



AUTORIDAD DE LOS
PUERTOS

GOBIERNO DE PUERTO RICO

PETICIÓN DE INFORMACIÓN

SENADO DE PUERTO RICO 2025-0031





AUTORIDAD DE LOS PUERTOS

GOBIERNO DE PUERTO RICO

27 de marzo de 2025

POR CORREO ELECTRÓNICO

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secretaria@senado.pr.gov

Senado de Puerto Rico

PETICIÓN DE INFORMACIÓN 2025-0031

En referencia a su correo electrónico con fecha del 13 de marzo de 2025 relacionado a la Petición de Información de referencia, nos solicita información relacionada al contrato AP-09-10-(4)-078. En específico, lo siguiente:

1. Copia del contrato número AP-09-10-(4)-78 y sus enmiendas Si dicho contrato ha quedado sin vigor, provea copia del contrato que lo sustituyo o cualquiera otro posterior con el mismo propósito.

Se aneja a este informe copia del contrato AP-09-10-(4)-78 y sus respectivas enmiendas. (Ver Anejo 1)

Este contrato continúa vigente y no ha sido sustituido por uno posterior.

2. Copia de cualquier contrato o enmienda otorgada o que haya estado vigente durante los pasados diez (10 años, que esté relacionado con la inspección de furgones.

La Autoridad de Puertos de Puerto Rico cuenta con un (1) sólo contrato relacionado a la inspección de furgones.

Se incluye en este informe copia del contrato AP-09-10-(4)-78 y sus enmiendas. (Ver Anejo 1)

3. Provea una relación de cuantos furgones han entrado al Puerto de San Juan, cuántos han sido inspeccionados por la entidad contratada para ello y cuántos no han sido inspeccionados. La información debe ser provista por meses para los pasados diez (10) años.

Debido al alto volumen de la información, se ha creado el siguiente enlace:

[2024 S2 SERVICES PUERTO RICO LLC](#)

4. Provea información sobre los pagos realizados a la compañía contratada para la inspección de furgones detallando a cuantos furgones inspeccionados corresponde el pago. La información debe ser provista por meses para los pasados diez (10) años.

Debido al alto volumen de la información, se ha creado el siguiente enlace:

[2024 S2 SERVICES PUERTO RICO LLC](#)

5. Provea copia de las facturas presentadas para pago por la compañía contratada para la inspección de furgones durante los pasados diez (10) años.

Debido al alto volumen de la información, se ha creado el siguiente enlace:

[2024 S2 SERVICES PUERTO RICO LLC](#)

6. Provea información sobre las intervenciones e investigaciones realizadas durante los pasados diez (10) años producto de la detección de materiales restringidos como drogas, explosivos, armas u otros métodos diseñados o destinados a causar una destrucción masiva. Si tales incidentes fueron referidos a las autoridades estatales o federales, provea el nombre de la agencia a que ha sido referida y el número de caso o querella.

Según la información provista a la Autoridad de los Puertos, entre mayo de 2011 y diciembre de 2024, se detectaron incongruencias en aproximadamente un total de 3,439 furgones con respecto a los declarado en el manifiesto.

La responsabilidad de atender estas discrepancias y realizar los referidos correspondientes recae en el Departamento de Hacienda, a través de sus agentes de rentas internas, quienes mantienen personal *on site*. Las investigaciones e inspecciones secundarias realizadas por esta agencia se llevan a cabo de manera confidencial, y sus resultados no se comparten con la Autoridad de los Puertos ni con los proveedores del sistema de escaneo. Por lo que, muy respetuosamente, se recomienda contactar al Departamento de Hacienda para que pueda ofrecer esta información.

Además, se presenta Certificación Negativa del Departamento de Seguridad de la Autoridad de los Puertos de Puerto Rico. (Ver Anejo 2)

7. Provea información sobre las intervenciones e investigaciones realizadas durante los pasados diez (10) años producto de la detección de mercancía que no fue declarada en la documentación correspondiente y su impacto económico a favor del Gobierno de Puerto Rico.

Según la información provista a la Autoridad de los Puertos, entre mayo de 2011 y diciembre de 2024, se detectaron incongruencias en aproximadamente un total de 3,439 furgones con respecto a los declarado en el manifiesto.

La responsabilidad de atender estas discrepancias y realizar los referidos correspondientes recae en el Departamento de Hacienda, a través de sus agentes de rentas internas, quienes mantienen personal *on site*. Las investigaciones e inspecciones secundarias realizadas por esta agencia se llevan a cabo de manera confidencial, y sus resultados no se comparten con la Autoridad de los Puertos ni con los proveedores del sistema de escaneo. Por lo que, muy respetuosamente, se recomienda contactar al Departamento de Hacienda para que pueda ofrecer esta información.

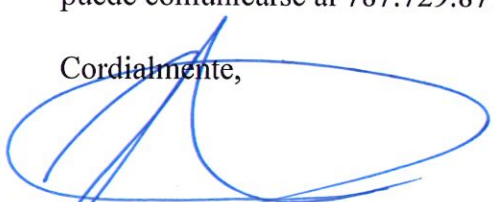
Además, se presenta Certificación Negativa del Departamento de Seguridad de la Autoridad de los Puertos de Puerto Rico. (Ver Anejo 2)

La información presentada en respuesta a los incisos del 3 al 5 de la Petición de Información corresponden a los últimos cinco (5) años. Es meritorio informar a este Honroso Cuerpo que la Autoridad de los Puertos de Puerto Rico tuvo una reducción sustancial en su plantilla laboral debido a la aprobación de la Ley Núm. 80 del 3 de agosto de 2020, conocida como la Ley del Programa de Retiro Incentivado y Justicia para Nuestros Servidores Públicos”, siendo la Oficina de Finanzas una de las más afectadas.

Esta nueva Administración se ha caracterizado por ser una cooperadora y transparente en todas sus gestiones. Es debido a esto y a lo explicado anteriormente que, solicitamos, muy respetuosamente una prórroga de diez (10) días laborales para poder identificar los recursos que puedan recopilar la información que resta por presentar.

Nos encontramos en la mejor disposición para aclarar cualquier duda adicional. De ser necesario, puede comunicarse al 787.729.8715, extensiones 2275 o 2281.

Cordialmente,



Lcdo. Norberto Negrón Díaz
Director Ejecutivo

ANEJO 1

COMMONWEALTH OF PUERTO RICO
PORTS AUTHORITY

AGREEMENT

AP- 09-10-(4)-078

In San Juan, Puerto Rico, this 17th day of December of 2009.

APPEAR

AS PARTY OF THE FIRST PART: THE PUERTO RICO PORTS AUTHORITY, a public corporation and governmental instrumentality of the Government of Puerto Rico, created by Act No. 125 approved on May 7, 1942, as amended, hereinafter referred to as the "AUTHORITY", represented in this act by its Executive Director, Álvaro Pilar Vilagrán, of legal age, married and resident of San Juan, Puerto Rico.

AS PARTY OF THE SECOND PART: RAPISCAN SYSTEMS, INC., a for profit corporation organized under the laws of California, hereinafter referred to as "RAPISCAN" and duly authorized to do business in Puerto Rico with register number 14762, and with federal employer identification number _____, represented in this act by Jonathan Fleming, Vice President, of legal age, married and resident of the Commonwealth of Virginia, US.

Both parties by the powers and authority specifically conferred by the Board of Directors of the Puerto Rico Ports Authority (Resolution 2009-034 of October 22, 2009) and Rapiscan Systems, Inc. (Resolution of December 2, 2009), witness to being duly authorized to execute this Agreement (the "Agreement") and will attest accordingly when and wherever necessary.

RECITALS

WHEREAS, the AUTHORITY invited eligible cargo inspection system providers to submit proposals in response to a Request for Proposals ("RFP") on August 6, 2009, for a complete turn-key solution for 100% inbound cargo scanning at the Port of San Juan. The scope of the services and other aspects related to the project were established in the RFP, as amended during the procurement process (the "Designated Services").

WHEREAS, on August 20, 2009, RAPISCAN submitted its proposal (the "Proposal") in response to the RFP for a complete turn-key solution for 100% inbound cargo scanning at the Port of San Juan.

WHEREAS, the Evaluation Committee of the AUTHORITY sent the Notification of the Adjudication "Request for Proposal" of cargo inspection systems on October 23, 2009 and RAPISCAN was selected to receive the award as a result of the proposal evaluation process due to its compliance with the requirements specified in the RFP to the AUTHORITY'S satisfaction.

WHEREAS, the AUTHORITY desires to engage RAPISCAN on an exclusive basis to provide cargo scanning services for the scanning of inbound Cargo at the Port of San Juan.

NOW, THEREFORE, in consideration of the promises and the mutual covenants set forth herein, the parties hereto agree to the following:

TERMS AND CONDITIONS

Section 1: DEFINITIONS AND INTERPRETATION.

The following words and phrases have the following meanings for purposes of this Contract:

a. "Applicable Law" means any law, statute, ordinance, code, rule, regulation, of the Commonwealth of Puerto Rico, and any order, writ, injunction, decree, ruling, determination, award, permit or variance of any governmental body, in effect now or as it may become applicable in the future, or any binding agreement with any governmental body, including technical standards, codes, and specifications as required for the particular profession.

b. "Confidential Information" means all information that is marked as confidential (or if disclosed verbally, is followed within three business days by a written notice from Discloser describing the Confidential Information so disclosed) and that is received by Recipient from Discloser or any of Discloser's affiliates, or any of Discloser's attorneys or other agents, in whatever form transmitted, relating to Discloser's operations, business, affairs or property, including, without limitation, technologies, research and development, business plans, trade secrets, and systems. Confidential Information shall not include information that is (i) or becomes publicly available other than as a result of a breach of this agreement by either party, (ii) already known to both parties to this agreement, (iii) independently acquired or developed by either party without violating any

of its obligations under this agreement, or (iv) required to be disclosed by law or judicial process.

c. "Delinquent balance" refers to the event where RAPISCAN has not received payment from the carrier for a scan performed for a period exceeding thirty (30) days.

d. "Estimated Volume" shall be at least 400,000 cargo containers being routed to and delivered to RAPISCAN for scanning during any given calendar year.

e. "Execution Date" or "Effective Date" means the date of the signing of the Agreement.

f. "Governmental Body" means the Commonwealth of Puerto Rico, its municipalities, instrumentalities or any federal law, rule or order as enacted by the federal government and its agencies having jurisdiction over the Authority, RAPISCAN or a subcontractor.

g. "Loss-and-Expense" means any and all actual loss, liability, forfeiture, obligation, damage (excluding consequential damages which shall include, loss of profits, revenue, use, opportunity, and goodwill), fine, suit, proceeding, penalty, judgment, settlement, deposit, charge, tax, cost, or expense, including all fees and reasonable costs incurred in connection with investigating, preparing for, defending or otherwise appropriately responding to any legal proceeding.

h. "Operational Performance Measures" means the standard of performance of the Equipment, in terms of quality and quantity of scanning, and throughput ratio, established in the performance metrics set forth in the Proposal.

i. "Operations Start Date" RAPISCAN shall begin delivering the Equipment within one hundred and twenty (120) days from the Execution Date. The performance and delivery of the Designated Services shall commence five (5) months thereafter. RAPISCAN will certify to the AUTHORITY the start of its operations and such certification will be attached to this contract establishing the Operations Start Date.

j. "Proposal" means the Proposal presented by RAPISCAN in response to the RFP, incorporated hereto as Schedule F.

k. "RFP" means the Request for Proposal dated August 6, 2009, Puerto Rico AUTHORITY Cargo Inspection System Request for Proposal, incorporated hereto as Schedule E.

l. "Subcontractor" means every person (other than employees of RAPISCAN) engaged, in agreement, or contracted by RAPISCAN, at any tier, to perform any of RAPISCAN's obligations, or provide any of the services under this Contract, whether in the form of services, materials, equipment, labor or otherwise, including agents and consultants, subcontractors, and sub-consultants, whether or not in privity with RAPISCAN.

m "Uninterrupted Services" shall mean the Designated Services, and shall not include interruption due to Force Majeure, the Authority's default, or other circumstances not under the control of or attributable to RAPISCAN.

SECTION 2: ENTIRE CONTRACT

This Contract supersedes any and all other contracts, either oral or written, between the parties and contains all of the covenants and contracts between the parties herein with respect to the subject matter hereof. No representations, inducements, promises or contracts, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other contract, statement, or promise not contained in this Contract shall be valid or binding. Any modification of this Contract will be effective only through a duly executed Contract Amendment signed by the parties to the Contract. For the purposes of this paragraph and of the entire Contract, the signature of the Executive Director of the AUTHORITY, or a person duly authorized by the Executive Director of the AUTHORITY, is the only signature that will bind the AUTHORITY.

SECTION 3: INTERPRETATION AND PRECEDENCE

The RFP and the Proposal are incorporated as integral part of this Contract. In the event of any conflict or inconsistency between the terms set forth in this Contract (the "Body of this Contract"), the terms set forth in the RFP and the terms in the Proposal, the Contract shall take precedence over matters expressly regulated by the Contract. The Body of this Contract will take precedence over the terms and provisions contained in the Appendixes hereto. The Proposal shall take precedence over the terms of the RFP with respect to the Scope of the Designated Services. The RFP may be used by the parties throughout the term of the Contract to the extent necessary to interpret the contracting party's intentions. Supplemental terms and conditions in the various components of this Contract (the Body of this Contract, its appendices, and the RFP and Proposal) will not be considered a contradiction or conflict.

SECTION 4: TERM

4.1.1 The initial term ("Initial Term") of this Agreement shall commence on the Operations Start Date and shall expire on the tenth (10th) anniversary of the aforementioned date.

4.1.2 RAPISCAN shall have the option to extend the term of this Agreement for two (2) consecutive 5 year renewal terms following the expiration of the Initial Term (a "Renewal Term") on the same terms and conditions, subject to the AUTHORITY's prior written consent.

(a) RAPISCAN may request the AUTHORITY to renew this Agreement for the first Renewal Term by delivering to the AUTHORITY a written request (the "Notice") to renew this Agreement on or before the expiration of the 7th anniversary of the Execution Date. The AUTHORITY shall inform RAPISCAN of its decision as whether to renew the Agreement within one hundred and eighty (180) days of its receipt of the Notice. Under no circumstances, Authority lack of answer within the established period shall be deemed an express consent for renewal. Renewal is conditioned by the Authority's prior written consent.

(b) RAPISCAN may request the AUTHORITY to renew this Agreement for the second Renewal Term by delivering to the AUTHORITY a written request to renew this Agreement. Such request may be delivered to the AUTHORITY on or before the expiration of the 4th anniversary of the First Renewal Term. The AUTHORITY shall inform RAPISCAN of its decision as whether to renew the Agreement within one hundred and eighty (180) days of its receipt of the Notice. Under no circumstances, the AUTHORITY's lack of answer within the established period shall be deemed an express consent for renewal. Renewal is conditioned by the AUTHORITY's prior written consent.

4.1.3 As used herein, the term "Term" shall mean and refer to the Initial Term and any Renewal Term.

SECTION 5: ENGAGEMENT.

5.1 Exclusive Engagement for Port of San Juan. The AUTHORITY hereby engages RAPISCAN for the Term of this Agreement to provide non-intrusive cargo scanning services for scanning 100% of the inbound Cargo entering the Commonwealth of Puerto Rico through the Port of San Juan (the "Port") not previously selected and scanned (imaged) by the United States Customs and Border Protection ("CBP"). RAPISCAN's right to perform cargo scanning services on behalf of the AUTHORITY shall be exclusive (even as to

the AUTHORITY) and the AUTHORITY shall not be permitted to engage any other person (whether a natural person, partnership or legal entity) to perform cargo scanning services of any kind with respect to such cargo traffic. As used herein, the term "Cargo" shall include all cargo containers, whether empty or containing freight of any kind. The term "Cargo" shall not include uncontainerized bulk cargo. RAPISCAN's obligations to provide cargo scanning services shall be limited to inbound Cargo only, and to only those Locations and Designated Services set forth in Section B of Schedule C, or as may be amended from time to time in accordance with this Agreement.

SECTION 6: LICENSE TO USE FACILITIES.

6.1 Grant of License. The AUTHORITY shall provide RAPISCAN with such facilities for the use by RAPISCAN, situated within the Port or other properties owned, leased or controlled by the AUTHORITY as are reasonably necessary for the performance of the Designated Services hereunder, including those ancillary facilities set forth in Section B of Schedule C thereto. The ancillary facilities, detailed in Schedule C will be made available to RAPISCAN, at its option, at the current AUTHORITY's lease tariff. In furtherance of the foregoing, and subject to the terms and conditions of this Agreement, the AUTHORITY hereby grants to RAPISCAN a license, during the Term, to use the Locations and other premises identified on Schedule A (collectively, the "Premises") for the purpose of providing the Designated Services and to conduct all activities necessary or incidental to the Designated Services.

6.2 Right to ingress and egress. RAPISCAN shall also have a right of ingress and egress to and from the Premises, including the transport of equipment and other goods necessary or incidental to the provision of the Designated Services, subject with its compliance with the applicable law that regulate ingress and egress to ports facilities. RAPISCAN shall acquire, as needed, at its own expense the TWIC card. RAPISCAN will have the right to remove its equipment, however, pursuant to Section 7.7 of this Contract.

6.3 Licensed Purpose. RAPISCAN shall use the Premises only for the purpose of providing the Designated Services and to conduct all activities incidental to the Designated Services.

6.4 Personal Property. Title to all personal property provided by RAPISCAN including all Equipment shall remain vested in RAPISCAN. Under no circumstance shall any Equipment be deemed an improvement to the Premises or a fixture, except improvements made by RAPISCAN to the AUTHORITY's utilities infrastructure which will be remain the property of the AUTHORITY at all relevant times to the contract.

RAPISCAN hereby agrees not to request any compensation for any such improvements made during the course of this contract.

6.5 Utilities and Services. RAPISCAN shall bear the costs for the ongoing provision of utilities used in connection with the Premises, including those utilities set forth in Section B of Schedule C. These costs do not include the installation of utilities or site preparation which costs shall be the responsibility of the AUTHORITY, if necessary.

6.6 Maintenance of Premises. The AUTHORITY shall be responsible for maintaining the premises in a condition appropriate for the activities contemplated in this Agreement.

SECTION 7: EQUIPMENT.

7.1 Equipment. During the Term, RAPISCAN agrees to perform the Designated Services using the equipment listed on Schedule B (such equipment together with all substitutions or replacements hereinafter collectively referred to as the "Equipment") subject to the terms and conditions of this Agreement. At all times all the Equipment shall remain the property of RAPISCAN.

7.2 Performance of Equipment. The Operational Performance Measures, as attached hereto, pursuant to Schedule E set forth the minimum standards of performance for the Equipment. The Equipment shall comply and/or exceed the minimum standards set forth therein.

7.3 Maintenance of Equipment. During the Term, RAPISCAN shall be responsible for maintaining the Equipment in good and reasonable operating condition, and in compliance with the Operational Performance Measures. RAPISCAN reserves the right to modify the design and specifications of the Equipment, provided the modification does not, in RAPISCAN's reasonable judgment, adversely affect the operation of the Equipment. RAPISCAN reserves the right, to replace any component or item of equipment with a functionally serviceable item of equivalent or superior performance rating.

7.4 Substitution and Replacement of Equipment. In order to assure strict compliance with the Operational Performance Measures, and/or at its sole election, RAPISCAN may remove the Equipment from the Premises from time to time during the term of this Agreement, provided that RAPISCAN immediately furnishes replacement equipment of a similar size, type and substance as the Equipment so removed.

7.5 Title. Title to the Equipment shall remain vested in RAPISCAN at all times during the Term, and the AUTHORITY agrees not to make any claim or take any action or make any statement in derogation of RAPISCAN's title to the Equipment. During the Term, the AUTHORITY shall keep the Equipment free and clear of any and all encumbrances, liens, and claims of any type.

7.6 Control and Possession of Equipment. RAPISCAN shall have the exclusive right to control and possess the Equipment at all times, including the right to remove the Equipment from the Premises upon expiration of the Term or upon termination of this Agreement. During the Term, the AUTHORITY shall not use or operate the Equipment without the prior written consent of RAPISCAN.

7.7 Removal of Equipment. Upon expiration of the Term or earlier termination of this Agreement, RAPISCAN shall have the right to remove the Equipment from the Premises. RAPISCAN shall have an unlimited license to enter the Port for the purpose of removing, and to remove, the Equipment and any other RAPISCAN property, subject to its compliance with Section 6.2 of this contract, as necessary.

7.8 Further Assurances. The AUTHORITY shall execute and deliver to RAPISCAN upon RAPISCAN's request, such further and additional documents, instruments and assurances as RAPISCAN deems necessary to preserve, protect and perfect RAPISCAN's right, title or interest in the Equipment. The AUTHORITY authorizes RAPISCAN to file or record such documents, instruments and assurances with respect to the Equipment without the AUTHORITY's signature as RAPISCAN deems necessary to preserve, protect and perfect RAPISCAN's right, title or interest in the Equipment.

SECTION 8. SERVICES.

8.1 Services. RAPISCAN shall provide only those Designated Services expressly set forth on Section B of Schedule C, and on Schedule D and no other services. Provided, however, that the same fee and scan transaction schedule would be extended to the AUTHORITY into other areas not provided herein, and pursuant to the terms and conditions of this Agreement, subject to Section 19. RAPISCAN Designated Services shall be subject to the performance level established by the Service Level Agreement as further defined below.

8.2 Service Level Agreement. The PARTIES further agree to execute a Service Level Agreement ("SLA") prior to the Operations Start Date. The SLA shall establish the standards and operational service requirements for implementation of the Designated

Service. Any and all standards and operational service requirements included in the SLA shall be consistent with the RFP and Proposal documents.

8.3 Cooperation. The AUTHORITY acknowledges that its timely and orderly provision of the Premises, site preparation, traffic flow management, cargo, and other services, assistance, access to utilities, cooperation, and complete and accurate information and data from its officers, agents and employees ("Cooperation") is essential to the performance of the Designated Services, and that RAPISCAN shall not be liable for any deficiency in performing the Designated Services if such deficiency results from the AUTHORITY's failure to provide full cooperation as required hereunder. Cooperation includes, but is not limited to, designating a project manager to interface with RAPISCAN during the course of the Designated Services.

8.4 Personnel. RAPISCAN shall furnish personnel who shall perform the Designated Services. RAPISCAN is operating as an independent contractor of the AUTHORITY and not as an employee of the AUTHORITY. RAPISCAN shall be permitted to hire independent contractors to perform the Designated Services. Such personnel need not be employees of RAPISCAN. RAPISCAN shall, at its own cost and expense, carry out background checks to screen operational personnel furnished by RAPISCAN and designated as such by RAPISCAN. The AUTHORITY will provide assistance to RAPISCAN for the expedited procurement of TWIC cards for its employees and contractors.

8.5 Project Team. The AUTHORITY hereby designates the Chief of the Maritime Bureau as its designated executive that will handle all operational issues regarding this Contract. The AUTHORITY shall also appoint a project manager to be in charge of overseeing all RAPISCAN operations related to the services under this contract and to act as the secondary point of contact for RAPISCAN in dealing with the AUTHORITY. RAPISCAN shall also appoint a full time project manager who will be the person from the Operations Start Date of this contract shall be in charge of implementing the Designated Services and shall serve as the primary point of contact for the AUTHORITY. The parties shall exchange the name and contact information of its respective project manager.

8.6 Staffing Plan, Contingency Plan and Escalation List. As part of its obligations under the proposed SLA, RAPISCAN shall furnish to the AUTHORITY a staffing plan, contingency plan and escalation list that will include a detailed description of all its full and part time employees, as well as all contracted personnel. The contingency plan must detail the actions that RAPISCAN will take to reestablish its services in case of emergency and the escalation list must contain the names, positions and contact information of all project executives appointed by RAPISCAN for the making of managerial determinations regarding the Designated Services.

