

AMENDMENTS

THESE AMENDMENTS, dated January 27, 2022 (the “Amendments”), to the Agreement between Cruzan VIRIL, Ltd. (“Cruzan”) and the Government of the United States Virgin Islands (“Government”), dated as of October 6, 2009, as amended and supplemented (the “Cruzan Agreement”), are made by and between the Cruzan and the Government. The Government and Cruzan are sometimes collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS

Whereas the Government of the U.S. Virgin Islands (“Government”) has utilized the economic development tools provided by Congress to attract and develop the rum industry in the U.S. Virgin Islands (“Virgin Islands”); and

Whereas the rum industry, through the Cover-Over Program authorized by Section 7652 of the U.S. Internal Revenue Code (“Code”) as defined herein, generates hundreds of millions of dollars in Cover-Over Revenues each year which the Government uses, in part, to securitize bonds, among other things, to finance critical infrastructure and other economic development projects in the Virgin Islands; and

Whereas the Government entered into public-private partnerships with Diageo USVI, Inc. (“Diageo”) in 2008 and with Cruzan VIRIL, Ltd. (“Cruzan”) in 2009 to support, strengthen and grow the rum industry in the Virgin Islands and to secure and increase the flow of Cover-Over Revenues to the Government; and

Whereas the Government entered into agreements with Diageo and Cruzan (the “Diageo Agreement” and the “Cruzan Agreement,” respectively) to give effect to these partnerships and to issue bonds to finance the construction, expansion and improvement of rum production facilities in the Virgin Islands; and

Whereas, pursuant to these agreements, the Government, through the Virgin Islands Public Finance Authority (Public Finance Authority” or “PFA”), has issued (1) Diageo Project Bonds in 2009 to finance the development and construction of the Diageo facilities in St. Croix (the “Diageo Project Bonds”), and (2) Cruzan Project Bonds in 2009 to finance the improvements and expansion of the Cruzan facilities at Estate Diamond (the “Cruzan Project Bonds”); and

Whereas the Government, through the Public Finance Authority, has issued Matching Fund Bonds subject to the Matching Fund Bond Indenture, as defined herein; and

Whereas the Diageo Project Bonds and Cruzan Project Bonds are subject and subordinate to bonds issued under the Matching Fund Bond Indenture (“PFA Matching Fund Bonds”); and

Whereas the Diageo Project Bonds and the Cruzan Project Bonds are currently redeemable; and

Whereas the Matching Fund Bonds, the Diageo Project Bonds, and the Cruzan Project Bonds were issued at a time of higher interest rates than exist today; and

Whereas the Government has identified an opportunity to take advantage of the current favorable interest rate environment, and is endeavoring to defease and refund all outstanding PFA Matching Fund Bonds, Diageo Project Bonds, and Cruzan Project Bonds with new asset-backed securitization bonds (“Matching Fund Securitization Bonds” or the “Securitization Plan”); and

Whereas the Cruzan Agreement and its enabling legislation did not contemplate or authorize the refunding of the Cruzan Project Bonds; and

Whereas the Diageo Agreement and its enabling legislation did not contemplate or authorize the refunding of the Diageo Project; and

Whereas the Virgin Islands Legislature has enacted or will enact legislation expressly authorizing the Securitization Plan which includes such refunding (the “Authorizing Legislation”); and

Whereas the Securitization Plan contemplates the creation and establishment of a new Matching Fund Special Purpose Securitization Corporation (the “Corporation”) through legislation, which SPV will issue Matching Fund Securitization Bonds to fund the purchase of all rights, title, and interest in the Cover-Over Revenues under an Assignment, Purchase and Sale Agreement with the Government (the “Purchase and Sale Agreement”), and to provide the funds necessary to defease and refund all outstanding PFA Matching Fund Bonds; and

Whereas, when and if the Securitization Plan is implemented, concurrently upon the defeasance of the Cruzan Project Bonds, the Cruzan Project Bond Indenture will be extinguished and will have no further force and effect; and

Whereas the Securitization Plan requires the consent of the U.S. Department of the Treasury (“Treasury”); the consent of Diageo and Cruzan, respectively; and approval and authorization by the Legislature of the U.S. Virgin Islands (the “Legislature”); and

Whereas the conditions precedent enumerated above shall have been satisfied as of the Amendment Effective Date, as defined herein; and

Whereas the Securitization Plan further requires technical and conforming amendments to the Diageo Agreement and the Cruzan Agreement;

NOW THEREFORE, in consideration of the foregoing recitals and the covenants, representations, warranties, commitments and agreements hereinafter set forth, and for other good and valuable consideration, receipt and acknowledgment of which are hereby given; the Parties hereby agree as follows:

1. Amendments to Article II. For purposes of these Amendments, Defined Terms in the Cruzan Agreement shall, unless otherwise specified, have the same meanings herein. In addition, the following terms shall have the meanings or amended meanings set forth below:

“Beam-Suntory” means Beam Suntory Inc., which is a parent company of Cruzan, and its successors and assigns.

