17, 2015; and

15 **WHEREAS**, due to the COVID-19 Pandemic situation which affected Liancheng's
16 operation in Kosrae, through consultation and mutual consent of both parties, Liancheng desires

1 to apply the rental payment of Okat Dock Facilities to the loan for a period of one (1) year as a
2 repayment of the loan; **NOW & THEREFORE**

3 **BE IT RESOLVED**, that the 12th Kosrae State Legislature hereby concurs to the
4 agreement mutually agreed upon by the Kosrae State Government and Liancheng, as set forth
5 below:

- 6 1. Liancheng is to deduct the rental payment for the Okat Dock Facilities from the
7 balance of the loan to Kosrae State Government as a repayment of the loan, for a period
8 of 12 months from April 01, 2021 to March 31, 2022;
- 9 2. Monthly rental repayment of Okat Dock Facilities is US\$2,500.00 per the lease
10 agreement, for a total of US\$30,000.00 to be deducted from the loan to Kosrae State
11 Government as repayment;
- 12 3. Loan balance as of July 29, 2021 is US\$315,000.00, subtracted the payment of
13 US\$30,000.00 for the rental payment of Okat Dock Facilities for 12 months, the new
14 balance is US\$285,000.00;
- 15 4. All other terms and conditions of the Agreement to the Promissory Note,
16 Acknowledgement of Loan, Security Agreement and Repayment Options entered into on
17 September 12, 2019, shall remain the same in full force and effect;
- 18 5. Cash payments of US\$2,500.00 per month to Kosrae State Government shall resume in
19 April 1, 2022;