SECTION 9: PAYMENT

The rights and obligations of the parties with respect to the collection and distribution of fees are set forth in Schedule D to this Agreement.

SECTION 10: DATA.

The AUTHORITY shall own all data, information, images or other material obtained or generated in the course of providing the Designated Services ("Data"). RAPISCAN shall have the right and unlimited access and use of Data as determined by it, in its sole discretion, including without limitation, for its training purposes.

SECTION 11: REPRESENTATIONS AND WARRANTIES.

11.1 AUTHORITY's Representations and Warranties. AUTHORITY makes the following representations and warranties:

11.1.1 Authority. The AUTHORITY has the required authority and capacity to enter into this Agreement and all documents required to be entered into pursuant to this Agreement. All legal actions required to be taken by the AUTHORITY to authorize the execution, delivery and performance of this Agreement and all transactions contemplated in this Agreement have been duly and effectively taken. Upon the full execution and delivery of this Agreement, this Agreement will become a valid, binding and enforceable obligation upon the AUTHORITY.

11.1.2 Compliance with Procurement Regulations. The AUTHORITY has complied with all procurement laws, ordinances, rules, orders, decrees and regulations applicable to the AUTHORITY with respect to the solicitation and procurement of the Designated Services and the execution, delivery and performance of this Agreement.

11.1.3 No Conflicts. AUTHORITY's execution, delivery and performance of this Agreement will not result in the breach of any term or provision of, or constitute a default under, any agreement by which AUTHORITY is bound, nor will such actions result in the violation of any obligation, law, ordinance, regulation, order or decree applicable to AUTHORITY.

11.2 RAPISCAN's Representations and Warranties. RAPISCAN makes the following representations and warranties:

11.2.1 Authority. RAPISCAN has the required authority and capacity to enter into this Agreement and all documents required to be entered into pursuant to this Agreement. All corporate and other actions required to be taken by RAPISCAN to authorize the execution, delivery and performance of this Agreement and all transactions contemplated in this Agreement have been duly and effectively taken. Upon the full execution and delivery of this Agreement, this Agreement will become a valid, binding and enforceable obligation upon RAPISCAN.

11.2.2 Licenses. RAPISCAN's represents that it owns, or is entitled to use, pursuant to all necessary licenses, approvals, waivers or consents (including governmental consents), such hardware and software as may be necessary to provide the Designated Services hereunder to AUTHORITY. AUTHORITY will not be held liable by any state or federal court for inappropriate use or infringement of any rights of third party cause only by RAPISCAN negligence in obtaining the necessary licenses, approvals, waivers to provide services to AUTHORITY.

11.2.3 No Conflicts. RAPISCAN's execution, delivery and performance of this Agreement will not result in the breach of any term or provision of, or constitute a default under, any agreement by which RAPISCAN is bound, nor will such actions result in the violation of any obligation, law, ordinance, regulation, order or decree applicable to RAPISCAN.

11.2.4 RAPISCAN certifies that none of its officers or employees, nor any principals, associates, officers, directors, shareholders, or employees of any of its subcontractors are public officials or employees within the meaning of 3 L.P.R.A. §1823.

11.2.5 RAPISCAN represents such personnel shall not be employees or have any contractual relationship with AUTHORITY.

11.2.6 RAPISCAN certifies hereby that it is duly authorized to do business under the laws of the Commonwealth and the execution, delivery, and performance of this Contract are within RAPISCAN's authorized powers and are not in contravention of law or contract. Should RAPISCAN be organized as a corporation, RAPISCAN certifies that it has submitted to the AUTHORITY evidence of its existence as such corporate entity authorized to do business in the Commonwealth and has obtained a Certificate of Good Standing of issued by the State Department of the Commonwealth. These documents are attached as Addendum A to this contract.

It is expressly acknowledged that these certifications are essential conditions of this Contract, and if these certifications are incorrect, intentionally misleading, or the

related certifications altered or forged, the AUTHORITY shall have just cause for immediately terminating this Contract, and RAPISCAN will have to reimburse any sums of money received under this Contract.

11.2.7 RAPISCAN and its personnel involved in providing the services has the required licenses, authority, ability, skills, technical support, and capacity to perform all its obligations hereunder with respect to the services in accordance with this Contract, and RAPISCAN has the financial solvency to fully perform this Contract, and each of its subcontractors, if applicable, are also duly licensed and competent to perform the services herein required. RAPISCAN shall not knowingly use the services of any ineligible consultant or subcontractor for any purpose in the performance of its services under this Contract.

11.2.8 The execution, delivery, and performance of this Contract has been duly authorized by all necessary corporate action of RAPISCAN and constitutes a legal, valid, and binding obligation of RAPISCAN, enforceable against RAPISCAN in accordance with its terms, subject to applicable laws of bankruptcy, insolvency, or other similar laws affecting creditors' rights from time to time in effect and by equitable principles of general application.

11.2.9 RAPISCAN certifies and guarantees that at the execution of this Contract, RAPISCAN has not been convicted, has not admitted culpability, nor has knowledge of being the subject of any investigation in either a civil, administrative, or criminal procedure in a Commonwealth, state, federal, or foreign court for criminal charges related to the public treasury, the public trust, a public function, or a fault that involves public funds or property, including, but not limited to, misappropriation of public funds, as defined in the Criminal Code. To that effect, RAPISCAN will present at the time of signing this Contract a sworn statement as required by Act No. 428 of September 22, 2004, which will be incorporated as an integral part of this Contract. The aforementioned Statement is attached as part of Addendum A.

It is expressly acknowledged that this certification and sworn statement are an essential condition of this Contract. If the certification or sworn statement is not correct in its entirety or in any of its parts, is incorrect, intentionally misleading, or the related certifications altered or forged, it shall constitute sufficient cause for the AUTHORITY to terminate this Contract immediately, without prior notice, and RAPISCAN will have to reimburse to the AUTHORITY any amount of money received under this Contract. This Contract will be immediately terminated if RAPISCAN is convicted of the abovementioned crimes during the term of this Contract.

If the status of RAPISCAN with regards to the charges previously mentioned changes at any time during the term of this Contract, the affected Party shall notify the AUTHORITY immediately. The AUTHORITY reserves the right to immediately cancel the Contract upon receipt of notice or upon becoming aware of any of the conditions above mentioned (investigation has been instituted or an accusation or conviction has been filed against, or admitted by, RAPISCAN) with respect to the crimes listed in Act No. 428 of September 22, 2004. Failure to comply with this responsibility constitutes a violation of this Article and shall result in the remedies mentioned previously.

11.2.10 No approval, authorization, order, consent, or declaration, of any governmental body is required for the valid execution, delivery, and performance of this Contract by RAPISCAN except such as have been duly obtained or made. Notwithstanding the above, the parties recognize that the execution of this Agreement must be notified to the Office of the Comptroller of the Commonwealth, as required by Act No. 18 of October 30, 1975, as amended.

11.2.11 RAPISCAN has knowledge in all material respects of the requirements and practices that must be followed in performing its obligations under this Contract and will strictly abide by them. RAPISCAN has carefully examined and analyzed the provisions and requirements of this Contract and it understands the nature of the services required. From its own analyses it is certain as to the nature of what is needed for the performance of this Contract; this Contract is feasible of performance in accordance with all of its provisions and requirements, and consultant, represents and warrants that it can and will perform, or cause to be performed, the services in strict accordance with the provisions and requirements of this Contract and Applicable Law.

11.2.12 Neither RAPISCAN nor any of its affiliates are involved in any litigation, arbitration or claim against the AUTHORITY.

11.2.13 Neither RAPISCAN nor any of its subcontractors has, either directly or indirectly, (i) in any way or manner unlawfully (in accordance with all Applicable Laws, including the Foreign Corrupt Practice Act of 1977, as amended) paid any sums, in the Commonwealth or elsewhere, or (ii) unlawfully given or offered to give any gifts in the Commonwealth or elsewhere to (A) any person while knowing that all or a portion of such payment will be offered, given or promised to government officials or employees, political parties, political party officials or political candidates or (B) any government officials or employees, political parties, political party officials or political candidates, in each case in order to improperly obtain business or other rights in connection with this Contract or any other contract.

11.2.14 Both parties hereby declare that no public officer or employee has any direct or indirect interest in the present Contract, or any other interest that may adversely affect this Contract. The invoice must include the following certification:

"Under penalty of absolute nullity, I hereby certify that none of the employees of the Ports Authority is part or has an interest in the earnings or benefits produced by the contract upon which this invoice is based. If part or any interest in the earnings or benefits produced by this contract should arise, then an official exemption has been previously approved. The only consideration in the provision of the goods and services object of this contract is the payment agreed with the agency's authorized representative. I also certify that the amount of this invoice is true and correct and that all services invoiced have been rendered and have not been previously paid."

11.2.15 RAPISCAN warrants that it has not employed or retained any individual, corporation, partnership or other entity, other than a bona fide employee or agent working for RAPISCAN to solicit or secure this Contract, and that it has not paid or agreed to pay any individual, corporation, partnership or other entity, other than a bona fide employee or agent any fee or other consideration contingent on the making of this Contract.

11.2.16. RAPISCAN makes no other warranties, express or implied, based on any legal theory, as to any matter, including, but not limited to, any warranty that the services will detect the presence of materials or items for which they were designed, that they are fit for any particular purpose or need, that the accuracy of the scanning operation shall be error free, or that the services shall be uninterrupted.

11.2.17. RAPISCAN represents and assures to the AUTHORITY, that upon the execution of the instant Agreement, it shall make all commercially reasonable efforts to begin providing the Designated Services at the earliest date feasible.

SECTION 12. COMPLIANCE WITH GOVERNMENT ETHICS

12.1 In accordance with the disposition in Article 3.3 (c) of the "Government Ethics Law", as amended, both parties certify that the public officer authorized to contract representing AUTHORITY, or any member of its family unit, has not had and does not have, during the last four (4) years before taking charge of its office, directly or indirectly, pecuniary interest in the company or business of RASPISCAN.

12.2 In accordance with the dispositions in Article 3.3 (d) of the "Government Ethics Law", as amended, both parties hereby declare that no AUTHORITY officer or employee has any direct or indirect interest in the present Contract.

12.3 RAPISCAN, in compliance with Article 3.3 (g) of the "Government Ethics Law", as amended, does not have any conflicting interest or public policy infringement related to this section, and certifies accordingly. RAPISCAN recognizes in its professional responsibility to have the duty of complete loyalty toward the AUTHORITY, including not having any adverse interest toward this governmental entity. These adverse interests may include the representation of clients that has or could have conflicting interests with the AUTHORITY. This duty includes the constant obligation of informing the AUTHORITY of all circumstances of relations to clients and third parties and any other interest that could influence upon AUTHORITY at the moment of signing the present contract or while it is in force. RAPISCAN has conflicting interests when, on behalf of any client has the obligation to promote what he has to oppose in compliance with his obligations toward any other client; past, present or potential. RAPISCAN represents conflicting interest, when that conduct is described as such by standards known to its profession, or the laws and regulations of the Commonwealth of Puerto Rico. Conflict of interest results in a violation of this prohibition when any of its directors, associates or employees incur in the above described conduct. RAPISCAN will forbear even the appearance of conflicting interests.

12.4 RAPISCAN acknowledges the power of the AUTHORITY and her/his authorized representatives to oversee the enforcement of the prohibitions established in this Section. If the Administrator of AUTHORITY determines the existence or the emergence of adverse interest with RAPISCAN, he/she will inform such findings in writing and his/her intentions to terminate the Contract within a thirty-day term.

12.5 Within such term, RAPISCAN can request to meet with the Executive Director of AUTHORITY to present its arguments regarding the alleged conflict of interest. This meeting will be granted in every case. If such meeting is not requested within the specified term, or if the controversy is not settled satisfactory during the meeting, this Contract will be rescinded.

12.6 Non compliance with this section, negligence or improper conduct of RAPISCAN employees, officials or agents shall be reasonable cause to terminate this Contract without having to comply with the requirements of notice set forth in Section 17 "Termination" and without limitation of any other rights and remedies under law.

12.7 RAPISCAN certifies that at the signing of this contract, it received a copy of Law Number 12, of July 24, 1985, known as "Government Ethics Law", as amended, and a copy of its implementing Regulation was handed.

12.8 RAPISCAN certifies that at the signing of this contract, it received a copy of "Carta Circular 2002-05" of the Office of Government Ethics and that it signed the "Certification of No Conflict of Interests".

12.9 RAPISCAN is committing itself to comply with dispositions of Act No. 84 of 18 June 2002, known as "Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos de las Agencias Ejecutivas del Estado Libre Asociado de Puerto Rico". RAPISCAN certifies that at the signing of this contract, it received a copy of said law.

SECTION 13. CONFIDENTIALITY.

13.1 Non-Disclosure. Before, during or after the Term of this Agreement the parties may disclose to each other Confidential Information. The party receiving Confidential Information is referred to herein as the "Recipient" and the party disclosing Confidential Information is referred to herein as the "Discloser." Recipient shall maintain all Confidential Information in strict confidence, shall not disclose Confidential Information to any third party, and shall protect all Confidential Information with not less than the same degree of care as Recipient normally uses in the protection of Recipient's own confidential or proprietary information, but at least with reasonable care. Recipient shall use Confidential Information only for the purpose of evaluating and/or performing its responsibilities under this Agreement.

13.2 Permitted Disclosure. The prohibitions against disclosure of Confidential Information set forth in this Agreement shall not apply to: (a) Confidential Information that was already known to Recipient at the time Recipient received the Confidential Information from Discloser, so long as Recipient's initial receipt of that Confidential Information is evidenced by documents in Recipient's possession; (b) Confidential Information that was disclosed to Recipient by a third party having the lawful right to disclose that Confidential Information; (c) Confidential Information that had been available to the public at the time Recipient received that Confidential Information, or subsequently lawfully became available to the public otherwise than by a breach of this Agreement; and (d) Confidential Information that Recipient was required to disclose pursuant to judicial action or decree having jurisdiction over Recipient, or pursuant to any requirement of any governmental agency or authority having jurisdiction over Recipient, but only so long as, prior to making the disclosure, Recipient gives Discloser written notice

A handwritten signature in black ink, consisting of a stylized capital 'R' followed by a cursive flourish.

of the requirement that Recipient disclose the Confidential Information and provide Discloser with the opportunity to challenge that requirement.

SECTION 14. INTELLECTUAL PROPERTY.

Nothing contained in this Agreement shall, by express grant, implication, estoppel or otherwise, create in either party any right, title, interest, or license in or to the inventions, patents, trademarks, trade names, copyrights, computer software or software documentation or any other intellectual property rights of the other party.

SECTION 15. INDEMNIFICATION.

15.1. RAPISCAN, on its behalf and on behalf of its subcontractors must defend, indemnify, keep, and hold harmless the AUTHORITY, its officers, directors, representatives, elected and appointed officials, agents and employees (each an "Authority Indemnitee" and collectively, "the Authority Indemnitees") in connection with the performance of the services hereunder, from and against any and all Loss-and-Expenses related to:

(i) RAPISCAN or its subcontractors' negligence, fraud, or willful misconduct, including but not limited to, injury, death or damage of or to any person or property, to extent such negligence, fraud or willful misconduct are determined by a final and non-appealable order or decision of a court with jurisdiction;

(ii) Injuries to or death of any employee of RAPISCAN or any subcontractor under any workers compensation statute;

(iii) Any infringement or violation of any property right (including any patent, trademark or copyright) by RAPISCAN or any subcontractor;

(iv) RAPISCAN's failure to perform its obligations towards any subcontractor;

(v) Any employer or labor liability of RAPISCAN or its subcontractors;

15.2. RAPISCAN's obligations under this Section to indemnify, keep, and hold harmless any and all the Authority Indemnitees from and against any and all Loss-and-Expenses excludes: (a) that portion of the Loss-and-Expense caused by any negligent or wrongful act, error or omission on the exclusive part of any the Authority Indemnitees; and (b) events for which the AUTHORITY indemnifies RAPISCAN.

15.3. At the Authority Indemnitees's option, RAPISCAN must defend all suits brought upon all such Loss-and-Expenses and must pay all reasonable costs and

expenses incidental to them, but the Authority Indemnitees have the right, at their option and expense, to participate in the defense of any suit, without relieving RAPISCAN of any of its obligations under this Contract. Any settlement must be made only with the prior written consent of the AUTHORITY or the applicable the Authority Indemnitee, as applicable, if the settlement requires any action on the part of the AUTHORITY or the Authority Indemnitee.

15.4. The AUTHORITY's approval of any subcontractor shall not relieve RAPISCAN of any of its responsibilities, duties, and liabilities hereunder. RAPISCAN shall be solely responsible to the AUTHORITY for the acts or defaults of RAPISCAN subcontractors and each subcontractor's officers, agents, and employees, each of whom shall, for this purpose, be deemed to be an agent or employee of RAPISCAN by nature of its subcontract.

15.5. The AUTHORITY shall indemnify and hold harmless RAPISCAN, its officers, directors, shareholders, employees and agents, and their respective successors and assigns, against any cause of action, loss, liability, damage, cost or expense of any nature whatsoever, whether accrued, absolute, contingent or otherwise, including, without limitation, to attorney's fees and costs (whether or not suit is brought), in connection with, but not limited to: (a) any claim or action arising out of or relating to the AUTHORITY's breach of any of the its representations, warranties or covenants in this Agreement; (b) any claim or action for any injury to any person, employee, and/or damage to property, including property of RAPISCAN, to the extent such injury or damage was sustained through negligence or fraud or willful misconduct of the AUTHORITY, to the extent such negligence, fraud or willful misconduct are determined by a final and non-appealable order or decision of a court with jurisdiction.

15.6. Notwithstanding the foregoing, RAPISCAN shall not be required to indemnify the Authority Indemnities for any Loss-and-Expense to the extent caused by Force Majeure.

15.7. The AUTHORITY hereby waives its right to recover from and fully and irrevocably releases RAPISCAN employees, officers, directors, members, shareholders, representatives, agents, servants, attorneys, affiliates, parents, subsidiaries, successors and assigns, ("Released Parties") from any and all claims that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action latent or otherwise, arising out of the accuracy of the Equipment and/or attributed to the material detected or failed to be detected; and, or arising out of any criminal act, terrorist act or act of war, performed by a third party. RAPISCAN need not indemnify the AUTHORITY for such release and or waiver. The parties hereby agree to execute further general releases, in form and substance as they may be deemed satisfactory by them.

SECTION 16. LIMITATION OF LIABILITY.

16.1 Aggregate Liability. Each party's aggregate liability to the other for damages arising out of or in connection with this Agreement and the Designated Services, regardless of the form of action giving rise to such liability (under any theory, whether in contract, tort, statutory or otherwise) shall not exceed the aggregate Scan Transaction Payments paid by RAPISCAN to the AUTHORITY hereunder during the first calendar year following the effective date of this Agreement. This limitation on liability shall not apply to: (a) the indemnification obligations of the Authority under this agreement; and (b) termination fees set forth in Section 17.

16.2 Limitation on Other Damages. To the extent permitted by applicable law and notwithstanding anything in this Agreement to the contrary or any failure of essential purpose of any limited remedy or limitation of liability, neither party shall be liable for any indirect, exemplary, special, consequential or incidental damages of any kind, or for any damages resulting from loss or interruption of business, work stoppage, lost data or lost profits, arising out of or relating to this Agreement or the subject matter hereof, however caused, even if the non-defaulting party has been advised of or should have known of the possibility of such damages

SECTION 17. TERMINATION

17.1. Defaults. A party hereto shall be in Default if:

17.1.1. That party materially breaches any covenant, representation or warranty it makes in this Agreement, or if any representation or warranty is or becomes untrue in any material respect, and such breach or untruth is not cured within sixty (60) days notice of the same or, if such breach is not capable of cure within sixty (60) days and the breaching party has not begun to remedy such breach within sixty (60) days notice of the same.

17.1.2. That party is the subject of proceedings for such party to be adjudicated voluntarily bankrupt, the consent by such party to the filing of a bankruptcy proceeding against it, the filing by such party of a petition or answer or consent seeking reorganization under any bankruptcy or similar law or statute, the consent by such party to the filing of any such petition or to the appointment of a custodian, receiver, liquidator, trustee, or assignee in bankruptcy or insolvency relating to such party or any substantial part of its assets or property, the making by such party of a general assignment for the benefit of creditors, or the taking by such party of any corporate action in furtherance of any of the foregoing.

17.2. Rights of Termination.

17.2.1 Termination for Default. Upon any Default, the non-defaulting party may terminate this Agreement by written notice, with immediate effect.

17.2.2 Termination for Convenience by AUTHORITY. The AUTHORITY shall have the right to terminate this Agreement for convenience at any time after the Execution Date upon ninety (90) days prior written notice to RAPISCAN and payment in full of the Early Termination Fee (as defined hereunder in this Section 17.3.3.) within such period:

17.2.3 Early Termination Fee. In the event the Authority terminates this Agreement for convenience pursuant to Section 17.3.2, the following fees shall apply, as liquidated damages and not as a penalty:

(a) If termination occurs on a date when, absent the termination, there would have been seven years or more remaining in the term of this Agreement (including any renewal terms), the AUTHORITY shall pay RAPISCAN a termination fee in an amount equal to the product of the average total monthly Scanner Service Fees collected by RAPISCAN in the calendar year prior to the date of termination ("Average Fees") multiplied by forty eight (48) months;

(b) If termination occurs at a date when, absent the termination, there would have been more than four years, but fewer than seven years, remaining in the term of this Agreement (including any renewal terms), the AUTHORITY shall pay RAPISCAN a termination fee in an amount equal to the product of the Average Fees multiplied by thirty-six (36) months;

(c) If termination occurs at a date when, absent the termination, there would have been fewer than four years remaining in the term of this Agreement (including any renewal terms), the AUTHORITY shall pay RAPISCAN a termination fee in an amount equal to the product of the Average Fees multiplied by the lesser of: (i) twenty-four (24) months; and (ii) the number of months that would have been remaining in the term of this Agreement absent the termination.

(d) For avoidance of doubt, if the AUTHORITY terminates this Agreement due to (i) the repeal or amendment of the US Department of Homeland Security Act of 2002, the Maritime Transportation Security Act of 2002, the Security and Accountability for Every Port Act of 2006, or Puerto Rico Law 12 of 2008, or any successor

legislation; (ii) any failure to appropriate funds to support the AUTHORITY'S obligations under this Agreement, or (iii) any governmental act, legislation, regulation or order; then any such termination shall be deemed a termination for convenience by the AUTHORITY and the AUTHORITY shall pay RAPISCAN the Termination Fee calculated in the manner specified herein.

SECTION 17A. WAIVER OF DEFAULT, BREACH OR FAILURE OF PERFORMANCE

17A.1 Waiver of any default, breach or failure of performance under this Contract shall not be deemed to be a waiver of any subsequent default, breach or failure of performance. In addition, waiver of any default, breach or failure of performance shall not be construed to be a modification of the terms of this Contract unless produced in writing as provided in Section 2 "Contract Amendments".