“Corporation” means the Matching Fund Special Purpose Securitization Corporation, a special purpose, independent and autonomous corporate instrumentality of the Virgin Islands established by the Authorizing Legislation, and its successors and assigns.

“Cover-Over Revenues” shall have the same meaning as the Defined Term in the Cruzan Agreement, except that the term “Government” shall be amended to read as “Government or instrumentality of the Virgin Islands.”

“Cruzan MFS Bonds” shall mean the portion of the Matching Fund Securitization Bonds that defease and refund the Cruzan Project Bonds

“Cruzan Senior Debt Service Amount” means the amount of annual debt service attributable to the Matching Fund Securitization Bonds issued by the Corporation defeasing and refunding the Cruzan Project Bonds.

“Cruzan Senior Debt Service Share” shall mean the amount of annual debt service attributable to the Senior Matching Fund Securitization Bonds issued by the Corporation that was paid with Annual Gross Cruzan Cover Over Receipts.

“Cruzan Refunding Debt Service Savings Share” means forty percent (40%) of the Refunding Debt Service Savings.

“Estimated Cover-Over Revenue Payment” shall have the same meaning as the Defined Term in the Cruzan Agreement, except that the term “Government” shall be amended to read as “Government or instrumentality of the Virgin Islands.”

“Government Refunding Debt Service Savings Share” means sixty percent (60%) of the Refunding Debt Service Savings.

“Issuer” shall have the same meaning as the Defined Term in the Cruzan Agreement as modified by the amendments to Section 6.1.1 contained herein.

“Master Trust Indenture” shall have the meaning as specified in Section 6.1.1.

“PFA Matching Fund Bonds” shall have the same meaning as specified in the Recitals herein.

“PFA Bonds to be Refunded” means all of the outstanding Revenue and Revenue Refunding Bonds (Virgin Island Matching Fund Notes) issued by the Public Finance Authority pursuant to an Indenture of Trust dated as of May 1, 1998, as amended and supplemented pursuant to a Subordinate Indenture of Trust dated as of June 1, 2009, as supplemented, and a Subordinate Indenture of Trust dated as of December 1, 2009, as supplemented.

“Refunding Debt Service Savings” means, for a given year, the difference between (i) the Cruzan Senior Debt Service Amount and (2) the amount that would have been deposited pursuant to Section 6.1.6(b)(i) for a given year if the Cruzan Project Bonds remained outstanding, in each case as determined by the Calculation Agent. If the Matching Fund Securitization Bonds are issued, at the time such Matching Fund Securitization Bonds are priced or soon thereafter and prior to such issuance, the parties agree to attach a schedule to these amendments that contains the actual cost savings for each year.

“Residual Fund” means the fund so designated, created and established pursuant to the Master Trust Indenture.

“Residual Fund Escrow Agreement” means the agreement of that name entered into by the United States Virgin Islands and The Bank of New York Mellon Trust Company, N.A. in connection with the issuance of the Securitization Bonds.

“Residual Fund Escrow Agent” means The Bank of New York Mellon Trust Company, N.A. acting in its capacity as Agent under the Residual Fund Escrow Agreement.

“Securitization Plan” shall have the same meaning as specified in the Recitals herein.

“Senior Matching Fund Securitization Bonds” shall mean the Matching Fund Securitization Bonds issued by the Corporation that defeased and refunded the PFA Matching Fund Bonds.

2. Amendments to Article VI

- (a) The first sentence of Section 6.1.1 of the Cruzan Agreement is amended to read as follows:

“6.1.1 The Parties hereto acknowledge and agree that all amounts due and payable under this Agreement shall be subject and subordinate to the lien created under the Matching Fund Bond Indenture until such time as all PFA Bonds to be Refunded, including the Cruzan Project Bonds described herein, shall have been defeased and refunded through the issuance of new securitized senior bonds (“Matching Fund Securitization Bonds”) by and through the Corporation. Upon such issuance and refunding, all amounts due and payable under this Agreement shall be subject and subordinate to the lien created under the Master Trust Indenture executed in connection with the issuance of the Securitization Bonds (the “Master Trust Indenture”), and any supplements thereto, by and between the Corporation and the Trustee.