SECTION 18. REQUIRED DOCUMENTATION, INSURANCES AND TAX WITHHOLDINGS

18.1 RAPISCAN hereby represents that as of the execution of this Contract it has filed income tax returns in the Commonwealth for the past five (5) years, or for as long as it has existed if less than five years, if applicable. RAPISCAN also represents that it does not have any outstanding debt with the Commonwealth in connection with income taxes (collected by the Department of the Treasury), real, or chattel property taxes (collected by the "Centro de Recaudación de Ingresos Municipales" ("CRIM"), unemployment insurance premiums, workers' compensation payments to the Workmen's Insurance Fund ("Fondo del Seguro del Estado"), or Social Security for chauffeurs (collected by the Department of Labor and Human Resources). RAPISCAN further letter that it has not no outstanding debt for the Municipality of San Juan License Tax (know in Spanish as "Patente Municipal") RAPISCAN also represents that it is in compliance with the requirements, if and as applicable, of the Administration for Children's Support ("ASUME" for its acronym in Spanish). In the event that RAPISCAN owes taxes or applicable fees to said government agencies, it agrees that the AUTHORITY may withhold any monies due to RAPISCAN under this Contract to be applied to the payment and cancellation of said debt. RAPISCAN hereby certifies that the abovementioned certifications evidencing the above representations have already been submitted to the AUTHORITY and are made part of this Contract. Furthermore, RAPISCAN covenants to continuously comply with their tax, insurance and other regulatory and legal obligations with the Commonwealth and its instrumentalities and keep current in all its debt with the Commonwealth for the duration of this contract. It is expressly acknowledged that the certifications required hereunder as stated above constitute an essential condition of this Contract, and if found to be incorrect

or intentionally misleading or the related certifications altered or forged, the AUTHORITY shall have the right to terminate this Contract immediately, and RAPISCAN shall reimburse the AUTHORITY any and all fees received under this Contract.

18.2 RAPISCAN shall be responsible for retention, proper filing, and payment of all social security, income tax, worker's compensation, unemployment insurance, disability insurance, and all other labor and tax legal requirements under the applicable tax laws of the Commonwealth or the U.S. Internal Revenue Code in its role as professional services provider to the AUTHORITY and employer of its staff assigned to work under this Contract. RAPISCAN agrees that it will comply with the Commonwealth laws, rules, and regulations pertaining to withholdings in accordance with the Commonwealth Internal Revenue Code of 1994.

18.3 The AUTHORITY is exempted from all federal, Commonwealth and municipal taxes, and no such taxes have been included in the price of the Contract. Furthermore, the AUTHORITY shall have no responsibility whatsoever for the payment of any federal, Commonwealth or municipal taxes which become payable by RAPISCAN, its subcontractors, officers, directors, agents, representatives or employees by reason of this Contract.

18.4 RAPISCAN represents that in providing its services hereunder it will be engaged in a trade or business in the Commonwealth for purposes of the Revenue Code the AUTHORITY will withhold, or will not withhold, applicable percentage of taxes from payments to RAPISCAN for services rendered, in accordance with Puerto Rico's 1994 Internal Revenue Code, as amended.

18.5 RAPISCAN will be responsible for filing its income tax returns and for making any necessary payments to the Department of the Treasury of the Commonwealth (the "Department"), the Social Security Administration, and the Internal Revenue Service of the United States of America, if applicable. The AUTHORITY shall not make any withholdings or deductions for Social Security, income tax, or any other purpose on behalf of RAPISCAN, its officers, agents, employees, successors, and assigns but will inform the Income Tax Bureau of the Department of the amounts paid or reimbursed to RAPISCAN pursuant hereto and may retain for the Department from the fees or compensation payable to RAPISCAN under this Contract, any amounts owed to the Department.

18.6 RAPISCAN could provide a valid Good Standing or Certificate of the Sole Bidders' Registry issued by the General Services Administration of Puerto Rico ("Administración de Servicios Generales") in lieu of the required documentation listed above.

18.7 RAPISCAN certifies that at the execution of this contract it has no other contracts with the Commonwealth of Puerto Rico, its agencies, public corporation or municipalities.

18.8 RAPISCAN certifies that the aforementioned contracts do not affect RAPISCAN's compliance with the present contract, and are not in conflict with it. RAPISCAN agrees to notify AUTHORITY of the execution of any other government contract, and that the same will not be in conflict with the present contract.

18.9 INSURANCE

(a) RAPISCAN shall carry public liability insurance with insurance companies authorized to do business in Puerto Rico and acceptable to the AUTHORITY, insuring RAPISCAN against all liability for personal injury including bodily injury, and property damage caused by RAPISCAN's use and occupancy of the premises covered by this Agreement and its operations at any other AUTHORITY's facilities.

(b) The policy limits of said public liability insurance shall not be less than \$1,000,000.00 for any one occurrence involving personal injury, including bodily injury or death to each person; \$1,000,000.00 for each occurrence involving more than one person, and \$1,000,000.00 for property damages.

(c) The public liability insurance policy shall contain Fire Damage in the amount of \$500,000.00 and Property Damage Legal Liability endorsements in the amount of \$1,000,000.00 to cover any damage to the structure or portion thereof used or rented to RAPISCAN by the AUTHORITY, including fixtures permanently attached thereto if such property damage arises out of any act of negligence of RAPISCAN, his employees and servants or any other person acting at the direction of the RAPISCAN. Said endorsement shall state that any loss shall be paid to the AUTHORITY.

(d) The public liability insurance shall contain an endorsement reading as follows: "The coverage of this policy will not be amended for the purpose of decreasing the protection below the limits specified herein, nor can it be cancelled without giving the Ports Authority of Puerto Rico thirty (30) days prior written notice. A thirty (30) days prior written notice shall also be given to the AUTHORITY in the event of expiration".

(e) In addition, the public liability insurance policy shall contain an endorsement of contractual liability including the AUTHORITY as additional insured.

(f) The amount of public liability insurance policy shall not contain any deductible, unless RAPISCAN provides another insurance policy covering the risk in the amount not covered by the deductible.

(g) RAPISCAN further agrees that, not later than thirty (30) days prior to the expiration of any insurance policy required by this Agreement to be carried or which is actually carried by RAPISCAN, it will deliver to the AUTHORITY a Certificate of Insurance or a Certified copy of each insurance policy to cover the risks.

(h) No later than the Operations Start Date RAPISCAN shall furnish the AUTHORITY a copy of the aforementioned insurance policies or a certificate of insurance.

(i) The AUTHORITY shall fine RAPISCAN \$1,000.00 for each and every month the security for payment of rentals and other charges and insurance policies or its certificates are not submitted upon their expiration and after written request by the AUTHORITY.

(j) RAPISCAN shall reimburse the AUTHORITY a sum equal to all the expenses it incurs as a result of non-compliance by RAPISCAN with the insurance policy.

(k) In the event that RAPISCAN does not submit the insurance policies or certificates in the term of thirty (30) days prior to their expiration this will be considered as a violation to the terms and conditions of the present Agreement. The AUTHORITY will immediately proceed with the cancellation of the Agreement in addition of the fine payment.

18.10 All referenced certifications are attached jointly as Addendum A to this contract.

SECTION 19. "OUT OF SCOPE WORK" AND CHANGES IN LAW.

The parties acknowledge, convene, and agree, that in the event of a significant change in the applicable tributary laws, or at the AUTHORITY'S request for additional services, or an increase in the scope of the Designated Services, or their scheduled delivery, the parties shall negotiate and revise the terms and conditions included herein, including the fees, payments, and any other condition necessary for RAPISCAN'S adequate performance of the Designated Services, as it may be affected by the change in the law or by the AUTHORITY'S request.

SECTION 20. ENVIRONMENTAL CLAUSE

A. RAPISCAN shall comply with all applicable environmental laws and regulations, including all Federal, Government of Puerto Rico and Local or Municipal laws, statutes, ordinances, codes, rules and regulations promulgated under the aforementioned Federal, Government of Puerto Rico and Local or Municipal laws and statues relating to the protection of the environment and the workplace, occupational health and safety, and/or governing the handling, use, generation, treatment, storage, transportation or disposal of hazardous and toxic substances, solid wastes and other regulated substances, within or outside the workplace.

B. RAPISCAN shall request and obtain all applicable environmental permits and licenses, from the concerned Federal, Government of Puerto Rico and Local agencies, such as, but not limited to, the Environmental Protection Agency, the United States Army Corps of Engineers, Environmental Quality Board, Department of Natural and Environmental Resources and the Solid Waste Management Administration.

C. The AUTHORITY, its employees or agents shall have the right to enter during regular working hours, except during an environmental emergency, upon the leased property and monitor RAPISCAN's compliance with all the applicable environmental laws and regulations, permits and licenses. These monitoring activities shall include, among other things: physical inspections, tests and sampling; installation, service and inspection of environmental monitoring devices; examination and copying of documents or records dealing with the RAPISCAN's compliance with environmental laws, regulations, licenses and permits; interviews with the RAPISCAN personnel and contractors regarding RAPISCAN's environmental performance; and the AUTHORITY also reserves its right to request and obtain reports and notices concerning RAPISCAN's environmental performance. The RAPISCAN shall not tamper or disturb in any manner the monitoring devices that the AUTHORITY may install in its premises for the monitoring of environmental hazards.

D. RAPISCAN shall notify and report to the AUTHORITY of any violation of the applicable environmental laws, regulations, licenses, permits or any other matter that may give raise to environmental liability to the AUTHORITY.

E. If RAPISCAN violates any applicable environmental law, regulation, license and permit, or acts in any way that might give rise to the AUTHORITY's environmental liability, the AUTHORITY reserves its right to:

i) At RAPISCAN's expense, perform remedial actions as defined in CERCLA and RCRA and any other pertinent law, statute, ordinance, code, rule and regulations, be it federal, local or municipal, or take any other necessary action to cure immediately the environmental non compliance.

ii). Compel RAPISCAN, at its own cost, to perform the remedial action mentioned in paragraph (i).

F. RAPISCAN shall not cause or permit any hazardous substance to be used, sorted, generated, or disposed of on or in the Premises by RAPISCAN, RAPISCAN's agents, employees, contractors, or invitees without first obtaining the Authority's written consent. If hazardous substances are used, stored, generated, or disposed of on or in the Premises, except as permitted above, or if the Premises become contaminated in any manner for which RAPISCAN is legally liable, the RAPISCAN shall indemnify and hold harmless the AUTHORITY from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, a decrease in value of the premises, damages caused by loss or restriction of rentable or usable space, or any damages caused by adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorney's fees, consultant's fees, and expected fees) arising during as a result of the contamination by the RAPISCAN. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision.

As used herein, Hazardous Substance means any substance that is toxic, ignitable, reactive, radioactive or corrosive and that is regulated by any local or municipal government, the Government of Puerto Rico, or the United States Government. Hazardous Substance includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste", or a "hazardous substance" pursuant to state, federal, or local governmental law.

G. RAPISCAN shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Premises by RAPISCAN, its agents, employees, contractors, or invites, except for such Hazardous Material as is necessary or useful to the RAPISCAN's business.

Any Hazardous Material permitted on the Premises and in all containers utilized in RAPISCAN's operations shall be used, kept, stored, and disposed of in a manner that complies with all federal, Commonwealth, and local law or regulations applicable to this Hazardous Material.

RAPISCAN shall not discharge, leak, or emit, or permit to be discharged, leaked, or emitted, any material into the atmosphere, ground, sewer system, or any body of water, if that material is reasonably determined by the Authority or any governmental authority with jurisdiction on environmental matters) does or may pollute or contaminate the same, or may be located on the Premises or elsewhere or, (a) the health, welfare or the security of people inside or outside the premises or area, or (b) the condition, use, or enjoyment of the building or any other real or personal property.

At the commencement of calendar year for this contract, RAPISCAN shall disclose to the AUTHORITY the names and approximate amounts of all Hazardous Material that the RAPISCAN intends to store, use, or dispose of on the premises in the coming year. This includes the first year of operation by RAPISCAN. In addition, at the commencement of each calendar year, beginning with the second, RAPISCAN shall disclose to the AUTHORITY the names and approximate year, amount of all Hazardous Material that was actually used, stored, or disposed of on the premises if those materials were not previously identified to the AUTHORITY at the commencement of the previous lease year.

As used herein, the term "Hazardous Material" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated there under; (b) any "Hazardous Substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated there under; (c) any oil, petroleum product, and their by products; and (d) any substance that is or becomes regulated by any federal, commonwealth, or local government authority. As used herein, the term "Outside Hazardous Material" means any Hazardous Material coming or migrating into, above or underground the Premises from other AUTHORITY's users or tenants premises or property, including the migration of any outside hazardous material through the premises into, above or underground other premises or bodies of water.

RAPISCAN hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material kept on the Premises by RAPISCAN, and RAPISCAN shall give immediately notice to the AUTHORITY of any violation or potential violation of this Section. RAPISCAN shall defend, indemnify, and hold harmless the AUTHORITY and its agents, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorneys' and consultants' fees, court, or expenses (including, without limitation, attorneys' and consultants' fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to (a) the unauthorized presence, disposal, release, or threatened release of any such

Hazardous Material that is on, from, or affecting the soil, water, vegetation, building, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to that Hazardous Material; (c) any lawsuit brought or threatened, settlement reached, or government order relating to that Hazardous Material or (d) any violation of any law applicable thereto related to the Outside Hazardous Material. The provisions of this section shall be in addition to any other obligations and liabilities that RAPISCAN may have to the AUTHORITY at law or equity and shall survive the transactions contemplated herein and shall survive the termination of this contract.

SECTION 21. MISCELLANEOUS.

21.1 Amendments and Modifications. No amendment or modification of this Agreement including any Schedules referenced herein shall be valid unless made in a writing executed by both of the parties.

21.2 Binding Effect. All provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties and their successors-in-interest, permitted assigns, administrators, and devisees.

21.3 English Language. This Agreement has been negotiated and drafted in the English language, and the English language version shall be the sole and controlling version of this Agreement. All provisions of this Agreement shall be construed and interpreted in the English language.

21.4 Force Majeure. If by reason of a Force Majeure Event, a party is affected in the performance of any obligation under this agreement, that party will not be liable under this Agreement to the other party for not performing, or for the manner of its performance of, such obligation to the extent to which, and for the period of time during which, that party is so affected. "Force Majeure Event" means any event or circumstance (or any combination of events or circumstances) which is or are beyond the control of the party affected without its fault or negligence, including without limitation, acts of God, severe weather, natural disasters, war or other hostilities, labor disputes, civil disturbances, governmental acts, orders or regulations, third party nonperformance, or failures or fluctuations in electrical power, heat, light, air conditioning or telecommunications equipment.

21.5 Currency. All monetary figures set forth in this Agreement are expressed in U.S. dollars.

21.6 Descriptive Headings. Descriptive headings in this Agreement Any headings preceding the text of the sections of this Contract, and any table of contents or marginal notes appended to it, if any, are solely for convenience of reference and do not constitute a part of this Contract, nor do they control, affect the meaning, construction, or effect of this Contract.

21.7 Equitable Remedies. The parties agree that damages alone would not be an adequate remedy for the breach of this Agreement and, accordingly, without prejudice to any and all other rights and remedies that either party may have against the other, either party shall be entitled, without proof of special damage, to seek equitable remedies of injunction, specific performance and other equitable relief for any actual or threatened breach of the provisions of this Agreement.

21.8 Further Documents. Each party shall execute and deliver all such further instruments, documents and papers, and shall perform any and all acts, necessary to give full force and effect to all the terms and provisions of this Agreement.

21.9 Interpretation. No uncertainty or ambiguity herein shall be construed or resolved against any party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been negotiated by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties.

21.10 Dispute Resolution and Legal Action.

21.10.1 Negotiation. The parties hereby agree that they will attempt in good faith to resolve promptly by negotiations any controversy, claim, dispute, or deadlock between them arising out of or relating to the Contract. Any dispute that is not settled by the parties within ten (10) days after written notice of such dispute is given by the complaining party to the other party's Authorized Representative, shall be referred to the Executive Director of the Authority as the case may be, to settle such disputes on behalf of their respective entities) (each, a "Senior Officer"). The Senior Officers will meet for negotiations within ten (10) business days of the end of the ten (10) day negotiation period referred to above, at the Authority's headquarters, or as otherwise may be agreed by the Senior Officers. If the dispute has not been resolved within thirty (30) days after the end of the ten (10) day negotiation period referred to above (which period may be extended by mutual agreement), subject to any rights to injunctive relief and unless otherwise specifically provided for herein, the dispute will be settled in accordance with such other rights and remedies as are available to the parties.

21.11 Limitations on Waiver. No waiver by any party of any term or condition of this Agreement shall be construed to be a waiver of such term or condition in the future, or of any preceding or subsequent breach of the same or any other term or condition of this or any other agreement, nor shall any such waiver be binding unless written. All remedies, rights, undertakings, obligations and agreements contained in this Agreement shall be cumulative, and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of any party to this Agreement.

21.12 Assignments and Sublicense. As a Material Term of this Contract RAPISCAN shall be permitted to assign or sublicense all or part of its rights and obligations under this Agreement to any subsidiary of RAPISCAN, or to any parent corporation of RAPISCAN, or to any subsidiary of any parent corporation of RAPISCAN, provided that RAPISCAN notifies the AUTHORITY and represents that the parent corporation or its wholly owned subsidiary, or its parent's subsidiary meets and complies with any and all requirements contained herein. The notification of assignment and or sublicense must be informed to the AUTHORITY at least 30 days prior to the effective date of such action.

21.13 No Partnership or Joint Venture. This Agreement does not create a partnership or joint venture between the parties, and shall not be construed as doing so. This Agreement does not create any right by either party to bind the other party.

21.14 No Third Party Beneficiaries. No person other than the parties hereto and their permitted successors and assigns shall receive any benefits of this Agreement.

21.15 Notices. All notices, statements and other documents that any party is required or desires to give to any other party shall be given in writing in English and shall be served in person, by express mail, by certified mail, by overnight delivery, or by facsimile at the respective addresses set forth below, or at such other addresses as may be designated in writing by such party:

If to AUTHORITY:

Rita M Torres
Assistant Executive Director for Administration
PR Ports Authority
PO Box 362829
San Juan, PR 00936-2829

With a copy to:

PRPA Legal Department
PR Ports Authority
PO Box 36289
San Juan, PR 00936-2829

If to RAPISCAN:

Jonathan Fleming
RAPISCAN SYSTEMS, INC.
1901 S. Bell Street, Suite 325
Arlington, Virginia 22202 USA
Fax No. 1-703-812-0335

With a copy to:

Victor Sze
Law Department
12525 Chadron Ave.
Hawthorne, CA 90250
Facsimile: 310-970-0862

Delivery shall be deemed conclusively made (i) at the time of service, if personally served, (ii) five days after deposit in the United States mail, properly addressed and postage prepaid, if delivered by express mail or certified mail, (iii) upon confirmation of delivery by the private overnight deliverer, if served by overnight delivery, and (iv) at the time of electronic transmission (as confirmed in writing), provided a copy is mailed within 24 hours after such transmission.

21.16 Governing Law and Venue. This agreement is governed by the law in force in the Commonwealth of Puerto Rico without regard to its conflicts of law provisions. The parties irrevocably agree that any claims or causes of action arising from or in connection with this Agreement will be filed before the United States District Court for the District of Puerto Rico. The enforceability of this consent to jurisdiction shall be governed by the laws of the Commonwealth of Puerto Rico and 28 U.S.C. § 1332.

21.17 Severability. Any provision of this Agreement that is found by a court of competent jurisdiction to be void, invalid or unenforceable shall be curtailed and limited

only to the extent necessary to bring such provision within the requirements of the law, and such finding and curtailment shall not affect the validity or enforceability of any other provision of this Agreement.

21.18 Survival. The provisions of Sections 11 through 16, and 19 of this Agreement shall survive the expiration or earlier termination hereof.

21.19 Duty to Cooperate. The parties acknowledge that their mutual cooperation is critical to the ability of RAPISCAN to perform its duties hereunder successfully and efficiently. Accordingly, each party agrees to cooperate with the other fully in meeting the goals and objectives object of this Contract, which is in the AUTHORITY'S best interests. The AUTHORITY shall use its best efforts, and shall cooperate with RAPISCAN in any governmental process in connection with the Designated Services provided hereunder, including without limitation to: any and all exemptions that may be granted by the Department of the Treasury of the Commonwealth of Puerto Rico for the Equipment to be used to provide the Designated Services.

21.20 Compliance with Contractual Requirements. AUTHORITY certifies and assures that it has complied with all the procedures necessary to contract RAPISCAN. AUTHORITY assures, to its best understanding, that there is no existing law, regulation or rule to which AUTHORITY is subject which prohibits it from contracting with RAPISCAN for the services herein rendered.

21.21 Omissions. In the event that AUTHORITY or RAPISCAN discovers any material omission in the provisions of the Contract that is believed to be essential to the successful performance of the Contract, each must so inform the other in writing. AUTHORITY and RAPISCAN shall promptly negotiate in good faith with respect to such matters for the purpose of making such reasonable adjustments as may be necessary to perform the objective of the Contract.

21.22 Accuracy of Information. All statistical and fiscal information contained in the RFP and any appendices or attachments of the Contract reflect the information available to AUTHORITY at the time of the preparation of the above-cited documents. AUTHORITY does not warrant the accuracy of any such information and shall not be liable for any errors or the results of errors which may be discovered, at any time, to exist in those statements, unless caused by negligent or willful acts or omissions of AUTHORITY.

21.23 Heading Not Controlling. Section headings under the Contract are for convenience only and shall have no binding force or effect and shall not affect the interpretation of the Contract.

21.24 Unauthorized Use Of The Port Authority Logo Or Name. RAPISCAN shall not use AUTHORITY's official logo or name in any advertising, written sales promotion, written proposals, press releases or other publicity matters, without the prior written authorization of the AUTHORITY's.

21.25 Compliance with Immigration Reform Act. RAPISCAN will verify identity and work authorization of employees assigned to the project who were hired after November 6, 1986 and of any persons newly hired and assigned to the project within three (3) days of hire.

21.26 Drug-Free Workplace. RAPISCAN certifies that it shall provide a drug-free workplace in accordance with the "Drug-Free Workplace Act of 1988" (implemented at 45 CFR Part 76, Subpart F) and the Commonwealth "Drug Testing Act", Law No. 59 of August 8, 1997, as amended.

21.27. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same document, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other party.

21.28 Non Discrimination and Sexual Harassment. RAPISCAN agrees: (a) not to discriminate in any manner against an employee, applicant for employment, subcontractor or any person because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, sexual orientation, or physical or mental handicap unrelated in nature and extent so as reasonably to preclude the performance of such employment; (b) to include a provision similar to that contained in subsection (a) above in any subcontract executed in connection with the services to be provided hereunder, but excluding subcontracts for standard commercial supplies or raw materials; and (c) to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause

RAPISCAN certifies that maintains a written sexual harassment policy and shall inform its employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined. RAPISCAN agrees to include a similar provision in every subcontract so that such provision will be binding upon each subcontractor.

[Signature Page Follows]

A handwritten signature in black ink, consisting of a stylized capital 'A' followed by a series of loops and a final vertical stroke.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

RAPISCAN SYSTEMS, INC.

By: _____

Jonathan Fleming
Vice-President

PORTS AUTHORITY

By: _____

Alvaro Pilar
Executive Director



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

RAPISCAN SYSTEMS, INC.

By: _____

Jonathan Bleming
Vice-President

PORTS AUTHORITY

By: _____

Alvaro Pilar
Executive Director



Schedule A

Premises

1. Premises Located at the Port of San Juan:

[RAPISCAN ADMINISTRATIVE OFFICE SPACE – PORTS AUTHORITY TO INSERT FLOOR PLANS]

[RAPISCAN STORAGE SPACE – PORTS AUTHORITY TO INSERT FLOOR PLANS]

A handwritten signature or set of initials, possibly 'A' and 'P', located in the bottom right corner of the page.

Schedule B

Equipment

1. Equipment to be Located at the Port of San Juan:

<u>Equipment</u>	<u>Number of Units</u>
RAPISCAN Eagle® Mobile	8

Schedule C

Port of San Juan Operations

A. CONCEPT OF OPERATIONS

Section A of this Schedule C sets forth a concept of operations (normal course operations directly relating to the scanning of cargo and vehicles) that reflects the mutual intentions of the parties as of the date of this Agreement. This Section A is therefore non-binding, and is subject to mutual consultation on an on-going basis.

1. Entry

1.1. A truck with container(s) enters the lane. One Eagle® Mobile lane will be positioned at each of the port exit Locations (total of seven). One spare Eagle® Mobile will be available to assist as needed.

1.2. Note: A truck towing a "twin 20-ft" container arrangement will generate two separate images and transactions, one for each container.

1.3. Drivers will present the pre-paid scanning certificate at entry to the Location.

1.4. Drivers that do not have a pre-paid scanning certificate for their container will be handled on site with a portable POS to register their container and collect data and payment at the Location.

1.5. RAPISCAN Global staff will scan the Scanning Certificate barcode presented by the truck driver transferring information regarding the container number, chassis and truck front license plate numbers and sends them the system server to be combined with the matching scanner generated image.

2. Scan

2.1. The truck is then directed to drive through the Eagle® Mobile lane at a speed between 5 to 8 km/h. The system automatically activates after the cab has passed the scanning beam.

2.1.1. The Eagle® Mobile system creates a scan image and presents it for viewing in the control cab as well as sends it to the system server.

2.1.2. Truck will be directed to return to the Eagle® Mobile system if any one of the following are true:

(a) Missing Eagle® Mobile system scan image

(b) Unacceptable Eagle® Mobile subsystem image.

NOTE: An Eagle® Mobile subsystem image is unacceptable if any of the following is true:

- A dropout exists that even partially obscures the container.
- The truck exceeded the required speed at any point during the scan
- The truck proceeded too slowly or stopped in the lane

3. Image Review

3.1. RAPISCAN Screening staff will conduct initial image review and assess whether any irregularities exist. "Irregularities" means any portion of an image that is readily identifiable to the unaided eye, using standards established in operator training, has any of the following: (a) narcotics; (b) firearms; (c) image content inconsistent with the applicable bill of lading; and (d) other suspect image content in accordance with standards established in operator training.

3.2. Any image irregularities will be immediately referred to the authorities identified by the AUTHORITY

3.3. Truck diverted for secondary inspection at the sole discretion of AUTHORITY or other assigned government enforcement personnel after review of image and transaction information.

3.4. After referral to the AUTHORITY any additional actions regarding the suspect container will be directed by AUTHORITY authorities or appropriate law enforcement

3.5. Any suspect container diverted for secondary inspection must be removed to allow for the unhindered resumption of the scanning operation

4. Exit

4.1. If no irregularities are identified during the review of the image and associated container data, the truck is cleared to proceed out of the port.

4.2. The Eagle® Mobile image and Scanning Certificate data are stored as a single file in the server database and identified as a Scan Transaction File.

4.3. The associated transaction is available for image review by AUTHORITY inspectors.

5. Staffing and Training. In order to implement the proposed project it is estimated that RAPISCAN will hire and train in approximately 70 employees. To screen potential applicants the Company will implement a screening practice similar to that which they currently utilize when meeting hiring requirements for the U.S. Government agencies including the TSA and CBP.

5.1. Outline of process is as follows:

5.1.1. Outreach to public to inform them of employment opportunities through print media, websites and community channels

5.1.2. Prescreen of employees evaluating employment history

5.1.3. Interview

5.1.4. In-depth candidate assessment including:

5.1.5. Computerized testing

5.1.6. Background checks

5.1.7. Drug screening

5.1.8. Criminal History and Financial Stability checks

5.2. Upon appointment employees will then undergo a comprehensive training program, hosted by RAPISCAN lasting upwards of 6 weeks, similar to the curriculum developed and utilized by TSA and CBP to train their screeners and field service engineers. Training will be conducted in various locations which may include Los Angeles, Las Vegas, Apex NC and San Juan.

5.3. Given the sensitivity of employee's job description – scanning inbound containers for contraband including weapons and narcotics – it is important to implement and maintain an ongoing employee assessment and review program to maintain employee integrity.

5.4. Employees will also undergo training on a quarterly basis by trained customs experts to keep them abreast of the latest industry trends and developments. Additionally, employees will undergo annual operator and maintenance training.

5.5. Annual training hosted by customs security consultants will include:

5.5.1. To conduct periodic on-site In-Service training in Puerto Rico, using subject matter experts. Each training assignment will be three days in duration and will be conducted quarterly on location. When required, training will be conducted in Spanish. Participants will be both AUTHORITY sworn police officers and private security personnel.

5.5.2. Private security personnel will receive a 16-hour (2-day) curriculum covering targeting (Risk Management), cargo inspections, and methods of concealment, image identification, and container inspection including the 7-Point container inspection protocol and including a practical exercise utilizing locally available containers.

5.5.3. Sworn officers will receive an 8-hour (1-day) a curriculum covering manifest verification, cargo inspection techniques and methods of concealment.

5.5.4. Class size will be approximately 20-25 personnel for the private security personnel and approximately 8-12 personnel for the sworn officer class.

B. RESPECTIVE OPERATING OBLIGATIONS

Notwithstanding the above, Section B of this Schedule C sets forth binding obligations of each party with respect to operations under this Agreement. The obligations set forth in this Section B are cumulative with, and in addition to, other obligations set forth elsewhere in this Agreement.

1. RAPISCAN Obligations

1.1. Deliver and maintain the Equipment, to be available for operation at each of seven locations within the Ports (each a "Location"), no later than the Operations Start Date. The exact position of each Location shall be mutually agreed to by the Port and RAPISCAN prior to the Operations Start Date. The Operations Start Date shall be the fifth business day after the date on which RAPISCAN provides written notice to the AUTHORITY of the availability of Designated Services in accordance with this Agreement. RAPISCAN will use reasonable commercial efforts to target an Operations Start Date.

1.2. Maintain all Equipment in good working order.

1.3. Beginning on the Operations Start Date, operate the Equipment at the Locations using personnel hired and trained to specification.

1.4. Beginning on the Operations Start Date, RAPISCAN operating staff will conduct initial image review of scanned images produced in the course of Designated Services, and assess whether any irregularities exist.

1.4.1. "Irregularities" means any portion of an image that is readily identifiable to the unaided eye, using standards established in operator training, as any of the following: (a) narcotics; (b) firearms; (c) image content inconsistent with the applicable bill of lading; and (d) other suspect image content in accordance with standards established in operator training.

1.4.2. Any image irregularities will be immediately referred to the individual authorized by the AUTHORITY under Section 2.2(b) below.

1.5. Provide the AUTHORITY access to Scan Transaction Files.

2. Authority's Obligations

2.1. Within ninety (90) days of the date of this Agreement, at each Location the AUTHORITY shall provide the following conditions and items at each Location ("Site Preparation"): (a) a flat, paved surface of adequate size to conduct safely and efficiently the operations contemplated in this agreement (at least 2,750 sq/ft to perform scanning, 9,000 sq/ft for de-vanning, and sufficient space for administrative processing); (b) access to a connection for electrical power, 240v/60Hz three phase; (c) lighting sufficient to safely operate the Equipment 24 hours a day; (d) paved, marked and properly designated entrance and exit points from the adjacent roadway to the flat paved surface screening area; (e) and other emergency or ancillary service as required from time to time, including without limitation to emergency towing services.

2.2. At each Location the AUTHORITY shall provide at least one person authorized by the AUTHORITY to interpret scan images, to which all image irregularities shall be referred.

2.3. The AUTHORITY shall provide ancillary facilities, at RAPISCAN expense, as follows, as well as any other ancillary facilities reasonably necessary for the performance of the Designated Services: (a) storm-hardened indoor storage adequate for all Equipment to be simultaneously stored; and (b) office space sufficient for five RAPISCAN administrative personnel ("Ancillary Facilities").

2.4. The AUTHORITY shall assume responsibility for: (a) image interpretation upon referral of an image by RAPISCAN personnel, and the AUTHORITY shall not request RAPISCAN personnel to perform further image interpretation on the AUTHORITY's behalf; and (b) diverting and holding vehicles/containers, at distance from each Location sufficient to permit the unhindered continuation of operations at the Location, if the AUTHORITY deems, at its discretion, that such trucks/containers should be subject to further inspection or otherwise held.

2.5. Beginning on the Operations Start Date and continuing thereafter for the remaining term of this Agreement, the AUTHORITY shall cause 100% of the inbound Cargo entering the Port not selected and scanned by CBP to be (i) routed and delivered to RAPISCAN for scanning and (ii) subject to the Scanner Certification Fees set forth in Schedule D.

2.6. The AUTHORITY shall be responsible for enforcing the scanning and fee requirements and shall take regular and customary measures to ensure compliance by carriers including without limitation to consignees, freight forwarders and shippers. Further, the AUTHORITY shall be responsible for the enactment and/or enforcement of all policies, orders, rules and/or regulations required and deemed necessary to implement the terms and provisions of the instant Agreement, including without limitation the imposition and enforcement of the Scanner Certification Fees. Nothing included in this Agreement shall be interpreted or construed as an obligation by the AUTHORITY to collect fees for the scans performed. On or before February 28, 2010 the Authority will enact all necessary tariffs, orders and/or regulations to ensure the strict compliance with the payment of the scanning services by the carriers.

2.7. The AUTHORITY shall provide RAPISCAN as soon as possible, prior written notice, any reasonably anticipated Volume Increase. From and after the first anniversary of the Operations Start Date, a Volume Increase shall be deemed to occur whenever the average monthly volume of cargo containers routed to and delivered to RAPISCAN for scanning in any given calendar year exceeds the average monthly volume of cargo containers routed to and delivered to RAPISCAN for scanning in the prior calendar year by more than 10%. In the event of a Volume Increase, RAPISCAN shall, upon the request of AUTHORITY, establish an additional Location and provide Site Preparation and Ancillary Facilities, if requested by RAPISCAN, in order to accommodate the additional volume.

Schedule D

Scanner Certification Fee, Scanner Service Fee, and Scan Transaction Payment Schedule

1.1 Scanner Certification Fees.

1.1.1 Collection of Fees. RAPISCAN shall collect from carriers non-refundable fees for each scan performed or to be performed under this Agreement (each a "Scanner Service Fee" and "Scanner Certification Fee", and collectively the "Scanner Certification Fees").

1.1.2 Setting of Fees by the Authority. The Scanner Certification Fees shall be set from time to time by the AUTHORITY, provided, however, that the Scanner Certification Fees for any given Scan Type shall in no event be less than the Scanner Service Fee due to RAPISCAN for such Scan Type. The AUTHORITY shall set the Scanner Certification Fee such that the fees shall be discounted by \$4.00 if the fees are paid prior to the scan ("Pre-paid") by the carrier and by \$3.00 if the fees are paid by the carrier within seven (7) days of the scan.

1.2 Scanner Service Fees.

1.2.1 Base Fee. For each scan performed or to be performed under this Agreement, RAPISCAN shall be entitled to non-refundable fees (each a "Scanner Service Fee", and collectively the "Scanner Service Fees") pursuant to the Base Rate schedule set forth below:

Scan Type	Scanner Service Fee* (USD)
40 Ft or larger container	\$60
20 Ft or smaller container	\$48

1.2.2. Pre-Payment. If the Scanner Certification Fee is received by RAPISCAN prior to having the scanning performed. The Base Fee due to Rapiscan shall remain unaltered.

1.2.3. Timely Payment. If the Scanner Certification Fee is received by RAPISCAN within the first (7) seven days of the scan, the Scanning Service Fee shall be equal to:

Scan Type	Scanner Service Fee* (USD)
40 Ft or larger container	\$61
20 Ft or smaller container	\$49

1.2.4 Late Payment. If the Scanner Certification Fee is received by RAPISCAN after (8) eight days from the day the scan ("Late Payment"), the Scanning Service Fee shall be equal to:

Scan Type	Scanner Service Fee* (USD)
40 Ft or larger container	\$64
20 Ft or smaller container	\$52

RAPISCAN shall have the right to charge and retain a surcharge in the event of Late Payment.

1.2.5 Interest. Any Payment received by RAPISCAN after the thirtieth (30) day from the date of the scan shall be subject to the imposition of interest at the applicable legal interest rate per month which interest charges shall be retained by RAPISCAN.

1.2.6. Cure Period. In the event that any carrier defaults or has a Delinquent balance, as defined herein, the carrier and or the AUTHORITY shall have ten (10) days to cure such default or Delinquent balance.

1.2.7. Modification of Scanner Service Fees. The Scanner Service Fees shall remain fixed until the Third Anniversary of the Effective Date of this Agreement. Thereafter, RAPISCAN shall have the right to increase the Scanner Service Fees annually by a percentage equal to the greater of (i) 3%; or (ii) the percentage increase in the CPI between the date of the most recent increase of the Scanner Service Fees (or if there has been no prior increase then the Effective Date of this Agreement) and the date of the current increase of the Scanner Service Fees. If a CPI number is not available for any such day, then the number that shall be used shall be the CPI number available on the most recent preceding day on which it was available.

(a) As used herein the term "CPI" shall mean the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics, for U.S. All Items (1982—1984=100).

(b) If the CPI shall become unavailable to the public because publication is discontinued, or otherwise, RAPISCAN shall select a substitute index that most closely approximates the above referenced index, as reasonably determined by RAPISCAN.

(c) Notwithstanding anything to the contrary in this Agreement, RAPISCAN shall have the right to negotiate with the AUTHORITY to modify increase equitably the Scanner Service Fees in the event that:

(i) RAPISCAN incurs additional costs resulting from changes or modifications to its obligations hereunder as mutually agreed upon by the parties; or

(ii) In any calendar quarter after the Operations Start Date the volume of 20 Ft or smaller cargo containers routed to and delivered to RAPISCAN for scanning is less than 22,100;

(iii) In any calendar quarter after the Operations Start Date the volume of 40 Ft or larger containers routed to and delivered to RAPISCAN for scanning is less than 62,900;

(iv) In any calendar quarter after the Operations Start Date the volume of 20 Ft or smaller cargo containers routed to and delivered to RAPISCAN for scanning is more than 29,900;

(v) In any calendar quarter after the Operations Start Date the volume of 40 Ft or larger containers routed to and delivered to RAPISCAN for scanning is more than 85,100.

1.2.8. Material Change in Volume.

In the event of a change in the Estimated Volume, as defined herein, in the amount of 15% or more, the parties shall be subject to:

(a) Decrease in Volume. In the event that the volume of cargo containers routed to and delivered to RAPISCAN for scanning in any given calendar quarter is less than the Estimated Volume, the parties shall meet and discuss implementing

either (i) an equitable increase in the Scanner Services Fees, or (ii) an equitable decrease in the Equipment and personnel to accommodate the decrease in volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no increase to the Scanner Service Fees and no required decrease in the Equipment and personnel.

(b) Increase in Volume. In the event that the volume of cargo containers routed to and delivered to RAPISCAN for scanning in any given calendar quarter is more than the Estimated Volume, the parties shall meet and discuss implementing either (i) an equitable decrease to the Scanner Service Fees, or (ii) an equitable increase in the Equipment and personnel to accommodate the additional volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no decrease to the Scanner Service Fees and no required increase in the Equipment and personnel.


2.1. Scan Transaction Payments.

2.1.1. Scan Transaction Payments. For each Scanner Certification Fee actually collected by RAPISCAN, RAPISCAN shall pay to the AUTHORITY an amount equal to the Scanner Certification Fee minus the Scanner Service Fee (each, a "Scan Transaction Payment" and collectively, the "Scan Transaction Payments"). A Scan Transaction Payment shall be payable to the AUTHORITY only upon the completion of a Scan Transaction File which shall occur only after receipt of the Scanner Certification Fee and generation of the corresponding image.

3.1. Remittance of Scan Transaction Payments to the AUTHORITY. RAPISCAN shall make payment of the Scan Transaction Payments to the AUTHORITY as follows: Beginning with the 15th day of the month following the Operations Start Date, and on or before the 15th day of each month thereafter, RAPISCAN shall furnish the AUTHORITY a verified statement of including all information reasonably necessary for the determination of the Scan Transaction Payments for the preceding month. Concurrent with such monthly statement, RAPISCAN shall remit to the AUTHORITY the AUTHORITY's Scan Transaction Payments for the preceding calendar month as prescribed above.

4.1 Books and Records. RAPISCAN agrees to maintain appropriate, true and accurate records, in accordance with generally accepted management accounting practices with clear audit trails and records of the Scan Transaction Payments due to the AUTHORITY. If requested by the AUTHORITY on reasonable notice, RAPISCAN agrees to allow the AUTHORITY or its representatives' reasonable access to such records and to take copies of them for the purpose of confirming RAPISCAN's compliance with its obligations under this section. The foregoing notwithstanding, RAPISCAN shall retain all images

produced in the course of providing the Designated Services for a term no longer than thirty (30) days.

A handwritten signature in black ink, consisting of a stylized capital 'A' followed by a cursive 'P'.

Schedule E

[RFP]

A handwritten signature in black ink, consisting of a stylized capital 'D' followed by a series of loops and a horizontal stroke.

Schedule F

[Proposal]

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a final flourish.

ADDENDUM A
[Governmental certifications]

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SUPPLEMENTARY AGREEMENT

2010-000078-A

AP-09-10-(4)-078-A

In San Juan, Puerto Rico, this *August 6, 2010.*

APPEARS

AS PART OF THE FIRST PART: THE PUERTO RICO PORTS AUTHORITY, a public corporation and government instrument of the Commonwealth of Puerto Rico (the "Commonwealth"), created by Act No. 125, approved May 7, 1942, as amended, hereinafter referred to as the "Authority", and represented by its Executive Director, Alberto R. Escudero Morales, legal age, married and resident of San Juan, Puerto Rico.

AS PARTY OF THE SECOND PART: RAPISCAN SYSTEMS, INC., a for profit corporation organized under the laws of California, hereinafter referred to as "RAPISCAN" and duly authorized to do business in Puerto Rico with register number 14762 at the Puerto Rico Department of State and with federal employer identification number _____, represented in this act by Jonathan Fleming, Vice President, of legal age, married and resident of the Commonwealth of Virginia, US.

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AS PARTY OF THE THIRD PART: S2 SERVICES PUERTO RICO, LLC, a Limited Liability Company, organized under the Law of Puerto Rico and duly authorized to do business in Puerto Rico, hereinafter referred to as "S2 Services Puerto Rico" with registered number 2113 at the Puerto Rico Department of State and with employer identification number _____, represented in this act by Jonathan Fleming, President, of legal age, married and resident of the Commonwealth of Virginia, United State.

The said appearing parties freely, spontaneously, and on their free will

STATE

A. On December 17, 2009, the Authority and Rapiscan entered into a contract agreement AP-09-10-(4)-078 to provide inbound cargo container

scanning services at the Port of San Juan (the "Agreement")

B. Pursuant to Section 21.12 of the Agreement, Rapiscan is permitted to assign its rights and obligations under the Agreement to any subsidiary of its parent company, provided Rapiscan properly notifies the Authority and satisfactorily represents to the Authority that the wholly owned subsidiary of its parent company, meets and complies with any and all requirements set forth in Section 18, Required Documentation, Insurance and Tax Withholdings, of the Agreement. Such notification must be made at least 30 days prior to the effective date of Agreement.

C. On July 16, 2010, Rapiscan notified the Authority of its intention to fully assign within 30 days all of its rights and obligations under the Agreement to S2 Services Puerto Rico, LLC and certified Assignee's full compliance with the requirements of the Agreement, by showing to the Authority, pursuant to Section 18.6 of the Agreement, that certain Certificate of Eligibility to the Sole's Bidder Registry, issued by the General Service Administration of the Commonwealth of Puerto Rico in favor of S2 Services Puerto Rico, LLC and required documents.

D. Rapiscan and S2 Services Puerto Rico, LLC warrant and represent that S2 Services Puerto Rico, LLC is a fully owned subsidiary of their parent company.

NOW THEREFORE, in consideration of the mutual promises and premises herein contained and other good and valuable consideration,

IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. The preamble to this agreement is hereby made an integral part hereof.

2. The Authority's hereby acknowledges being properly notified of the above assignment and grants its consents to the assignment set forth above, and agrees that it is in compliance with the requirements of the Agreement.

3. Given the above assignment, the parties hereto agree that from

the effective date set forth below all of the rights and obligations of Rapiscan under the Agreement, will be the rights and obligations of S2 Services Puerto Rico, LLC and all references to Rapiscan in the Agreement will now refer to S2 Services Puerto Rico, LLC.

4. In addition to the above, Section 21.15 Notices of the Agreement is hereby specifically amended to read as follows:

"21.15 - NOTICES. All notices, statements and other documents that any party is required or desires to give to any other party shall be given in writing in English and shall be served in person, by express mail, by certified mail, by overnight delivery, or by facsimile at the respective addresses set forth below, or at such other addresses as may be designated in writing by such party:

If to AUTHORITY: Mr. Alberto R. Escudero Morales, Executive Director, Puerto Rico Ports Authority, P O Box 362829, San Juan, Puerto Rico 00936-2829. With a copy to: PRPA Legal Department, Puerto Rico Ports Authority, P O Box 362829, San Juan, Puerto Rico 00936-2829.

and

If to S2 Services Puerto Rico, LLC, Jonathan Fleming, B 5 Tabonuco Street Suite 216, PMB 298, Guaynabo, Puerto Rico 00968-3029.

Delivery shall be deemed conclusively made (i) at the time of service, if personally served, (ii) five days after deposit in the United States mail, properly addressed and postage prepaid, if delivered by express mail or certified mail, (iii) upon confirmation of delivery by the private overnight deliverer, if served by overnight delivery, and (iv) at the time of electronic transmission (as confirmed in writing), provided a copy is mailed within 24 hours after such transmission.

5. S2 Services Puerto Rico, LLC hereby represents and warrants to the Authority that all of the representations and warranties that Rapiscan set forth to the Authority in the Agreement are and continue to be true and correct with regards to S2 Services Puerto Rico, LLC and agrees and

promises to fully comply with all of its obligations under Agreement, as hereby amended, in place and stead of Rapiscan.

6. Notwithstanding this assignment and anything else provided in this Supplementary Agreement, Rapiscan agrees that it continues to be bound by its obligations under the Agreement to the Authority that survive the expiration and early termination of the Agreement set forth in Section 21.18 of the Agreement (Sections 11 through 16 and 19 of the Agreement); and, as applicable to its operations in Puerto Rico that may continue with the Authority, if any, by Section 18 Required Documentation, Insurances and Taxes; and Section 20 Environmental Clause.

7. All other terms and conditions of the original agreement AP-09-10-(4)-078 not affected by this Supplementary Agreement shall remain unaltered.

8. The effective date of this Supplementary Agreement is the date this Supplementary Agreement is the date of its execution by the Authority, and its effectiveness is subject to its filing at the Puerto Rico Comptroller's Office.

IN WITNESS WHEREOF the parties hereto have signed this Supplementary Agreement on the date first stated above.

PUERTO RICO PORTS AUTHORITY

By: 
Alberto R. Escudero Morales
Executive Director

RAPISCAN SYSTEMS, INC.

By: 
Jonathan Fleming
Vice President


S2 SERVICES PUERTO RICO, LLC
"ASSIGNEE"

By: 
Jonathan Fleming
President

Revised and recommended by:


Hilda M. Rodríguez Manzano
General Legal Counsel

Revised and recommended by Ramón Alberto Lugo, Counsel of the Puerto Rico Ports Authority Legal Division, asserting that all necessary clauses and conditions required by the Puerto Rico Ports Authority for this transaction have been included.



Ramón Alberto Lugo
Counsel

 RAL/ivo

Commonwealth of Puerto Rico
PORTS AUTHORITY

2010-000078-B SECOND SUPPLEMENTARY AND AP-09-10-(4)-078A-2
RESTATEMENT OF COMPLETE SCANNING SERVICES AGREEMENT
AP-09-10-(4)-078 (RESTATED)

In San Juan, Puerto Rico, this 24 day of January, 2011.