- (b) The penultimate sentence of Section 6.1.1 of the Cruzan Agreement is amended to read as follows:

“The Cruzan Project Bonds will be repaid from the Cover-Over Revenues attributable to the operation of the facilities, except as may otherwise be provided in the Cruzan Project Bond Indenture. Any Cruzan MFS Bonds, if issued, will be repaid from Cover Over Revenues, except as may otherwise be provided in the Master Trust Indenture or any supplement thereto, as applicable.”

- (c) Section 6.1.4 of the Cruzan Agreement is amended to (1) add the phrase “or the Master Trust Indenture, if applicable” after the term “Matching Fund Bond Indenture” and (2) add the phrase “or, if issued, the Matching Fund Securitization Bonds issued by the Corporation” after the term “Matching Fund Bonds.”

- (d) Section 6.1.5 of the Cruzan Agreement is amended to read as follows:

“The Cruzan Project Bonds, or any Cruzan MFS Bonds, if applicable, shall have a term not to exceed October 6, 2039. Except as otherwise provided herein, the Cruzan Project Bonds shall not be secured by any source other than the Cover Over Revenues attributable to the operation of the Facilities in any Fiscal Year (“Annual Cover Over Receipts”) and, any Cruzan MFS Bonds, if issued, shall not be secured by any source other than Cover Over Revenues in any Fiscal Year, and such Annual Cover Over Receipts shall be transferred to the Government pursuant to the Matching Fund Bond Indenture or, if applicable, to the Corporation pursuant to the Master Trust Indenture (the “Annual Gross Cruzan Surplus Receipts”), except as otherwise provided in the Cruzan Project Bond Indenture or the Master Trust Indenture. For the avoidance of doubt, none of Cruzan, its Affiliates or Beam-Suntory (or any of its Affiliates) will be obligors with respect to the Cruzan Project Bonds, or the Matching Fund Securitization Bonds, and none of their respective assets will be encumbered by such bonds or under the Cruzan Project Bond Indenture or the Master Trust Indenture.”

(e) The preamble to Section 6.1.6 of the Cruzan Agreement is amended by striking the text therein and substituting the following text:

“Within 5 days of the execution of this Amendment, the Government shall provide irrevocable directions to The Bank of New York Mellon Trust Company, N.A., or its successor, as Residual Fund Escrow Agent (the "Residual Fund Escrow Agent") under the Residual Fund Escrow Agreement, dated as of September 1, as amended and supplemented (the "Residual Fund Escrow Agreement") to establish and maintain for the Term the Cruzan Residual Receipts Fund Account, Government Account, and Cruzan Surplus Receipts Account. In addition, the Parties shall also agree on the form and substance of the documentation evidencing the following:”

(f) Section 6.1.6(a) of the Cruzan Agreement is amended to add the following text at the end of said provision:

“, until such time as the Cruzan Project Bonds are defeased or refunded by the Matching Fund Securitization Bonds issued pursuant to the Master Trust Indenture, following which time, pursuant to the Master Trust Indenture and the Residual Fund Escrow Agreement, all Annual Gross Cover-Over Receipts, less the sum of the Cruzan Senior Debt Service Share and the Cruzan Senior Debt Service Amount and Cruzan’s allocable share of other payments and expenses required by the Master Trust Indenture, shall be deposited in the Cruzan Residual Receipts Fund Account within the Residual Fund to be created by the Master Trust Indenture;”

(g) Section 6.1.6(b) of the Cruzan Agreement is amended to add the following text at the end of the first paragraph:

“, until such time as the Cruzan Project Bonds are defeased or refunded by the Matching Fund Securitization Bonds issued pursuant to the Master Trust Indenture, following which time, pursuant to the Residual Fund Escrow Agreement, the Residual Fund Escrow Agent shall deposit the following amounts into the following accounts to be created under the Residual Fund Escrow Agreement from amounts on deposit in the Cruzan Residual Receipts Fund Account:”

(h) Section 6.1.6(b)(i) of the Cruzan Agreement is amended to read as follows:

“(i) First, until such time as the Cruzan Project Bonds are defeased and refunded by the Matching Fund Securitization Bonds issued pursuant to the Master Trust Indenture, to a Debt Service Account and related Debt Service Reserve Account, if necessary, such amounts as shall be required under the Cruzan Project Bond Indenture to pay or reserve for the

principal, interest and other financing costs payable in respect to the Cruzan Project Bonds, following which time the amount to be deposited pursuant to this paragraph shall be zero;”

(i) Section 6.1.6(b)(ii) of the Cruzan Agreement is amended to add a new sub-paragraph I, as follows:

(I) “Following the refunding or defeasance of the Cruzan Project Bonds and the issuance of the Matching Fund Securitization Bonds, in addition to any other deposits made pursuant to this Section 6.1.6(b)(ii), as amended, the Residual Fund Escrow Deposit Agent shall deposit into the Government Account the Government Refunding Debt Service Savings Share.”