APPEAR

AS THE PARTY OF THE FIRST PART: the Puerto Rico Ports Authority, a public corporation and instrumentality of the Government of Puerto Rico created by Act No. 125 approved on May 7, 1942 as amended, hereinafter referred to as the "AUTHORITY represented by its Executive Director, Alberto R. Escudero Morales, of legal age, married and resident of San Juan, Puerto Rico,

AS THE PARTY OF THE SECOND PART: S2 Services Puerto Rico, LLC, a limited liability company organized under the Laws of the Commonwealth of Puerto Rico, with registered number 2113 at the Puerto Rico Department of State, and with employer identification number _____, hereinafter referred to as the "S2PR" represented in this act by Jonathan Fleming, President, of legal age, married and resident of the Commonwealth of Virginia, United States.

RECITALS

WHEREAS, as of December 11, 2009, the "AUTHORITY and Rapiscan Systems, Inc. , hereinafter Rapsican, a company organized under the laws of the California, employer identification number _____, entered into that certain Agreement AP-09-10-(4)-078, under which Rapiscan agreed to offer to the Authority certain inbound cargo container scanning services at the Port of San Juan (the Agreement").

WHEREAS, as August 3, 2010, the Authority, Rapiscan, and S2PR entered into that certain Supplementary Agreement (the "First Supplementary Agreement") by which, in addition to certain amendments, Rapiscan assigned as contemplated in the Agreement all its rights and obligations under the Agreement to S2PR, with the consent of the Authority.

WHEREAS, as of this date, after being involved in discussions concerning legal and practical matters required to provide inbound cargo container scanning services efficiently

and effectively at the Port of San Juan, the parties have agreed to amend and update the terms and conditions of the Agreement and First Supplement in the manner set forth herein, and to for the purposes of clarity, they have further agreed to restate all the terms and conditions of the Agreement, as amended by the First Supplement and as amended herein, in this Restated Agreement, so that this Restated Agreement contains and includes all the terms and conditions between the Authority and S2PR in connection thereof, substituting, for all purposes, the Agreement and the Supplementary Agreement in full.

NOW THEREFORE, in consideration of the mutual promises and promises herein and other good and valuable consideration, IT IS HEREBY AGREED AS FOLLOWS:

TERMS AND CONDITIONS

Section 1: DEFINITIONS AND INTERPRETATION.

The following words and phrases have the following meanings for purposes of this Contract:

a. "Applicable Law" means any law, statute, ordinance, code, rule, regulation, of the Commonwealth of Puerto Rico, and any order, writ, injunction, decree, ruling, determination, award, permit or variance of any governmental body, in effect now or as it may become applicable in the future, or any binding agreement with any governmental body, including technical standards, codes, and specifications as required for the particular profession.

b. "Confidential Information" means all information that is marked as confidential (or if disclosed verbally, is followed within three business days by a written notice from Discloser describing the Confidential Information so disclosed) and that is received by Recipient from Discloser or any of Discloser's affiliates, or any of Discloser's attorneys or other agents, in whatever form transmitted, relating to Discloser's operations, business, affairs or property, including, without limitation, technologies, research and development, business plans, trade secrets, and systems. Confidential Information shall not include information that is (i) or becomes publicly available other than as a result of a breach of this agreement by either party, (ii) already known to both parties to this agreement, (iii) independently acquired or developed by either party without violating any of its obligations under this agreement, or (iv) required to be disclosed by law or judicial process.

c. "Delinquent balance" refers to the event where S2PR has not received payment from the carrier exceeding thirty (30) days from the Entry Date.

d. "Designated Services" the scope of the services and other aspects related to the project that were established in the RFP, as amended during the procurement process.

e. "Entry Date" the date an inbound cargo container enters the Port of San Juan.

f. "Estimated Volume" of inbound cargo containers arriving at the Port of San Juan during any given calendar year, not previously selected and scanned (imaged) by the United States Customs and Border Protection ("CBP"), shall be at least 400,000.

g. "Governmental Body (ies)" means in general the Government of the Commonwealth of Puerto Rico or any of its executive departments, agencies, instrumentalities, administrations, or public corporations of the municipalities of the Commonwealth of Puerto Rico. It likewise means the Federal Government, or any of its executive departments, agencies, instrumentalities, administrations, public corporations, etc, except for the purposes of this Agreement the US Customs and Border Patrol ("CBP").

h. "Loss-and-Expense" means any and all actual loss, liability, forfeiture, obligation, damage (excluding consequential damages which shall include, loss of profits, revenue, use, opportunity, and goodwill), fine, suit, proceeding, penalty, judgment, settlement, deposit, charge, tax, cost, or expense, including all fees and reasonable costs incurred in connection with investigating, preparing for, defending or otherwise appropriately responding to any legal proceeding.

i. "Operational Performance Measures" means the standard of performance of the Equipment, in terms of quality and quantity of scanning, and throughput ratio, established in the performance metrics set forth in the Proposal.

j. "Operations Start Date" means the first day S2PR commences to provide the Designated Services at a Premise in the Port of San Juan with the approval of the Authority under the procedure set forth here. When the Authority substantially completes the Site Preparation (as defined in Schedule C, Section, Article 2.1) for the first Premise, which shall not exceed, unless otherwise agreed to by the parties, one hundred (120) days from the Execution Date, it shall notify S2PR that the first Premise is available and ready for the start of operations. Upon receiving that notice, S2PR will inspect the Premise, notify (if any) any punch list items that need to be addressed by the Authority and notify to the Authority at least fifteen (15) days in advance a proposed Operations Start Date, which shall be subject to the written approval of the Authority. After the Operations Start Date has happened,

S2PR will certify to the AUTHORITY the start of its operations on that date and such certification will be attached to this contract establishing the Operations Start Date.

k. "Proposal" means the Proposal presented by Rapiscan in response to the RFP, incorporated hereto as Schedule F

l. "Request for Proposals" or "RFP" means the Request for Proposal dated August 6, 2009, Puerto Rico AUTHORITY Cargo Inspection System Request for Proposal, incorporated hereto as Schedule E.

m. "Subcontractor" means every person (other than employees of S2PR) engaged, in agreement, or contracted by S2PR, at any tier, to perform any of S2PR's obligations, or provide any of the services under this Contract, whether in the form of services, materials, equipment, labor or otherwise, including agents and consultants, subcontractors, and sub-consultants, whether or not in privity with S2PR.

m. "Uninterrupted Services" shall mean the Designated Services, and shall not include interruption due to Force Majeure, the Authority's default, or other circumstances not under the control of or attributable to S2PR.

SECTION 2: ENTIRE CONTRACT

This Restated Agreement (hereinafter the "Contract") supersedes any and all other contracts, either oral or written, between the parties and contains all of the covenants and contracts between the parties herein with respect to the subject matter hereof. No representations, inducements, promises or contracts, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other contract, statement, or promise not contained in this Contract shall be valid or binding. Any modification of this Contract will be effective only through a duly executed amendment signed by the parties to the Contract. For the purposes of this paragraph and of the entire Contract, the signature of the Executive Director of the AUTHORITY, or a person duly authorized by the Executive Director of the AUTHORITY, is the only signature that will bind the AUTHORITY.

SECTION 3: INTERPRETATION AND PRECEDENCE

The RFP and the Proposal are incorporated as integral part of this Contract. In the event of any conflict or inconsistency between the terms set forth in this Contract (the "Body of this Contract"), the terms set forth in the RFP and the terms in the Proposal, the Contract shall take precedence over matters expressly regulated by the Contract. The Body

of this Contract will take precedence over the terms and provisions contained in the Appendixes hereto. The Proposal shall take precedence over the terms of the RFP with respect to the Scope of the Designated Services. The RFP may be used by the parties throughout the term of the Contract to the extent necessary to interpret the contracting party's intentions. Supplemental terms and conditions in the various components of this Contract (the Body of this Contract, its appendices, and the RFP and Proposal) will not be considered a contradiction or conflict.

SECTION 4: TERM

4.1.1 The Initial term ("Initial Term") of this Agreement shall commence on the Operations Start Date and shall expire on the tenth (10th) anniversary of the aforementioned date.

4.1.2 S2PR shall have the option to extend the term of this Agreement for two (2) consecutive five (5) year renewal terms following the expiration of the Initial Term (a "Renewal Term") on the same terms and conditions, subject to the AUTHORITY's prior written consent.

(a) S2PR may request the AUTHORITY to renew this Agreement for the first Renewal Term by delivering to the AUTHORITY a written request (the "Notice") to renew this Agreement within the one hundred eighty (180) day period before the 7th anniversary of the Execution Date. The AUTHORITY shall inform S2PR of its decision as whether to renew the Agreement within one hundred and eighty (180) days of its receipt of the Notice. Under no circumstances, Authority lack of answer within the established period shall be deemed an express consent for renewal. Renewal is conditioned by the Authority's prior written consent.

(b) S2PR may request the AUTHORITY to renew this Agreement for the second Renewal Term by delivering to the AUTHORITY a written request to renew this Agreement. Such request may be delivered to the AUTHORITY within a one hundred eighty (180) day period before the expiration of the 4th anniversary of the First Renewal Term. The AUTHORITY shall inform S2PR of its decision as whether to renew the Agreement within one hundred and eighty (180) days of its receipt of the Notice. Under no circumstances, the AUTHORITY's lack of answer within the established period shall be deemed an express consent for renewal. Renewal is conditioned by the AUTHORITY's prior written consent.

4.1.3 As used herein, the term "Term" shall mean and refer to the Initial Term and any Renewal Term.

SECTION 5: ENGAGEMENT.

5.1 Exclusive Engagement for Port of San Juan. The AUTHORITY hereby engages S2PR for the Term of this Agreement to provide non-intrusive cargo scanning services for scanning up to 100% of the inbound Cargo Containers entering the Commonwealth of Puerto Rico through the Port of San Juan (the "Port") not previously selected and scanned (imaged) by the United States Customs and Border Protection ("CBP"). S2PR's right to perform cargo scanning services on behalf of the AUTHORITY shall be exclusive (even as to the AUTHORITY) and the AUTHORITY shall not be permitted to engage any other person (whether a natural person, partnership or legal entity) to perform cargo scanning services of any kind with respect to such cargo traffic. As used herein, the term "Cargo" shall include all cargo containers, whether empty or containing freight of any kind. The term "Cargo" shall not include uncontainerized bulk cargo. S2PR's obligations to provide cargo scanning services shall be limited to inbound Cargo only, and to only those Premises and Designated Services set forth in Section B of Schedule C, or as may be amended from time to time in accordance with this Agreement.

The above shall not be interpreted or construed to in any way exclude, prevent or limit the Authority from entering, from time to time, into understandings or agreements with one or more Governmental Bodies, by which the Governmental Body shares and/or uses, under the terms and conditions of such understandings or agreements, the S2PR Designated Services at the Premises. In such event, S2PR shall provide the Designated Services at the Premises, at no extra charge, fee, or cost to either the Governmental Body or to the Authority, as it were providing the same to the Authority.

5.2. Ports Authority Discretion. In all instances throughout this Agreement, the Authority shall retain the full discretion to determine the percentage of inbound cargo containers that shall be serviced by S2PR at any given time. The Authority further reserves the right to instruct S2PR to refrain from performing the scanning [imaging] services to any particular cargo or specific container that, in its sole discretion, it may deem advisable. The foregoing notwithstanding, S2PR shall maintain at all times during the Term of the Agreement the capacity to scan up to 100% of the inbound Cargo Containers entering the Commonwealth of Puerto Rico through the Port of San Juan, not previously scanned [imaged] by CBP.

SECTION 6: LICENSE TO USE FACILITIES.

6.1 Grant of License. The AUTHORITY shall provide S2PR with such facilities for the use by S2PR, situated within the Port of San Juan or other properties

owned, leased or controlled by the AUTHORITY as are reasonably necessary for the performance of the Designated Services hereunder, which are identified in Schedule A, which shall be referred to in this Restated Agreement as the "Premise" or "Premises". In furtherance of the foregoing, and subject to the terms and conditions of this Agreement, the AUTHORITY hereby grants to S2PR a license, during the Term, to use the Premises for the purpose of providing the Designated Services and to conduct all activities necessary or incidental to the Designated Services.

S2PR, at its option, may request from the Authority, and subject to availability, other locations which the Authority shall make available to S2PR at the current AUTHORITY's lease tariff and from month to month, and subject to other terms and conditions commonly included in the Authority concessionaire' lease contract. In addition, the Authority shall deliver any additional locations to S2PR, in a "as is" "where is" fashion, with S2PR incurring all costs required to make the additional locations suitable to its needs, provided, however, that any work, repairs, construction, improvements, must submitted in writing to the Authority prior to its commencement for approval in writing by the Authority. Upon delivery thereof, title to any construction or improvements shall pass automatically, and without cost, to the AUTHORITY.

6.2 Right to ingress and egress. S2PR shall also have a right of ingress and egress to and from the Premises, including the transport of equipment and other goods necessary or incidental to the provision of the Designated Services, subject with its compliance with the applicable law that regulate ingress and egress to ports facilities. S2PR shall acquire, as needed, at its own expense the TWIC card. S2PR will have the right to remove its equipment, however, pursuant to Section 7.7 of this Contract.

6.3 Licensed Purpose. S2PR shall use the Premises only for the purpose of providing the Designated Services and to conduct all activities incidental to the Designated Services.

6.4 Personal Property. Title to all personal property provided by S2PR including all Equipment shall remain vested in S2PR. Under no circumstance shall any Equipment be deemed an improvement to the Premises or a fixture, except improvements made by S2PR to the AUTHORITY's utilities infrastructure which will be remain the property of the AUTHORITY at all relevant times to the contract. S2PR hereby agrees not to request any compensation for any such improvements made during the course of this contract.

6.5 Utilities and Services. S2PR shall bear the costs for the ongoing provision of utilities used in connection with the Premises, including those utilities set

forth in Section B of Schedule C. These costs do not include the installation of utilities or site preparation which costs shall be the responsibility of the AUTHORITY, if necessary.

6.6 Maintenance of Premises. The AUTHORITY shall be responsible for maintaining the Premises in a condition appropriate for the activities contemplated in this Agreement. S2PR shall be responsible for maintaining any other additional locations in a condition appropriate for the activities contemplated for such space in this Agreement.

SECTION 7: EQUIPMENT.

7.1 Equipment. During the Term, S2PR agrees to perform the Designated Services using the equipment listed on Schedule B (such equipment together with all substitutions or replacements hereinafter collectively referred to as the "Equipment") subject to the terms and conditions of this Agreement. At all times all the Equipment shall remain the property of S2PR.

7.2 Performance of Equipment. The Operational Performance Measures, as attached hereto, pursuant to Schedule E set forth the minimum standards of performance for the Equipment. The Equipment shall comply and/or exceed the minimum standards set forth therein.

7.3 Maintenance of Equipment. During the Term, S2PR shall be responsible for maintaining the Equipment in good and reasonable operating condition, and in compliance with the Operational Performance Measures. S2PR reserves the right to modify the design and specifications of the Equipment, provided the modification does not, in S2PR's reasonable judgment, adversely affect the operation of the Equipment. S2PR reserves the right, to replace any component or item of equipment with a functionally serviceable item of equivalent or superior performance rating.

7.4 Substitution and Replacement of Equipment. In order to assure strict compliance with the Operational Performance Measures, and/or at its sole election, S2PR may remove the Equipment from the Premises from time to time during the term of this Agreement, provided that S2PR immediately furnishes replacement equipment of a similar size, type and substance as the Equipment so removed.

7.5 Title. Title to the Equipment shall remain vested in S2PR at all times during the Term, and the AUTHORITY agrees not to make any claim or take any action or make any statement in derogation of S2PR's title to the Equipment. During the Term, the AUTHORITY shall keep the Equipment free and clear of any and all encumbrances, liens, and claims of any type.

7.6 Control and Possession of Equipment. S2PR shall have the exclusive right to control and possess the Equipment at all times, including the right to remove the Equipment from the Premises upon expiration of the Term or upon termination of this Agreement. During the Term, the AUTHORITY shall not use or operate the Equipment without the prior written consent of S2PR.

7.7 Removal of Equipment. Upon expiration of the Term or earlier termination of this Agreement, S2PR shall have the right to remove the Equipment from the Premises. S2PR shall have an unlimited license to enter the Port for the purpose of removing, and to remove, the Equipment and any other S2PR property, subject to its compliance with Section 6.2 of this contract, as necessary.

7.8 Further Assurances. The AUTHORITY shall execute and deliver to S2PR upon S2PR's request, such further and additional documents, instruments and assurances as S2PR deems necessary to preserve, protect and perfect S2PR's right, title or interest in the Equipment. The AUTHORITY authorizes S2PR to file or record such documents, instruments and assurances with respect to the Equipment without the AUTHORITY's signature as S2PR deems necessary to preserve, protect and perfect S2PR's right, title or interest in the Equipment.

SECTION 8. SERVICES.

8.1 Services. S2PR shall provide only those Designated Services expressly set forth on Section B of Schedule C, and on Schedule D and no other services. Provided, however, that the same schedule would be extended to the AUTHORITY into other areas not provided herein, and pursuant to the terms and conditions of this Agreement, subject to Section 19. S2PR Designated Services shall be subject to the performance level established by the Service Level Agreement as further defined below.

The above however shall not be interpreted or construed to in any way exclude, prevent or limit the Authority from entering, from time to time, into understandings or agreements with one or more Governmental Bodies, by which the Governmental Body shares and/or uses, under the terms and conditions of such understandings or agreements, the S2PR Designated Services at the Premises. In such event, S2PR shall provide the Designated Services at the Premises, at no extra charge, fee, or cost to either the Governmental Body or to the Authority, as it were providing the same to the Authority.

8.2. Service Level Agreement. The PARTIES further agree to execute a Service Level Agreement ("SLA") prior to the Operations Start Date. The SLA shall establish

the standards and operational service requirements for implementation of the Designated Service. Any and all standards and operational service requirements included in the SLA shall be consistent with the RFP and Proposal documents.

8.3 Cooperation. The AUTHORITY acknowledges that its timely and orderly provision of the Premises, site preparation, traffic flow management, cargo, and other services, assistance, access to utilities, cooperation, and complete and accurate information and data from its officers, agents and employees ("Cooperation") is essential to the performance of the Designated Services, and that S2PR shall not be liable for any deficiency in performing the Designated Services if such deficiency results from the AUTHORITY's failure to provide full cooperation as required hereunder. Cooperation includes, but is not limited to, designating a project manager to interface with S2PR during the course of the Designated Services.

8.4 Personnel. S2PR shall furnish personnel who shall perform the Designated Services. S2PR is operating as an independent contractor of the AUTHORITY and not as an employee of the AUTHORITY. S2PR shall be permitted to hire independent contractors to perform the Designated Services. Such personnel need not be employees of S2PR. S2PR shall, at its own cost and expense, carry out background checks to screen operational personnel furnished by S2PR and designated as such by S2PR. The AUTHORITY will provide assistance to S2PR for the expedited procurement of TWIC cards for its employees and contractors.

8.5 Project Team. The AUTHORITY hereby designates the Chief of the Maritime Bureau as its designated executive that will handle all operational issues regarding this Contract. The AUTHORITY shall also appoint a full time project manager to be in charge of overseeing all S2PR operations related to the services under this contract and to act as the secondary point of contact for S2PR in dealing with the AUTHORITY. In the event that the Authority enters into an understanding or agreement with a Governmental Body concerning the use of Designated Services, it shall require the Governmental Body to appoint a designated executive and project manager as well. The project manager will be the person from the Operations Start Date of this contract shall be in charge of implementing the Designated Services and shall serve as the primary point of contact for the AUTHORITY, or the Governmental Body, as applicable. The parties shall exchange the name and contact information of its respective project manager.

8.6 Staffing Plan, Contingency Plan and Escalation List. As part of its obligations under the proposed SLA, S2PR shall furnish to the AUTHORITY a staffing plan, contingency plan and escalation list that will include a detailed description of all its full and part time employees, as well as all contracted personnel. The contingency plan must detail

the actions that S2PR will take to reestablish its services in case of emergency and the escalation list must contain the names, positions and contact information of all project executives appointed by S2PR for the making of managerial determinations regarding the Designated Services.

SECTION 9: PAYMENT

The rights and obligations of the parties with respect to the collection and distribution of fees are set forth in Schedule D to this Agreement.

SECTION 10: DATA.

The AUTHORITY shall own all data, information, images or other material obtained or generated in the course of providing the Designated Services ("Data"). S2PR shall have the right and unlimited access and use of Data as determined by it, in its sole discretion, including without limitation, for its training purposes.

SECTION 11: REPRESENTATIONS AND WARRANTIES.

11.1 AUTHORITY's Representations and Warranties. AUTHORITY makes the following representations and warranties:

11.1.1 Authority. The AUTHORITY has the required authority and capacity to enter into this Agreement and all documents required to be entered into pursuant to this Agreement. All legal actions required to be taken by the AUTHORITY to authorize the execution, delivery and performance of this Agreement and all transactions contemplated in this Agreement have been duly and effectively taken. Upon the full execution and delivery of this Agreement, this Agreement will become a valid, binding and enforceable obligation upon the AUTHORITY.

11.1.2 Compliance with Procurement Regulations. The AUTHORITY has complied with all procurement laws, ordinances, rules, orders, decrees and regulations applicable to the AUTHORITY with respect to the solicitation and procurement of the Designated Services and the execution, delivery and performance of this Agreement.

11.1.3 No Conflicts. AUTHORITY's execution, delivery and performance of this Agreement will not result in the breach of any term or provision of, or constitute a default under, any agreement by which AUTHORITY is bound, nor will such actions result in the violation of any obligation, law, ordinance, regulation, order or decree applicable to AUTHORITY.

11.2 S2PR's Representations and Warranties. S2PR makes the following representations and warranties:

11.2.1 Authority. S2PR has the required authority and capacity to enter into this Agreement and all documents required to be entered into pursuant to this Agreement. All corporate and other actions required to be taken by S2PR to authorize the execution, delivery and performance of this Agreement and all transactions contemplated in this Agreement have been duly and effectively taken. Upon the full execution and delivery of this Agreement, this Agreement will become a valid, binding and enforceable obligation upon S2PR.

11.2.2 Licenses. S2PR 's represents that it owns, or is entitled to use, pursuant to all necessary licenses, approvals, waivers or consents (including governmental consents), such hardware and software as may be necessary to provide the Designated Services hereunder to AUTHORITY. AUTHORITY will not be held liable by any state or federal court for inappropriate use or infringement of any rights of third party cause only by S2PR negligence in obtaining the necessary licenses, approvals, waivers to provide services to AUTHORITY.

11.2.3 No Conflicts. S2PR 's execution, delivery and performance of this Agreement will not result in the breach of any term or provision of, or constitute a default under, any agreement by which S2PR is bound, nor will such actions result in the violation of any obligation, law, ordinance, regulation, order or decree applicable to S2PR.

11.2.4 S2PR certifies that none of its officers or employees, nor any principals, associates, officers, directors, shareholders, or employees of any of its subcontractors are public officials or employees within the meaning of 3 L.P.R.A. §1823.

11.2.5 S2PR represents such personnel shall not be employees or have any contractual relationship with AUTHORITY.

11.2.6 S2PR certifies hereby that it is duly authorized to do business under the laws of the Commonwealth and the execution, delivery, and performance of this Contract are within S2PR's authorized powers and are not in contravention of law or contract. Should S2PR be organized as a corporation, S2PR certifies that it has submitted to the AUTHORITY evidence of its existence as such corporate entity authorized to do business in the Commonwealth and has obtained a Certificate of Good Standing of Issued by the State Department of the Commonwealth. These documents are attached as Addendum A to this contract.

It is expressly acknowledged that these certifications are essential conditions of this Contract, and if these certifications are incorrect, intentionally misleading, or the related certifications altered or forged, the AUTHORITY shall have just cause for immediately terminating this Contract, and S2PR will have to reimburse any sums of money received under this Contract.

11.2.7 S2PR and its personnel involved in providing the services has the required licenses, authority, ability, skills, technical support, and capacity to perform all its obligations hereunder with respect to the services in accordance with this Contract, and S2PR has the financial solvency to fully perform this Contract, and each of its subcontractors, if applicable, are also duly licensed and competent to perform the services herein required. S2PR shall not knowingly use the services of any ineligible consultant or subcontractor for any purpose in the performance of its services under this Contract.

11.2.8 The execution, delivery, and performance of this Contract has been duly authorized by all necessary corporate action of S2PR and constitutes a legal, valid, and binding obligation of S2PR, enforceable against S2PR in accordance with its terms, subject to applicable laws of bankruptcy, insolvency, or other similar laws affecting creditors' rights from time to time in effect and by equitable principles of general application.

11.2.9 S2PR certifies and guarantees that at the execution of this Contract, S2PR has not been convicted, has not admitted culpability, nor has knowledge of being the subject of any investigation in either a civil, administrative, or criminal procedure in a Commonwealth, state, federal, or foreign court for criminal charges related to the public treasury, the public trust, a public function, or a fault that involves public funds or property, including, but not limited to, misappropriation of public funds, as defined in the Criminal Code. To that effect, S2PR will present at the time of signing this Contract a sworn statement as required by Act No. 428 of September 22, 2004, which will be incorporated as an integral part of this Contract. The aforementioned Statement is attached as part of Addendum A.

It is expressly acknowledged that this certification and sworn statement are an essential condition of this Contract. If the certification or sworn statement is not correct in its entirety or in any of its parts, is incorrect, intentionally misleading, or the related certifications altered or forged, it shall constitute sufficient cause for the AUTHORITY to terminate this Contract immediately, without prior notice, and S2PR will have to reimburse to the AUTHORITY any amount of money received under this Contract. This Contract will

be immediately terminated if S2PR is convicted of the abovementioned crimes during the term of this Contract.

If the status of S2PR with regards to the charges previously mentioned changes at any time during the term of this Contract, the affected Party shall notify the AUTHORITY immediately. The AUTHORITY reserves the right to immediately cancel the Contract upon receipt of notice or upon becoming aware of any of the conditions above mentioned (investigation has been instituted or an accusation or conviction has been filed against, or admitted by, S2PR) with respect to the crimes listed in Act No. 428 of September 22, 2004. Failure to comply with this responsibility constitutes a violation of this Article and shall result in the remedies mentioned previously.

11.2.10 No approval, authorization, order, consent, or declaration, of any governmental body is required for the valid execution, delivery, and performance of this Contract by S2PR except such as have been duly obtained or made. Notwithstanding the above, the parties recognize that the execution of this Agreement must be notified to the Office of the Comptroller of the Commonwealth, as required by Act No. 18 of October 30, 1975, as amended.

11.2.11 S2PR has knowledge in all material respects of the requirements and practices that must be followed in performing its obligations under this Contract and will strictly abide by them. S2PR has carefully examined and analyzed the provisions and requirements of this Contract and it understands the nature of the services required. From its own analyses it is certain as to the nature of what is needed for the performance of this Contract; this Contract is feasible of performance in accordance with all of its provisions and requirements, and consultant, represents and warrants that it can and will perform, or cause to be performed, the services in strict accordance with the provisions and requirements of this Contract and Applicable Law.

11.2.12 Neither S2PR nor any of its affiliates are involved in any litigation, arbitration or claim against the AUTHORITY.

11.2.13 Neither S2PR nor any of its subcontractors has, either directly or indirectly, (i) in any way or manner unlawfully (in accordance with all Applicable Laws, including the Foreign Corrupt Practice Act of 1977, as amended) paid any sums, in the Commonwealth or elsewhere, or (ii) unlawfully given or offered to give any gifts in the Commonwealth or elsewhere to (A) any person while knowing that all or a portion of such payment will be offered, given or promised to government officials or employees, political parties, political party officials or political candidates or (B) any government officials or employees, political parties, political party officials or political candidates, in each case in

order to improperly obtain business or other rights in connection with this Contract or any other contract.

11.2.14. Both parties hereby declare that no public officer or employee has any direct or indirect interest in the present Contract, or any other interest that may adversely affect this Contract. The invoice must include the following certification:

"Under penalty of absolute nullity, I hereby certify that none of the employees of the Ports Authority is part or has an interest in the earnings or benefits produced by the contract upon which this invoice is based. If part or any interest in the earnings or benefits produced by this contract should arise, then an official exemption has been previously approved. The only consideration in the provision of the goods and services object of this contract is the payment agreed with the agency's authorized representative. I also certify that the amount of this invoice is true and correct and that all services invoiced have been rendered and have not been previously paid."

11.2.15 S2PR warrants that it has not employed or retained any individual, corporation, partnership or other entity, other than a bona fide employee or agent working for S2PR to solicit or secure this Contract, and that it has not paid or agreed to pay any individual, corporation, partnership or other entity, other than a bona fide employee or agent any fee or other consideration contingent on the making of this Contract.

11.2.16. S2PR makes no other warranties, express or implied, based on any legal theory, as to any matter, including, but not limited to, any warranty that the services will detect the presence of materials or items for which they were designed, that they are fit for any particular purpose or need, that the accuracy of the scanning operation shall be error free, or that the services shall be uninterrupted.

11.2.17. S2PR represents and assures to the AUTHORITY, that upon the execution of the Instant Agreement, it shall make all commercially reasonable efforts to begin providing the Designated Services at the earliest date feasible.

SECTION 12. COMPLIANCE WITH GOVERNMENT ETHICS

12.1 In accordance with the disposition in Article 3.3 (c) of the "Government Ethics Law", as amended, both parties certify that the public officer authorized to contract representing AUTHORITY, or any member of its family unit, has not had and does not have, during the last four (4) years before taking charge of its office, directly or indirectly, pecuniary interest in the company or business of RASPISCAN.

12.2 In accordance with the dispositions in Article 3.3 (d) of the "Government Ethics Law", as amended, both parties hereby declare that no AUTHORITY officer or employee has any direct or indirect interest in the present Contract.

12.3 S2PR, in compliance with Article 3.3 (g) of the "Government Ethics Law", as amended, does not have any conflicting interest or public policy infringement related to this section, and certifies accordingly. S2PR recognizes in its professional responsibility to have the duty of complete loyalty toward the AUTHORITY, including not having any adverse interest toward this governmental entity. These adverse interests may include the representation of clients that has or could have conflicting interests with the AUTHORITY. This duty includes the constant obligation of informing the AUTHORITY of all circumstances of relations to clients and third parties and any other interest that could influence upon AUTHORITY at the moment of signing the present contract or while it is in force. S2PR has conflicting interests when, on behalf of any client has the obligation to promote what he has to oppose in compliance with his obligations toward any other client; past, present or potential. S2PR represents conflicting interest, when that conduct is described as such by standards known to its profession, or the laws and regulations of the Commonwealth of Puerto Rico. Conflict of interest results in a violation of this prohibition when any of its directors, associates or employees incur in the above described conduct. S2PR will prevent even the appearance of conflicting interests.

12.4 S2PR acknowledges the power of the AUTHORITY and her/his authorized representatives to oversee the enforcement of the prohibitions established in this Section. If the Administrator of AUTHORITY determines the existence or the emergence of adverse interest with S2PR, he/she will inform such findings in writing and his/her intentions to terminate the Contract within a thirty-day term.

12.5 Within such term, S2PR can request to meet with the Executive Director of AUTHORITY to present its arguments regarding the alleged conflict of interest. This meeting will be granted in every case. If such meeting is not requested within the specified term, or if the controversy is not settled satisfactory during the meeting, this Contract will be rescinded.

12.6 Non compliance with this section, negligence or improper conduct of S2PR employees, officials or agents shall be reasonable cause to terminate this Contract without having to comply with the requirements of notice set forth in Section 17 "Termination" and without limitation of any other rights and remedies under law.

12.7 S2PR certifies that at the signing of this contract, it received a copy of Law Number 12, of July 24, 1985, known as "Government Ethics Law", as amended, and a copy of its implementing Regulation was handed.

12.8 S2PR certifies that at the signing of this contract, it received a copy of "Carta Circular 2002-05" of the Office of Government Ethics and that it signed the "Certification of No Conflict of Interests".

12.9 S2PR is committing itself to comply with dispositions of Act No. 84 of 18 June 2002, known as "Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos de las Agencias Ejecutivas del Estado Libre Asociado de Puerto Rico". S2PR certifies that at the signing of this contract, it received a copy of said law.

SECTION 13. CONFIDENTIALITY.

13.1 Non-Disclosure. Before, during or after the Term of this Agreement the parties may disclose to each other Confidential Information. The party receiving Confidential Information is referred to herein as the "Recipient" and the party disclosing Confidential Information is referred to herein as the "Discloser." Recipient shall maintain all Confidential Information in strict confidence, shall not disclose Confidential Information to any third party, and shall protect all Confidential Information with not less than the same degree of care as Recipient normally uses in the protection of Recipient's own confidential or proprietary information, but at least with reasonable care. Recipient shall use Confidential Information only for the purpose of evaluating and/or performing its responsibilities under this Agreement.

13.2 Permitted Disclosure. The prohibitions against disclosure of Confidential Information set forth in this Agreement shall not apply to: (a) Confidential Information that was already known to Recipient at the time Recipient received the Confidential Information from Discloser, so long as Recipient's initial receipt of that Confidential Information is evidenced by documents in Recipient's possession; (b) Confidential Information that was disclosed to Recipient by a third party having the lawful right to disclose that Confidential Information; (c) Confidential Information that had been available to the public at the time Recipient received that Confidential Information, or subsequently lawfully became available to the public otherwise than by a breach of this

Agreement; and (d) Confidential Information that Recipient was required to disclose pursuant to judicial action or decree having jurisdiction over Recipient, or pursuant to any requirement of any governmental agency or authority having jurisdiction over Recipient, but only so long as, prior to making the disclosure, Recipient gives Discloser written notice of the requirement that Recipient disclose the Confidential Information and provide Discloser with the opportunity to challenge that requirement.

SECTION 14. INTELLECTUAL PROPERTY.

Nothing contained in this Agreement shall, by express grant, implication, estoppel or otherwise, create in either party any right, title, interest, or license in or to the inventions, patents, trademarks, trade names, copyrights, computer software or software documentation or any other intellectual property rights of the other party.

SECTION 15. INDEMNIFICATION.

15.1. S2PR, on its behalf and on behalf of its subcontractors must defend, indemnify, keep, and hold harmless the AUTHORITY, its officers, directors, representatives, elected and appointed officials, agents and employees (each an "Authority Indemnitee" and collectively, "the Authority Indemnitees") in connection with the performance of the services hereunder, from and against any and all (Loss-and-Expenses) related to:

(i) S2PR or its subcontractors' negligence, fraud, or willful misconduct, including but not limited to, injury, death or damage of or to any person or property, to extent such negligence, fraud or willful misconduct are determined by a final and non-appealable order or decision of a court with jurisdiction;

(ii) Injuries to or death of any employee of S2PR or any subcontractor under any workers compensation statute;

(iii) Any infringement or violation of any property right (including any patent, trademark or copyright) by S2PR or any subcontractor;

(iv) S2PR's failure to perform its obligations towards any subcontractor; and/or

(v) Any employer or labor liability of S2PR or its subcontractors.

15.2. S2PR's obligations under this Section to indemnify, keep, and hold harmless any and all the Authority Indemnitees from and against any and all losses and expenses excludes: (a) that portion of the losses and expenses caused by any negligent or

wrongful act, error or omission on the exclusive part of any the Authority Indemnitees; and (b) events for which the AUTHORITY indemnifies S2PR.

15.3. At the Authority Indemnitees's option, S2PR must defend all suits brought upon all such losses and expenses and must pay all reasonable costs and expenses incidental to them, but the Authority Indemnitees have the right, at their option and expense, to participate in the defense of any suit, without relieving S2PR of any of its obligations under this Contract. Any settlement must be made only with the prior written consent of the AUTHORITY or the applicable the Authority Indemnitee, as applicable, if the settlement requires any action on the part of the AUTHORITY or the Authority Indemnitee.

15.4. The AUTHORITY's approval of any subcontractor shall not relieve S2PR of any of its responsibilities, duties, and liabilities hereunder. S2PR shall be solely responsible to the AUTHORITY for the acts or defaults of S2PR subcontractors and each subcontractor's officers, agents, and employees, each of whom shall, for this purpose, be deemed to be an agent or employee of S2PR by nature of its subcontract.

15.5. The AUTHORITY shall indemnify and hold harmless S2PR, its officers, directors, shareholders, employees and agents, and their respective successors and assigns (each an "S2PR Indemnitee" and collectively, "the S2PR Indemnitees"), against any cause of action, loss, liability, damage, cost or expense of any nature whatsoever, whether accrued, absolute, contingent or otherwise, including, without limitation, to attorney's fees and costs (whether or not suit is brought), in connection with, but not limited to: (a) any claim or action arising out of or relating to the AUTHORITY's breach of any of the its representations, warranties or covenants in this Agreement; (b) any claim or action for any injury to any person, employee, and/or damage to property, including property of S2PR, to the extent such injury or damage was sustained through negligence or fraud or willful misconduct of the AUTHORITY, to the extent such negligence, fraud or willful misconduct are determined by a final and non-appealable order or decision of a court with jurisdiction

15.6. Notwithstanding the foregoing, S2PR shall not be required to indemnify the Authority Indemnities for any Loss-and -Expense to the extent caused by Force Majeure.

15.7. The AUTHORITY hereby waives its right to recover from and fully and irrevocably releases S2PR's employees, officers, directors, members, shareholders, representatives, agents, servants, attorneys, affiliates, parents, subsidiaries, successors and assigns, ("Released Parties") from any and all claims that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action latent or otherwise, arising out of the accuracy of the

Equipment and/or attributed to the material detected or failed to be detected ; and, or arising out of any criminal act, terrorist act or act of war, performed by a third party. S2PR need not indemnify the AUTHORITY for such release and or waiver. The parties hereby agree to execute further general releases, in form and substance as they may be deemed satisfactory by them.

SECTION 16. LIMITATION OF LIABILITY.

16.1 Aggregate Liability. Each party's aggregate liability to the other for damages arising out of or in connection with this Agreement and the Designated Services, regardless of the form of action giving rise to such liability (under any theory, whether in contract, tort, statutory or otherwise) shall not exceed the aggregate Scan Transaction Payments paid by S2PR to the AUTHORITY hereunder during the first calendar year following the effective date of this Agreement. This limitation on liability shall not apply to: (a) the indemnification obligations of the Authority under this agreement; and (b) the termination fees set forth in Section 17.

16.2 Limitation on Other Damages. To the extent permitted by applicable law and notwithstanding anything in this Agreement to the contrary or any failure of essential purpose of any limited remedy or limitation of liability, neither party shall be liable to the other for any indirect, exemplary, special, consequential or incidental damages of any kind, or for any damages resulting from loss or interruption of business, work stoppage, lost data or lost profits, arising out of or relating to this Agreement or the subject matter hereof, however caused, even if the non-defaulting party has been advised of or should have known of the possibility of such damages

SECTION 17. TERMINATION

17.1. Defaults. A party hereto shall be in Default if:

17.1.1. That party materially breaches any covenant, representation or warranty it makes in this Agreement, or if any representation or warranty is or becomes untrue in any material respect, and such breach or untruth is not cured within sixty (60) days notice of the same or, if such breach is not capable of cure within sixty (60) days and the breaching party has not begun to remedy such breach within sixty (60) days notice of the same.

17.1.2. That party is the subject of proceedings for such party to be adjudicated voluntarily bankrupt, the consent by such party to the filing of a bankruptcy

proceeding against it, the filing by such party of a petition or answer or consent seeking reorganization under any bankruptcy or similar law or statute, the consent by such party to the filing of any such petition or to the appointment of a custodian, receiver, liquidator, trustee, or assignee in bankruptcy or insolvency relating to such party or any substantial part of its assets or property, the making by such party of a general assignment for the benefit of creditors, or the taking by such party of any corporate action in furtherance of any of the foregoing.

17.2. Rights of Termination.

17.2.1 Termination for Default. Upon any Default, the non-defaulting party may terminate this Agreement by written notice, with immediate effect.

17.2.2 Termination for Convenience by the Authority. The AUTHORITY shall have the right to terminate this Agreement for convenience at any time after the Execution Date upon ninety (90) days prior written notice to S2PR and payment in full of the Early Termination Fee (as defined hereunder in this Section 17.2.3.) within such period:

17.2.3 Early Termination Fee. In the event the Authority terminates this Agreement for convenience pursuant to Section 17.2.2, the following fees shall apply, as liquidated damages and not as a penalty:

(a) Termination during the first thirty (30) months after the Operations Start Date, shall be subject to the following fee:

- (i) The AUTHORITY shall pay S2PR a termination fee in an amount equal to the product of the average total monthly Service Fees collected by S2PR in the calendar year prior to the date of termination ("Average Fees") multiplied by forty eight (48) months;

(b) Termination thereafter shall be subject to the following fee:

- (i) If termination occurs less than seventy two (72) months after the Operations Start Date or the beginning date of any renewal term of this Agreement, whichever is most recent at the time of termination, the AUTHORITY shall pay S2PR a termination fee in an amount equal to the product of the Average Fees multiplied by thirty (30) months;

- (ii) If termination occurs more than seventy two (72) months after the Operations Start Date, or the beginning date of any renewal term of this Agreement, whichever is most recent at the time of termination, the AUTHORITY shall pay S2PR a termination fee in an amount equal to the product of the Average Fees multiplied by the lesser of: (i) eighteen (18)) months; and (ii) the number of months that would have been remaining in the term or, if applicable renewal term, of this Agreement absent the termination.

(d) For avoidance of doubt, if the AUTHORITY terminates this Agreement due to (i) the repeal or amendment of the US Department of Homeland Security Act of 2002, the Maritime Transportation Security Act of 2002, the Security and Accountability for Every Port Act of 2006, or Puerto Rico Law 12 of 2008, or any successor legislation; (ii) any failure to appropriate funds to support the AUTHORITY'S obligations under this Agreement, or (iii) any governmental act, legislation, regulation or order; then any such termination shall be deemed a termination for convenience by the AUTHORITY and the AUTHORITY shall pay S2PR the Termination Fee calculated in the manner specified herein.

SECTION 17A. WAIVER OF DEFAULT, BREACH OR FAILURE OF PERFORMANCE

17A.1 Waiver of any default, breach or failure of performance under this Contract shall not be deemed to be a waiver of any subsequent default, breach or failure of performance. In addition, waiver of any default, breach or failure of performance shall not be construed to be a modification of the terms of this Contract unless produced in writing as provided in Section 2 "Contract Amendments".

SECTION 18. REQUIRED DOCUMENTATION, INSURANCES AND TAX WITHHOLDINGS

18.1 S2PR hereby represents that as of the execution of this Contract it has filed income tax returns in the Commonwealth for the past five (5) years, or for as long as it has existed if less than five years, if applicable. S2PR also represents that it does not have any outstanding debt with the Commonwealth in connection with income taxes (collected by the Department of the Treasury), real, or chattel property taxes (collected by the

"Centro de Recaudación de Ingresos Municipales" ("CRIM"), unemployment insurance premiums, workers' compensation payments to the Workmen's Insurance Fund ("Fondo del Seguro del Estado"), or Social Security for chauffeurs (collected by the Department of Labor and Human Resources). S2PR further letter that it has not no outstanding debt for the Municipality of San Juan License Tax (know in Spanish as "Patente Municipal") S2PR also represents that it is in compliance with the requirements, if and as applicable, of the Administration for Children's Support ("ASUME" for its acronym in Spanish). In the event that S2PR owes taxes or applicable fees to said government agencies, it agrees that the AUTHORITY may withhold any monies due to S2PR under this Contract to be applied to the payment and cancellation of said debt. S2PR hereby certifies that the abovementioned certifications evidencing the above representations have already been submitted to the AUTHORITY and are made part of this Contract. Furthermore, S2PR covenants to continuously comply with their tax, insurance and other regulatory and legal obligations with the Commonwealth and its Instrumentalities and keep current in all its debt with the Commonwealth for the duration of this contract. It is expressly acknowledged that the certifications required hereunder as stated above constitute an essential condition of this Contract, and if found to be incorrect or intentionally misleading or the related certifications altered or forged, the AUTHORITY shall have the right to terminate this Contract immediately, and S2PR shall reimburse the AUTHORITY any and all fees received under this Contract.

18.2 S2PR shall be responsible for retention, proper filing, and payment of all social security, income tax, worker's compensation, unemployment insurance, disability insurance, and all other labor and tax legal requirements under the applicable tax laws of the Commonwealth or the U.S. Internal Revenue Code in its role as professional services provider to the AUTHORITY and employer of its staff assigned to work under this Contract. S2PR agrees that it will comply with the Commonwealth laws, rules, and regulations pertaining to withholdings in accordance with the Commonwealth Internal Revenue Code of 1994.

18.3 The AUTHORITY is exempted from all federal, Commonwealth and municipal taxes, and no such taxes have been included in the price of the Contract. Furthermore, the AUTHORITY shall have no responsibility whatsoever for the payment of any federal, Commonwealth or municipal taxes which become payable by S2PR, its subcontractors, officers, directors, agents, representatives or employees by reason of this Contract.

18.4 S2PR represents that in providing its services hereunder it will be engaged in a trade or business in the Commonwealth for purposes of the Revenue Code the AUTHORITY will withhold, or will not withhold, applicable percentage of taxes from

payments to S2PR for services rendered, in accordance with Puerto Rico's 1994 Internal Revenue Code, as amended.

18.5 S2PR will be responsible for filing its income tax returns and for making any necessary payments to the Department of the Treasury of the Commonwealth (the "Department"), the Social Security Administration, and the Internal Revenue Service of the United States of America, if applicable. The AUTHORITY shall not make any withholdings or deductions for Social Security, income tax, or any other purpose on behalf of S2PR, its officers, agents, employees, successors, and assigns but will inform the Income Tax Bureau of the Department of the amounts paid or reimbursed to S2PR pursuant hereto and may retain for the Department from the fees or compensation payable to S2PR under this Contract, any amounts owed to the Department.

18.6 S2PR could provide a valid Good Standing or Certificate of the Sole Bidders' Registry issued by the General Services Administration of Puerto Rico ("Administración de Servicios Generales") in lieu of the required documentation listed above.

18.7 S2PR certifies that at the execution of this contract it has no other contracts with the Commonwealth of Puerto Rico, its agencies, public corporation or municipalities.

18.8 S2PR certifies that the aforementioned contracts do not affect S2PR's compliance with the present contract, and are not in conflict with it. S2PR agrees to notify AUTHORITY of the execution of any other government contract, and that the same will not be in conflict with the present contract

18.9 All referenced certifications are attached jointly as Addendum A to this contract.

SECTION 19. "OUT OF SCOPE WORK" AND CHANGES IN LAW.

The parties acknowledge, convene, and agree, that in the event of a significant change in the applicable tributary laws, or at the AUTHORITY'S request for additional services, or an increase in the scope of the Designated Services, or their scheduled delivery, the parties shall negotiate and revise the terms and conditions included herein, including the fees, payments, and any other condition necessary for S2PR's adequate performance of the Designated Services, as it may be affected by the change in the law or by the AUTHORITY'S request.

The above shall not be interpreted or construed to in any way exclude, prevent or limit the Authority from entering, from time to time, into understandings or agreements with one or more Governmental Bodies, by which the Governmental Body shares and/or uses, under the terms and conditions of such understandings or agreements, the S2PR Designated Services at the Premises. In such event, S2PR shall provide the Designated Services at the Premises, at no extra charge, fee, or cost to either the Governmental Body or to the Authority, as it were providing the same to the Authority.