(j) Section 6.1.6(b)(iii) of the Cruzan Agreement is amended to read as follows:

“then, to an account to be known as the "Cruzan Surplus Receipts Account," an amount equal to the Annual Gross Cover-Over Receipts less the amounts due to be deposited into other accounts pursuant to Section 6.1.6(b)(i) and (ii) above, except that following the refunding or defeasance of the Cruzan Project Bonds and the issuance of the Matching Fund Securitization Bonds, the amount to be deposited in the Cruzan Surplus Receipts Account shall be an amount equal to the Annual Gross Cover-Over Receipts on deposit in the Cruzan Residual Receipts Fund Account less (a) the amounts to be deposited into other accounts pursuant to Section 6.1.6(b)(ii) plus (b) the Cruzan Refunding Debt Service Savings Share. The amounts deposited pursuant to this Section 6.1.6(b)(iii) shall be known as the "Annual Cruzan Surplus Receipts" and shall be used to make the payments to Cruzan, required pursuant to Sections 5.1, 5.2, 5.3, 5.4 and 5.5 hereof;”

(k) Section 6.1.6(b)(iv) of the Cruzan Agreement is amended to read as follows:

“then any amounts remaining in the Cruzan Project Pledged Revenue Account or, following the refunding or defeasance of the Cruzan Project Bonds and the issuance of the Matching Fund Securitization Bonds, the Cruzan Residual Receipts Fund Account, shall be deposited to the Government Account as directed by the Government.

(l) The last paragraph Section 6.1.6(b) of the Cruzan Agreement is amended to read as follows:

“Notwithstanding the above, prior to the issuance of any Cruzan Project Bonds and the Cruzan Project Bond Indenture or the Matching Fund Securitization Bonds and the Master Trust Indenture, or, upon payment in full of all outstanding

Cruzan Project Bonds and the termination of the Cruzan Project Bond Indenture and, if applicable, the Matching Fund Securitization Bonds and the Master Trust Indenture, the Government and the Authority, if applicable, shall provide irrevocable directions to the Special Escrow Agent or Residual Fund Escrow Agent, as applicable, to deposit the Annual Gross Cover Over Receipts into the accounts in the order and the amounts as set forth above. Notwithstanding any other provision of this Agreement, in the event of a change to the Cruzan Project Bond Indenture or the Master Trust Indenture, Special Escrow Agent or Special Escrow Agreement or Residual Fund Escrow Agent or Residual Fund Escrow Agreement or other circumstance that precludes the implementation of this Section 6.1.6(b), the Parties agree to do all things and take all actions required, necessary or appropriate to assure each Party's receipt of the economic benefits provided to such Party under the terms of this Agreement.

(m) Section 6.2.5 of the Cruzan Agreement is amended to replace the word "Fortune" wherever it appears with the words "Beam Suntory," and to add the phrase "and any Matching Fund Securitization Bonds issued by the Corporation defeasing or refunding said Cruzan Project Bonds," after the term "Cruzan Project Bonds."

(n) Section 6.2.6 of the Cruzan Agreement is amended to add the phrase "or any bonds issued by the Corporation defeasing or refunding the Cruzan Project Bonds, if applicable," after the term "Cruzan Project Bonds".

(o) Section 6.2.7 of the Cruzan Agreement is amended to add the phrase "or any bonds issued by the Corporation defeasing or refunding the Cruzan Project Bonds, if applicable," after the term "Cruzan Project Bonds"

3. Effective Date. These Amendments shall become effective and legally bind the Parties upon the full execution hereof, the adoption by the Virgin Islands Legislature of an act ratifying these Amendments and the obligations of the Government contained herein, and the occurrence of the Closing Date as defined in the Purchase and Sale Agreement (the "Amendment Effective Date"); provided, however, that if the Closing Date does not occur on or prior to September 30, 2022 (the "Sunset Date"), these Amendments shall be of no force and effect. (this proviso being the "Sunset Date Proviso"). On or prior to the Sunset Date, Cruzan may waive or extend the Sunset Date Proviso by providing written notice of such waiver or extension to the Government.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have each caused these Amendments to be executed by their duly authorized officers or elected officials and the Government has caused its seal to be hereunder affixed and attested as of the date first above written.



**GOVERNMENT OF THE UNITED STATES
VIRGIN ISLANDS**

By: [Signature]
Name: Honorable Albert Bryan, Jr.
Title: Governor

Attest: [Signature]
Name: Karlene Argo
Title: Administrative Coordinator

Attest: [Signature]
Name: Jewel Drigo
Title: Paralegal

CRUZAN VIRIL, LTD.

By: [Signature]
Name: Louis Houle
Title: General Manager