SECTION 20. ENVIRONMENTAL CLAUSE

A. S2PR shall comply with all applicable environmental laws and regulations, including all Federal, Government of Puerto Rico and Local or Municipal laws, statutes, ordinances, codes, rules and regulations promulgated under the aforementioned Federal, Government of Puerto Rico and Local or Municipal laws and statutes relating to the protection of the environment and the workplace, occupational health and safety, and/or governing the handling, use, generation, treatment, storage, transportation or disposal of hazardous and toxic substances, solid wastes and other regulated substances, within or outside the workplace.

B. S2PR shall request and obtain all applicable environmental permits and licenses, from the concerned Federal, Government of Puerto Rico and Local agencies, such as, but not limited to, the Environmental Protection Agency, the United States Army Corps of Engineers, Environmental Quality Board, Department of Natural and Environmental Resources and the Solid Waste Management Administration.

C. The AUTHORITY, its employees or agents shall have the right to enter during regular working hours, except during an environmental emergency, upon the leased property and monitor S2PR's compliance with all the applicable environmental laws and regulations, permits and licenses. These monitoring activities shall include, among other things: physical inspections, tests and sampling; installation, service and inspection of environmental monitoring devices; examination and copying of documents or records dealing with the S2PR's compliance with environmental laws, regulations, licenses and permits; interviews with the S2PR personnel and contractors regarding S2PR's environmental performance; and the AUTHORITY also reserves its right to request and obtain reports and notices concerning S2PR's environmental performance. The S2PR shall not tamper or disturb in any manner the monitoring devices that the AUTHORITY may install in its premises for the monitoring of environmental hazards.

D. S2PR shall notify and report to the AUTHORITY of any violation of the applicable environmental laws, regulations, licenses, permits or any other matter that may give rise to environmental liability to the AUTHORITY.

E. If S2PR violates any applicable environmental law, regulation, license and permit, or acts in any way that might give rise to the AUTHORITY's environmental liability, the AUTHORITY reserves its right to:

i) At S2PR's expense, perform remedial actions as defined in CERCLA and RCRA and any other pertinent law, statute, ordinance, code, rule and regulations, be it federal, local or municipal, or take any other necessary action to cure immediately the environmental non compliance.

ii). Compel S2PR, at its own cost, to perform the remedial action mentioned in paragraph (i).

F. S2PR shall not cause or permit any hazardous substance to be used, sorted, generated, or disposed of on or in the Premises by S2PR, S2PR's agents, employees, contractors, or invitees without first obtaining the Authority's written consent. If hazardous substances are used, stored, generated, or disposed of on or in the Premises, except as permitted above, or if the Premises become contaminated in any manner for which S2PR is legally liable, the S2PR shall indemnify and hold harmless the AUTHORITY from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, a decrease in value of the premises, damages caused by loss or restriction of rentable or usable space, or any damages caused by adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorney's fees, consultant's fees, and expected fees) arising during as a result of the contamination by the S2PR. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision.

As used herein, Hazardous Substance means any substance that is toxic, ignitable, reactive, radioactive or corrosive and that is regulated by any local or municipal government, the Government of Puerto Rico, or the United States Government. Hazardous Substance includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste", or a "hazardous substance" pursuant to state, federal, or local governmental law.

G. S2PR shall not cause or permit any Hazardous Material to be brought

upon, kept, or used in or about the Premises by S2PR, its agents, employees, contractors, or invites, except for such Hazardous Material as is necessary or useful to the S2PR's business.

Any Hazardous Material permitted on the Premises and in all containers utilized in S2PR's operations shall be used, kept, stored, and disposed of in a manner that complies with all federal, Commonwealth, and local law or regulations applicable to this Hazardous Material.

S2PR shall not discharge, leak, or emit, or permit to be discharged, leaked, or emitted, any material into the atmosphere, ground, sewer system, or any body of water, if that material is reasonably determined by the Authority or any governmental authority with jurisdiction on environmental matters) does or may pollute or contaminate the same, or may be located on the Premises or elsewhere or, (a) the health, welfare or the security of people inside or outside the premises or area, or (b) the condition, use, or enjoyment of the building or any other real or personal property.

At the commencement of calendar year for this contract, S2PR shall disclose to the AUTHORITY the names and approximate amounts of all Hazardous Material that the S2PR intends to store, use, or dispose of on the premises in the coming year. This includes the first year of operation by S2PR. In addition, at the commencement of each calendar year, beginning with the second, S2PR shall disclose to the AUTHORITY the names and approximate year, amount of all Hazardous Material that was actually used, stored, or disposed of on the premises if those materials were not previously identified to the AUTHORITY at the commencement of the previous lease year.

As used herein, the term "Hazardous Material" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated there under; (b) any "Hazardous Substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated there under; (c) any oil, petroleum product, and their by products; and (d) any substance that is or becomes regulated by any federal, commonwealth, or local government authority. As used herein, the term "Outside Hazardous Material" means any Hazardous Material coming or migrating into, above or underground the Premises from other AUTHORITY's users or tenants premises or property, including the migration of any outside hazardous material through the premises into, above or underground other premises or bodies of water.

S2PR hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material kept on the Premises by S2PR, and

S2PR shall give immediately notice to the AUTHORITY of any violation or potential violation of this Section. S2PR shall defend, indemnify, and hold harmless the AUTHORITY and its agents, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorneys' and consultants' fees, court, or expenses (including, without limitation, attorneys' and consultants' fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to (a) the unauthorized presence, disposal, release, or threatened release of any such Hazardous Material that is on, from, or affecting the soil, water, vegetation, building, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to that Hazardous Material; (c) any lawsuit brought or threatened, settlement reached, or government order relating to that Hazardous Material or (d) any violation of any law applicable thereto related to the Outside Hazardous Material. The provisions of this section shall be in addition to any other obligations and liabilities that S2PR may have to the AUTHORITY at law or equity and shall survive the transactions contemplated herein and shall survive the termination of this contract.

SECTION 21. MISCELLANEOUS.

21.1 Amendments and Modifications. No amendment or modification of this Agreement including any Schedules referenced herein shall be valid unless made in a writing executed by both of the parties.

21.2 Binding Effect. All provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties and their successors-in-interest, permitted assigns, administrators, and devisees.

21.3 English Language. This Agreement has been negotiated and drafted in the English language, and the English language version shall be the sole and controlling version of this Agreement. All provisions of this Agreement shall be construed and interpreted in the English language.

21.4 Force Majeure. If by reason of a Force Majeure Event, a party is affected in the performance of any obligation under this agreement, that party will not be liable under this Agreement to the other party for not performing, or for the manner of its performance of, such obligation to the extent to which, and for the period of time during which, that party is so affected. "Force Majeure Event" means any event or circumstance (or any combination of events or circumstances) which is or are beyond the control of the party affected without its fault or negligence, including without limitation, acts of God,

severe weather, natural disasters, war or other hostilities, labor disputes, civil disturbances, governmental acts, orders or regulations, third party nonperformance, or failures or fluctuations in electrical power, heat, light, air conditioning or telecommunications equipment.

21.5 Currency. All monetary figures set forth in this Agreement are expressed in U.S. dollars.

21.6 Descriptive Headings. Descriptive headings in this Agreement Any headings preceding the text of the sections of this Contract, and any table of contents or marginal notes appended to it, if any, are solely for convenience of reference and do not constitute a part of this Contract, nor do they control, affect the meaning, construction, or effect of this Contract.

21.7 Equitable Remedies. The parties agree that damages alone would not be an adequate remedy for the breach of this Agreement and, accordingly, without prejudice to any and all other rights and remedies that either party may have against the other, either party shall be entitled, without proof of special damage, to seek equitable remedies of injunction, specific performance and other equitable relief for any actual or threatened breach of the provisions of this Agreement.

21.8 Further Documents. Each party shall execute and deliver all such further instruments, documents and papers, and shall perform any and all acts, necessary to give full force and effect to all the terms and provisions of this Agreement.

21.9 Interpretation. No uncertainty or ambiguity herein shall be construed or resolved against any party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been negotiated by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties.

21.10 Dispute Resolution and Legal Action.

21.10.1 Negotiation. The parties hereby agree that they will attempt in good faith to resolve promptly by negotiations any controversy, claim, dispute, or deadlock between them arising out of or relating to the Contract. Any dispute that is not settled by the parties within ten (10) days after written notice of such dispute is given by the complaining party to the other party's Authorized Representative, shall be referred to the Executive Director of the Authority as the case may be, to settle such disputes on behalf of their respective entities) (each, a "Senior Officer"). The Senior Officers will meet for

negotiations within ten (10) business days of the end of the ten (10) day negotiation period referred to above, at the Authority's headquarters, or as otherwise may be agreed by the Senior Officers. If the dispute has not been resolved within thirty (30) days after the end of the ten (10) day negotiation period referred to above (which period may be extended by mutual agreement), subject to any rights to injunctive relief and unless otherwise specifically provided for herein, the dispute will be settled in accordance with such other rights and remedies as are available to the parties.

21.11 Limitations on Waiver. No waiver by any party of any term or condition of this Agreement shall be construed to be a waiver of such term or condition in the future, or of any preceding or subsequent breach of the same or any other term or condition of this or any other agreement, nor shall any such waiver be binding unless written. All remedies, rights, undertakings, obligations and agreements contained in this Agreement shall be cumulative, and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of any party to this Agreement.

21.12 Assignments and Sublicense. As a Material Term of this Contract S2PR shall be permitted to assign or sublicense all or part of its rights and obligations under this Agreement to any subsidiary of S2PR, or to any parent corporation of S2PR, or to any subsidiary of any parent corporation of S2PR, provided that S2PR notifies the AUTHORITY and represents that the parent corporation or its wholly owned subsidiary, or its parent's subsidiary meets and complies with any and all requirements contained herein. The notification of assignment and or sublicense must be informed to the AUTHORITY at least 30 days prior to the effective date of such action.

21.13 No Partnership or Joint Venture. This Agreement does not create a partnership or joint venture between the parties, and shall not be construed as doing so. This Agreement does not create any right by either party to bind the other party.

21.14 No Third Party Beneficiaries. No person other than the parties hereto and their permitted successors and assigns shall receive any benefits of this Agreement.

21.15 Notices. All notices, statements and other documents that any party is required or desires to give to any other party shall be given in writing in English and shall be served in person, by express mail, by certified mail, by overnight delivery, or by facsimile at the respective addresses set forth below, or at such other addresses as may be designated in writing by such party:

If to the AUTHORITY:

Mr. Alberto R. Escudero Morales,
Executive Director,
Puerto Rico Ports Authority,
P O Box 362829, San Juan, Puerto Rico 00936-2829.

With a copy to:
PRPA Legal Department,
Puerto Rico Ports Authority,
P O Box 362829, San Juan,
Puerto Rico 00936-2829.

And

If to S2 Services Puerto Rico, LLC,
Mr. Jonathan Fleming,
President

Calle Valdés Núm. 102
San Juan, Puerto Rico 00901

With a copy to:
Victor Sze
Law Department
12525 Chadron Ave.
Hawthorne, CA 90250
Facsimile: 310-970-0862

Delivery shall be deemed conclusively made (i) at the time of service, if personally served, (ii) five days after deposit in the United States mail, properly addressed and postage prepaid, if delivered by express mail or certified mail, (iii) upon confirmation of delivery by the private overnight deliverer, if served by overnight delivery, and (iv) at the time of electronic transmission (as confirmed in writing), provided a copy is mailed within 24 hours after such transmission.

21.16 Governing Law and Venue. This agreement is governed by the law in force in the Commonwealth of Puerto Rico without regard to its conflicts of law provisions. The parties irrevocably agree that any claims or causes of action arising from or in connection with this Agreement will be filed before the United States District Court for the District of Puerto Rico. The enforceability of this consent to jurisdiction shall be governed by the laws of the Commonwealth of Puerto Rico and 28 U.S.C. § 1332.

21.17 Severability. Any provision of this Agreement that is found by a court of competent jurisdiction to be void, invalid or unenforceable shall be curtailed and limited only to the extent necessary to bring such provision within the requirements of the law, and such finding and curtailment shall not affect the validity or enforceability of any other provision of this Agreement.

21.18 Survival. The provisions of Sections 11 through 16, and 19 of this Agreement shall survive the expiration or earlier termination hereof.

21.19 Duty to Cooperate. The parties acknowledge that their mutual cooperation is critical to the ability of S2PR to perform its duties hereunder successfully and efficiently. Accordingly, each party agrees to cooperate with the other fully in meeting the goals and objectives object of this Contract, which is in the AUTHORITY'S best interests. The AUTHORITY shall use its best efforts, and shall cooperate with S2PR in any governmental process in connection with the Designated Services provided hereunder, including without limitation to: any and all exemptions that may be granted by the Department of the Treasury of the Commonwealth of Puerto Rico for the Equipment to be used to provide the Designated Services.

21.20 Compliance with Contractual Requirements. AUTHORITY certifies and assures that it has complied with all the procedures necessary to contract S2PR. AUTHORITY assures, to its best understanding, that there is no existing law, regulation or rule to which AUTHORITY is subject which prohibits it from contracting with S2PR for the services herein rendered.

21.21 Omissions. In the event that AUTHORITY or S2PR discovers any material omission in the provisions of the Contract that is believed to be essential to the successful performance of the Contract, each must so inform the other in writing. AUTHORITY and S2PR shall promptly negotiate in good faith with respect to such matters for the purpose of making such reasonable adjustments as may be necessary to perform the objective of the Contract.

21.22 Accuracy of Information. All statistical and fiscal information contained in the RFP and any appendices or attachments of the Contract reflect the information available to AUTHORITY at the time of the preparation of the above-cited documents. AUTHORITY does not warrant the accuracy of any such information and shall not be liable for any errors or the results of errors which may be discovered, at any time, to exist in those statements, unless caused by negligent or willful acts or omissions of AUTHORITY.

21.23 Heading Not Controlling. Section headings under the Contract are for convenience only and shall have no binding force or effect and shall not affect the interpretation of the Contract.

21.24 Unauthorized Use Of The Port Authority Logo Or Name. S2PR shall not use AUTHORITY's official logo or name in any advertising, written sales promotion, written proposals, press releases or other publicity matters, without the prior written authorization of the AUTHORITY's.

21.25 Compliance with Immigration Reform Act. S2PR will verify identity and work authorization of employees assigned to the project who were hired after November 6, 1986 and of any persons newly hired and assigned to the project within three (3) days of hire.

21.26 Drug-Free Workplace. S2PR certifies that it shall provide a drug-free workplace in accordance with the "Drug-Free Workplace Act of 1988" (implemented at 45 CFR Part 76, Subpart F) and the Commonwealth "Drug Testing Act", Law No. 59 of August 8, 1997, as amended.

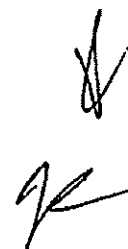
21.27. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same document, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other party.

21.28 Non Discrimination and Sexual Harassment. S2PR agrees: (a) not to discriminate in any manner against an employee, applicant for employment, subcontractor or any person because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, sexual orientation, or physical or mental handicap unrelated in nature and extent so as reasonably to preclude the performance of such employment; (b) to include a provision similar to that contained in subsection (a) above in any subcontract executed in connection with the services to be provided hereunder, but excluding subcontracts for standard commercial supplies or raw materials; and (c) to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

S2PR certifies that maintains a written sexual harassment policy and shall inform its employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined. S2PR agrees to include a

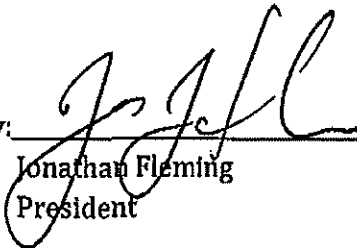
similar provision in every subcontract so that such provision will be binding upon each subcontractor.

[Signature Page Follows]


A handwritten signature in black ink, consisting of a stylized 'J' followed by a 'K'.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.


S2 SERVICES PUERTO RICO, LLC.

By: 
Jonathan Fleming
President

PUERTO RICO PORTS AUTHORITY

By: 
Alberto R. Escudero Morales
Executive Director

Revised and Recommended by:

By: 
Miguel A. Diaz
Director Maritime Bureau of
The Puerto Rico Ports Authority

Schedule A

Premises

Premises Located at the Port of San Juan:

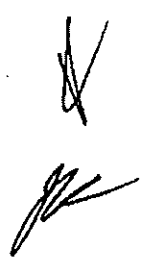
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Schedule B

Equipment

1. Equipment to be Located at the Port of San Juan:

<u>Equipment</u>	<u>Number of Units</u>
RAPISCAN Eagle® Mobile	8



Schedule C

Port of San Juan Operations

A. CONCEPT OF OPERATIONS

Section A of this Schedule C sets forth a concept of operations (normal course operations directly relating to the scanning of cargo and vehicles) that reflects the mutual intentions of the parties as of the date of this Agreement. This Section A is therefore non-binding, and is subject to mutual consultation on an on-going basis.

1. Entry

1.1. A truck with container(s) enters the lane. One Eagle® Mobile lane will be positioned at each of the port exit Premises (total of seven). One spare Eagle® Mobile will be available to assist as needed.

1.2. Note: A truck towing a "twin 20-ft" container arrangement will generate two separate images and transactions, one for each container.

1.3. Drivers will present the pre-paid scanning certificate at entry to the Premise.

1.4. Drivers that do not have a pre-paid scanning certificate for their container will be handled on site with a portable POS to register their container and collect data and payment at the Premise.

1.5. S2PR Global staff will scan the Scanning Certificate barcode presented by the truck driver transferring information regarding the container number, chassis and truck front license plate numbers and sends them the system server to be combined with the matching scanner generated image.

2. Scan

2.1. The truck is then directed to drive through the Eagle® Mobile lane at a speed between 5 to 8 km/h. The system automatically activates after the cab has passed the scanning beam.

2.1.1. The Eagle® Mobile system creates a scan image and presents it for viewing in the control cab as well as sends it to the system server.

2.1.2. Truck will be directed to return to the Eagle® Mobile system if any one of the following are true:

(a) Missing Eagle® Mobile system scan image

(b) Unacceptable Eagle® Mobile subsystem image.

NOTE: An Eagle® Mobile subsystem image is unacceptable if any of the following is true:

- A dropout exists that even partially obscures the container.
- The truck exceeded the required speed at any point during the scan
- The truck proceeded too slowly or stopped in the lane

3. Image Review

3.1. S2PR Screening staff will conduct initial image review and assess whether any irregularities exist. "Irregularities" means any portion of an image that is readily identifiable to the unaided eye, using standards established in operator training, has any (a) image content inconsistent with the applicable bill of lading; or (b) other suspect image content in accordance with standards established in operator training.

3.2. Any image irregularities will be immediately referred to the authorities identified by the AUTHORITY

3.3. Truck diverted for secondary inspection at the sole discretion of AUTHORITY or other assigned government enforcement personnel after review of image and transaction information.

3.4. After referral to the AUTHORITY any additional actions regarding the suspect container will be directed by AUTHORITY authorities or appropriate law enforcement

3.5. Any suspect container diverted for secondary inspection must be removed to allow for the unhindered resumption of the scanning operation

4. Exit

4.1. If no irregularities are identified during the review of the image and associated container data, the truck is cleared to proceed out of the port.

4.2. The Eagle® Mobile image and Scanning Certificate data are stored as a single file in the server database and identified as a Scan Transaction File.

4.3. The associated transaction is available for image review by AUTHORITY inspectors.

5. **Staffing and Training.** In order to implement the proposed project it is estimated that S2PR will hire and train in approximately 70 employees. To screen potential applicants the Company will implement a screening practice similar to that which they currently utilize when meeting hiring requirements for the U.S. Government agencies including the TSA and CBP.

5.1. Outline of process is as follows:

5.1.1. Outreach to public to inform them of employment opportunities through print media, websites and community channels

5.1.2. Prescreen of employees evaluating employment history

5.1.3. Interview

5.1.4. In-depth candidate assessment including:

5.1.5. Computerized testing

5.1.6. Background checks

5.1.7. Drug screening

5.1.8. Criminal History and Financial Stability checks

5.2. Upon appointment employees will then undergo a comprehensive training program, hosted by S2PR lasting upwards of 6 weeks, similar to the curriculum developed and utilized by TSA and CBP to train their screeners and field service engineers. Training will be conducted in various locations which may include Los Angeles, Las Vegas, Apex NC and San Juan.

5.3. Given the sensitivity of employee's job description – scanning inbound containers for contraband including weapons and narcotics – it is important to implement and maintain an ongoing employee assessment and review program to maintain employee integrity.

5.4. Employees will also undergo training on a quarterly basis by trained customs experts to keep them abreast of the latest industry trends and developments. Additionally, employees will undergo annual operator and maintenance training.

5.5. Annual training hosted by customs security consultants will include:

5.5.1. To conduct periodic on-site In-Service training in Puerto Rico, using subject matter experts. Each training assignment will be three days in duration and will be conducted quarterly on location. When required, training will be conducted in Spanish. Participants will be both AUTHORITY sworn police officers and private security personnel.

5.5.2. Private security personnel will receive a 16-hour (2-day) curriculum covering targeting (Risk Management), cargo inspections, and methods of concealment, image identification, and container inspection including the 7-Point container inspection protocol and including a practical exercise utilizing locally available containers.

5.5.3. Sworn officers will receive an 8-hour (1-day) a curriculum covering manifest verification, cargo inspection techniques and methods of concealment.

5.5.4. Class size will be approximately 20-25 personnel for the private security personnel and approximately 8-12 personnel for the sworn officer class.

B. RESPECTIVE OPERATING OBLIGATIONS

Notwithstanding the above, Section B of this Schedule C sets forth binding obligations of each party with respect to operations under this Agreement. The obligations set forth in this Section B are cumulative with, and in addition to, other obligations set forth elsewhere in this Agreement.

1. S2PR Obligations

1.1. Deliver and maintain the Equipment, to be available for operation at least one of locations within the Ports (each a "Premise"), no later than the Operations Start Date. The exact position of each Premise shall be mutually agreed to by the Port and S2PR prior to the Operations Start Date. The Operations Start Date shall be the fifth business day after the date on which S2PR provides written notice to the AUTHORITY of the availability of Designated Services in accordance with this Agreement. S2PR will use reasonable commercial efforts to target an Operations Start Date.

1.2. Maintain all Equipment in good working order.

1.3. Beginning on the Operations Start Date, operate the Equipment at the Premises using personnel hired and trained to specification.

1.4. Beginning on the Operations Start Date, S2PR operating staff will conduct initial image review of scanned images produced in the course of Designated Services, and assess whether any irregularities exist.

1.4.1. "Irregularities" means any portion of an image that is readily identifiable to the unaided eye, using standards established in operator training, as any of the following: (a) image content inconsistent with the applicable bill of lading; and (b) other suspect image content in accordance with standards established in operator training.

1.4.2. Any image irregularities will be immediately referred to the individual authorized by the AUTHORITY under Section 2.2(b) below.

1.5. Provide the AUTHORITY access to Scan Transaction Files.

2. Authority's Obligations

2.1. At each Premise the AUTHORITY shall provide the following conditions and items at each Premise ("Site Preparation"): (a) a flat, paved surface of adequate size to conduct safely and efficiently the operations contemplated in this agreement (at least 2,750 sq/ft to perform scanning, 9,000 sq/ft for de-vanning, and sufficient space for administrative processing); (b) access to a connection for electrical power, 240v/60Hz three phase; (c) lighting sufficient to safely operate the Equipment 24 hours a day; (d) paved, marked and properly designated entrance and exit points from the adjacent roadway to the flat paved surface screening area; (e) and other emergency or ancillary service as required from time to time, including without limitation to emergency towing services.

2.2. At each Premise the AUTHORITY shall provide the necessary personnel to direct the routing of the vehicles carrying the cargo to the designated entry lanes, and provide support and assistance during the scanning process. The Personnel so designated by the Authority must be vested with sufficient ability to represent the AUTHORITY, and on its behalf, and if deemed advisable, authorize or direct S2PR to refrain from scanning certain cargo or specific containers; and/or interpret the scanned images; and/or manage the secondary inspection areas with public order officials pursuant to the existing inter-agency protocol.

2.3. The AUTHORITY shall provide ancillary facilities, at S2PR expense, as follows, as well as any other ancillary facilities reasonably necessary for the performance of the Designated Services: (a) storm-hardened indoor storage adequate for all Equipment to be simultaneously stored; and (b) office space sufficient for five S2PR administrative personnel ("Ancillary Facilities").

2.4. The AUTHORITY shall assume responsibility for: (a) image interpretation upon referral of an image by S2PR personnel, and the AUTHORITY shall not request S2PR personnel to perform further image interpretation on the AUTHORITY's behalf; and (b) diverting and holding vehicles/containers, at distance from each Premise

sufficient to permit the unhindered continuation of operations at the Premise, if the AUTHORITY deems, at its discretion, that such trucks/containers should be subject to further inspection or otherwise held.

2.5. Beginning on the Operations Start Date and continuing thereafter for the remaining term of this Agreement, the AUTHORITY, or any Governmental Body that has entered into an understanding or agreement with the AUTHORITY, shall request in conformance with their corresponding administrative search protocols, or otherwise allowable by law or regulations, up to a maximum of 100% of the inbound Cargo entering the Port not selected and scanned by CBP to be (i) routed and delivered to S2PR for scanning and (ii) subject to the Service Fees set forth in Schedule D.

2.6. The AUTHORITY shall be responsible for enforcing the scanning and fee requirements and shall take regular and customary measures to ensure compliance by carriers including without limitation to consignees, freight forwarders and shippers. Further, the AUTHORITY shall be responsible for the enactment and/or enforcement of all policies, orders, rules and/or regulations required and deemed necessary to implement the terms and provisions of the instant Agreement, including without limitation the imposition and enforcement of the Service Fees. Nothing included in this Agreement shall be interpreted or construed as an obligation by the AUTHORITY to collect fees for the scans performed. On or before the Operations Start Date, the Authority will enact all necessary tariffs, orders and/or regulations to ensure the strict compliance with the payment of the scanning services by the carriers.

2.7. The AUTHORITY shall provide S2PR as soon as possible, prior written notice, any reasonably anticipated Volume Increase. From and after the first anniversary of the Operations Start Date, a Volume Increase shall be deemed to occur whenever the average monthly volume of cargo containers routed to and delivered to S2PR for scanning in any given calendar year exceeds the average monthly volume of cargo containers routed to and delivered to S2PR for scanning in the prior calendar year by more than 10%. In the event of a Volume Increase, S2PR shall, upon the request of AUTHORITY, establish an additional Premise and provide Site Preparation and Ancillary Facilities, if requested by S2PR, in order to accommodate the additional volume.

Schedule D

1.1 Collection of Security Fees.

1.1.1 Collection of Fees. S2PR shall collect from carriers non-refundable fees for each inbound cargo containers arriving at the Port of San Juan (each a "Security Fee").

1.1.2 Setting of Security Fee by the Authority. The Security Fee shall be set from time to time by the AUTHORITY, provided, however, that the Security Fee shall in no event be less than the Service Fees due to S2PR, as set forth in 1.2..

1.2 Service Fees.

1.2.1 Base Fee. From each Security Fee due, S2PR shall be entitled to a non-refundable Base Fee of \$57.00 per container.

1.2.2. Pre-Payment. If the Service Fee is received by S2PR from the carrier prior to the Entry Date, the Base Fee due to S2PR shall remain unaltered.

1.2.3. Timely Payment. If the Service Fee is received by S2PR from the carrier within the first (7) seven days of the Entry Date, the Base Fee due to S2PR shall be equal to \$58.00 per container.

1.2.4. Late Payment. If the Service Fee is received by S2PR from the carrier after (8) eight days from the Entry Date of the inbound container ("Late Payment"), the Base Fee due to S2PR shall be equal to \$61.00 per container.

S2PR shall have the right to charge the carrier and retain any other administrative surcharges, in the event of a Late Payment.

1.2.5 Interest. Any Payment received by S2PR after the thirtieth (30) day from the Entry Date shall be subject to the imposition of interest at the applicable legal interest rate per month which interest charges shall be retained by S2PR.

1.2.6. Cure Period. In the event that any carrier defaults or has a Delinquent balance, as defined herein, the carrier and or the AUTHORITY shall have ten (10) days to cure such default or Delinquent balance.

1.2.7. Modification of Base Fees. The Base Fees shall remain fixed until the Third Anniversary of the Effective Date of this Agreement. Thereafter, S2PR shall have the right to increment the Base Fees annually by a percentage equal to the greater of (i) 3%; or (ii) the percentage increase in the CPI between the date of the most recent increase of the Base Fees (or if there has been no prior increase then the Effective Date of this Agreement) and the date of the current increase of the Base Fees. If a CPI number is not available for any such day, then the number that shall be used shall be the CPI number available on the most recent preceding day on which it was available.

(a) As used herein the term "CPI" shall mean the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics, for U.S. All Items (1982—1984=100).

(b) If the CPI shall become unavailable to the public because publication is discontinued, or otherwise, S2PR shall select a substitute index that most closely approximates the above referenced index, as reasonably determined by S2PR.

(c) Notwithstanding anything to the contrary in this Agreement, S2PR shall have the right to negotiate with the AUTHORITY to modify increase equitably the Base Fees in the event that:

(i) S2PR incurs additional costs resulting from changes or modifications to its obligations hereunder as mutually agreed upon by the parties; or

(ii) In any calendar quarter after the Operations Start Date the volume of containers entering the Port is less than 85,000;

(iii) In any calendar quarter after the Operations Start Date the volume of containers entering the Port is more than 115,000;

1.2.8. Material Change in Volume.

In the event of a change in the Estimated Volume, as defined herein, in the amount of 15% or more, the parties shall be subject to:

(a) Decrease in Volume. In the event that the volume of containers entering the port in any given calendar quarter is less than the Estimated Volume, the parties shall meet and discuss implementing either (i) an equitable increase in the Service Fees, or (ii) an equitable decrease in the Equipment and personnel to accommodate the decrease in volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no increase to the Base Fees and no required decrease in the Equipment and personnel.



(b) Increase in Volume. In the event that the volume of containers entering the port in any given calendar quarter is more than the Estimated Volume, the parties shall meet and discuss implementing either (i) an equitable decrease to the Service Fees, or (ii) an equitable increase in the Equipment and personnel to accommodate the additional volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no decrease to the Base Fees and no required increase in the Equipment and personnel.

2.1. Payments.

2.1.1. Payments. For each Security Fee actually collected by S2PR, S2PR shall pay to the AUTHORITY an amount equal to the Security Fee minus the Service Fee (each, a "PRPA Payment" and collectively, the "PRPA Payments").

3.1. Remittance of PRPA Payments to the AUTHORITY. S2PR shall make payment of the PRPA Payments to the AUTHORITY as follows: Beginning with the 15th day of the month following the Operations Start Date, and on or before the 15th day of each month thereafter, S2PR shall furnish the AUTHORITY a verified statement of including all information reasonably necessary for the determination of the PRPA Payments for the preceding month. Concurrent with such monthly statement, S2PR shall remit to the AUTHORITY the AUTHORITY's PRPA Payments for the preceding calendar month as prescribed above.

4.1 Books and Records. S2PR agrees to maintain appropriate, true and accurate records, in accordance with generally accepted management accounting practices with clear audit trails and records of the PRPA Payments due to the AUTHORITY. If requested by the AUTHORITY on reasonable notice, S2PR agrees to allow the AUTHORITY or its representatives' reasonable access to such records and to take copies of them for the purpose of confirming S2PR's compliance with its obligations under this section. The foregoing notwithstanding, S2PR shall retain all images produced in the course of providing the Designated Services for a term no longer than thirty (30) days.



Schedule E

[RFP]

✓
✓

Schedule F



[Proposal]



[Handwritten signature]
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ADDENDUM A

[Governmental certifications]



**THIRD SUPPLEMENTARY AGREEMENT
RESTATEMENT OF SCHEDULE D
SCANNING SERVICES AGREEMENT (RESTATED)**

2010-000078-C

AP-09-10-(4)-078-A-3

In San Juan, Puerto Rico, this March 23, 2011

APPEARS

AS PART OF THE FIRST PART: THE PUERTO RICO PORTS AUTHORITY, a public corporation and government instrument of the Commonwealth of Puerto Rico (the "Commonwealth"), created by Act No. 125, approved May 7, 1942, as amended, hereinafter referred to as the "Authority", and represented by its Executive Director, Alberto R. Escudero Morales, legal age, married and resident of San Juan, Puerto Rico.

AS PARTY OF THE SECOND PART: S2 SERVICES PUERTO RICO LLC, a Limited Liability Company, organized under the Law of Puerto Rico and duly authorized to do business in Puerto Rico, hereinafter referred to as "S2 Services Puerto Rico" with registered number 2113 at the Puerto Rico Department of State and with employer identification number , represented in this act by Jonathan Fleming, President, of legal age, married and resident of the Commonwealth of Virginia, United States.

The said appearing parties freely, spontaneously, and on their free will

STATE

WHEREAS, as of December 11, 2009, the "AUTHORITY and Rapiscan Systems, Inc. , hereinafter Rapsican, a company organized under the laws of the California, employer identification number , entered into that certain Agreement AP-09-10-(4)-078, under which Rapiscan agreed to offer to the Authority certain Inbound cargo container scanning services at the Port of San Juan ("the Agreement").

WHEREAS, as August 3, 2010, the Authority, Rapiscan, and S2PR entered into that certain Supplementary Agreement (the "First

Supplementary Agreement") AP-09-10-(4)-078-A by which, in addition to certain amendments, Rapiscan assigned as contemplated in the Agreement all its rights and obligations under the Agreement to S2PR, with the consent of the Authority.

WHEREAS, on January 24, 2011, the parties further agreed to amend and update the terms and conditions of the Agreement and First Supplement in the manner set forth therein, and they further restated all the terms and conditions of the Agreement, as amended, into that certain Second Supplementary and Restatement of Complete Scanning Services Agreement (AP-09-10-(4)-078 (RESTATED) (the "Restated Agreement"), so that the Restated Agreement contained and included all the terms and conditions, substituting, for all purposes, the Agreement and the Supplementary Agreement in full.

WHEREAS, upon further discussions the parties now desire to further amend certain terms and conditions of the Restated Agreement, by substituting in full its Schedule D for a New Schedule D set forth below.

NOW THEREFORE, in consideration of the mutual promises and premises herein contained and other good and valuable consideration,

IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. The Schedule D of the Restated Agreement ("Old Schedule D") is hereby substituted in full by the New Schedule D which is attached as Exhibit 1.

2. This New Schedule D shall substitute in full the Old Schedule D, for all purposes and effects. All other terms and conditions of the Restated Agreement not affected by this Third Supplementary Agreement to the Restated Agreement shall remain unaltered, and in full force and effect.

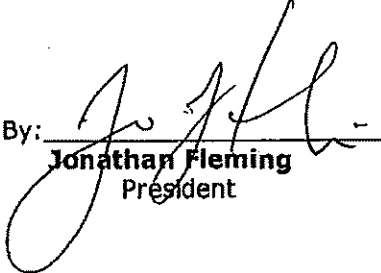
3. The effective date of this Third Supplementary Agreement to the Restated Agreement is the date of its execution by the Authority, and its effectiveness is subject to its filing at the Puerto Rico Comptroller's Office.

IN WITNESS WHEREOF the parties hereto have signed this Third Supplementary Agreement to the Restated Agreement on the date first stated above.

PUERTO RICO PORTS AUTHORITY

By: 
Alberto R. Escudero Morales
Executive Director

**S2 SERVICES
PUERTO RICO, LLC.**

By: 
Jonathan Fleming
President

Schedule D-RESTATED-MARCH-23-2011

1. Collection of Security Fee.

1.1 Collection of Fee. The Authority shall collect from the carriers a non-refundable enhanced security fee (the "Security Fee") to cover the cost of all security services provided at the Port of San Juan, which includes the cost of scanning services supplied by S2PR.

1.2 Setting of Security Fee by the Authority. The Security Fee shall be set from time to time by the AUTHORITY; *provided, however,* that the Security Fee shall in no event be less than the Base Fee due to S2PR, as set forth in Section 2 below.

2. Base Fee.

2.1 Base Fee. From the Security Fee collected by the AUTHORITY pursuant to Section 1.1 above, S2PR shall be entitled to a nonrefundable Base Fee of \$57.00 per inbound container entering the Port, not previously selected and scanned (imaged) by the CBP. The Base Fee shall be payable by the AUTHORITY in accordance with this Agreement without regard to the amount of the Security Fee, or whether the Security Fee is collected.

2.2 Modification of Base Fee. The Base Fee shall remain fixed until the Third Anniversary of the Effective Date of the Agreement. Thereafter, S2PR shall have the right to increment the Base Fee annually by a percentage equal to the greater of (i) 3%; or (ii) the percentage increase in the CPI between the date of the most recent increase of the Base Fee (or if there has been no prior increase then the Effective Date of this Agreement) and the date of the current increase of the Base Fee. If a CPI number is not available for any such day, then the number that shall be used shall be the CPI number available on the most recent preceding day on which it was available.

- a) As used herein the term "CPI" shall mean the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics, for U.S. All Items (1982—1984=100).

- b) If the CPI shall become unavailable to the public because publication is discontinued, or otherwise, S2PR shall select a substitute index that most closely approximates the above referenced index, as reasonably determined by S2PR.
- c) Notwithstanding anything to the contrary in this Agreement, S2PR shall have the right to negotiate with the AUTHORITY to modify or equitably increase the Base Fee in the event that:
- (i) S2PR incurs additional costs resulting from changes or modifications to its obligations hereunder as mutually agreed upon by the parties; or
 - (ii) In any calendar quarter after the Operations Start Date the volume of cargo containers entering the Port is less than 85,000;
 - (iii) In any calendar quarter after the Operations Start Date the volume of cargo containers entering the Port is more than 115,000.

3. Implementation Phase.

- 3.1 Gradual Implementation of the Designated Services. The parties have agreed to implement the Designated Services, and payments thereof, gradually, and in accordance with the conditions set forth in the this Section 3.
- 3.2 Phase-In Period. As a material term of this Agreement, the AUTHORITY shall prepare each of the following Premises and deliver them to S2PR for commencement of operations on such Premises on or before the date indicated next to each Premises (the period prior to AUTHORITY's delivery of all Premises to S2PR is referred to as the "Phase-In Period"):

<u>Inspection Site</u>	<u>Date</u>
Crowley Inspection Site	On or before April 1, 2011
Sea Star Inspection Site	On or before July 31, 2011
Horizon Inspection Site	On or before October 31, 2011
Trailer Bridge Insp. Site	On or before October 31, 2011
Pier 15 & Navy Frontier	On or before October 31, 2011

During such Phase-In Period the AUTHORITY shall complete the preparation of the Premises. The AUTHORITY shall provide S2PR fifteen (15) days prior notice once a Premise is prepared and ready for operation. S2PR shall proceed to inspect the prepared Premise, as provided for in Section 1.j of the Agreement, and upon approval, begin rendering the Designated Services therein.

- 3.3 Extension of the Initial Term. Both parties agree that as a result of the implementation of the Phase-In Period, the Initial Term of the Agreement shall be automatically extended for the duration of the Phase-In Period as provided for in Section 3.5 below.
- 3.4 Limited Obligations. Any and all obligations and responsibilities of S2PR under the Agreement, including the Schedules and Addendums attached thereto, shall be construed in a limited nature and in accordance with the limited scope of the services rendered during the Phase-In Period.
- 3.5 Payment during the Phase-In Period: The AUTHORITY shall pay S2PR the Base Fee corresponding to 100% of the domestic inbound cargo containers that enter the Port Terminal for which a Premise is operational. As each Premise is prepared and becomes fully operational, the AUTHORITY shall pay for the 100% of the domestic inbound cargo containers that enter the corresponding Port Terminals for which the Premises were prepared.

Notwithstanding the above, S2PR shall commence receiving full payment of the Base Fee, as provided for in Section 2.1 above and Section 5.1 of the Agreement, calculated on the basis of all domestic and international in-bound containers arriving at the Port of San Juan, upon the earlier of: (a), once all Premises are operational; or (b) ninety (90) calendar days from the date the AUTHORITY'S "Regulation for the Scanning of Inbound Cargo Containers" or its equivalent is approved or issued by the Department of State of the Commonwealth of Puerto Rico (which approval and issuance the AUTHORITY expects will be effected on or before June 15, 2011).

- 3.6 Extension of Phase-In Period/Default. The AUTHORITY agrees to have all Premises fully operational by October 31, 2011, except in the event or circumstance (or any combination of events or circumstances) which is or are beyond the control of the AUTHORITY without its fault or

negligence, limited solely to, acts of God, severe weather, natural disasters, war or other hostilities, and or labor disputes. In the event that the Phase-In Period is extended and/or S2PR does not receive full payment of the Base Fee pursuant to Section 2.1 above, such event shall be considered a Default under Section 17 of the Agreement. Failure to cure such default in timely manner by the AUTHORITY shall be construed as an Early Termination and shall be subject to the termination fee set forth in Section 17.2.3(a), and the amount of the fee shall be based on the Estimated Volume amounts, as set forth in the Agreement.

4. Payment by the Authority

- 4.1 Due Date. On every Tuesday, on or before close of business, or in case of a holiday the following business day, the AUTHORITY shall pay to S2PR the Base Fee due for the preceding week ending in Sunday. The payment shall be made through an electronic transfer to an S2PR established bank account.
- 4.2 Entry Volume Certificate. On the date of payment, the AUTHORITY shall simultaneously remit to S2PR an official certification with the total amount of the cargo containers that entered the Port of San Juan for such week, and any other document in support of the payment formula, and weekly payment made.
- 4.3 Late Payment Charge: Interests. In the event that the AUTHORITY fails to pay on the due date set forth in Section 4.1, S2PR shall apply a late payment charge of seven percent (7%) due on delivery. If payment is not delivered within the seven day term following the due date S2PR shall apply the prevailing legal interest over any delinquent amounts owed by the AUTHORITY.

5. Payment Guarantees

- 5.1 Establishment of a Reserve Account. a commercial bank account owned and maintained by the AUTHORITY will be established. The AUTHORITY shall voluntarily limit and restrict its use of the funds deposited therein, according to the following:

- a) Prior to the Operations Start Date, the AUTHORITY shall deposit Five Hundred Thousand Dollars (\$500,000.00) into the commercial account.
- b) At all times, the AUTHORITY shall maintain in the commercial account a balance of: the average weekly payment to S2PR for two weeks paid during the last prior year, or Five Hundred Thousand Dollars (\$500,000.00), whichever amount is greater.
- c) The AUTHORITY shall instruct the depository bank to restrict its use of the deposited funds, including the disallowance of withdrawals from such account of any funds for any other purposes than payment to S2PR of the Base Fee as set forth in Section 2.1 above. Provided, however, that the AUTHORITY may be able to withdraw from the account any funds greater than the minimum amounts set forth in Section (b) of this Section.
- d) The AUTHORITY shall not encumber, pledge, lien, or otherwise grant security interests over the account in favor and or to the benefit of third parties.

5.2 Letter of Credit. On or before April 30, 2011, the AUTHORITY shall deliver to S2PR an Irrevocable Standby Letter of Credit ("LOC") authorized and issued by the Governmental Development Bank of the Commonwealth of Puerto Rico in the amount of One Million Dollars (\$1,000,000.00). S2PR shall be able to draw on the LOC, in the event of default, including but not limited to the AUTHORITY's failure to make a timely payment, and/or non-payment of any amounts owed during a period exceeding three (3) weeks.

6. Material Change in Volume.

6.1. In the event of a change in the Estimated Volume, as defined herein, in the amount of 15% or more, the parties shall be subject to:

- a) Decrease in Volume. In the event that the volume of cargo containers entering the port in any given calendar quarter is less than the Estimated Volume, the parties shall meet and discuss implementing either (i) an equitable increase in the

Base Fee, or (ii) an equitable decrease in the Equipment and personnel to accommodate the decrease in volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no increase to the Base Fee and no required decrease in the Equipment and personnel.

- b) Increase in Volume. In the event that the volume of cargo containers entering the port in any given calendar quarter is more than the Estimated Volume, the parties shall meet and discuss implementing either (i) an equitable decrease to the Base Fee, or (ii) an equitable increase in the Equipment and personnel to accommodate the additional volume. If the parties are unable to mutually agree on any such equitable adjustment, then there shall be no decrease to the Base Fee and no required increase in the Equipment and personnel.

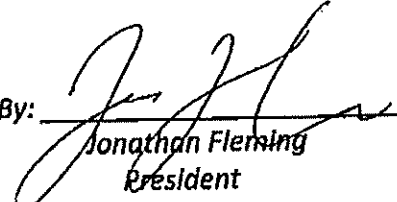
7. Books and Records.

- 7.1 The AUTHORITY agrees to maintain appropriate, true and accurate records of the Security Fee transactions, in accordance with generally accepted management and accounting practices. If requested by S2PR on reasonable notice, the AUTHORITY agrees to allow S2PR or its representatives' reasonable access to such records and to take copies of them for the purpose of confirming the AUTHORITY'S compliance with its obligations under Section 3.2. The foregoing notwithstanding, S2PR shall retain all images produced in the course of providing the Designated Services for a term no longer than thirty (30) days.

PUERTO RICO PORTS AUTHORITY

By: 
Alberto R. Escudero Morales
Executive Director

S2 SERVICES PUERTO RICO, LLC.

By: 
Jonathan Fleming
President



GOVERNMENT OF PUERTO RICO
Ports Authority

SUPPLEMENTARY AGREEMENT

2019-000079-D

AP-18-19-(5)-079 (A-4)

In San Juan, Puerto Rico, to *December 21, 2020*

APPEAR

AS PARTY OF THE FIRST PART: THE PUERTO RICO PORTS AUTHORITY,
a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico,
created by the Law No. 125, approved May 7, 1942, as amended, hereinafter referred to as the
"Authority", and represented by its Executive Director, Joel A. Pizá Batiz, of legal age, married and
resident of San Juan, Puerto Rico.

AS SECOND PARTY: CAPITAL IMPROVEMENTS PROGRAM
MANAGEMENT, P.S.C., a profit

Puerto Rico with register number 185779, represented by its President, Eng. Carlos Ignacio
Pesquera Morales, PE, of legal age, married and resident of Guaynabo, Puerto Rico, with license
number 9691, who has been authorized by a corporate resolution, known hereafter as the
"Consultant".

Parties appearing freely and spontaneously:

STATE

1. The Authority and the Consultant executed Contract No. AP-18-19-(5)-079 on March 6,
2019 for *Management for the repair damages in the Pier 3 in San Juan, Puerto Rico.*

2. On June 18, 2020, the Authority and the Consultant amend the terms and conditions of
the referenced Professional Service Agreement to extend the effectiveness until December 31,
2020.

3. The Authority and the Consultant have agreed to amend the terms and conditions of the
referenced Professional Service Agreement to extend the effectiveness until June 30, 2021.

4. All other terms and conditions of the Agreement No. AP-18-19-(5)-079 not amended by
this Supplementary Agreement shall remain in full force and strength.


5. Record in The Office of The Controller: No tradeoff contained in this professional
Services Agreement may be required until it is registered in the Office
Government of Puerto Rico, according to Act. No. 18 of October 30, 1975, as amended.

IN WITNESS WHERE OF the parties hereto have signed this Agreement on the date first stated above.

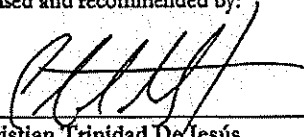
PUERTO RICO PORTS AUTHORITY

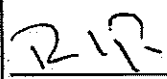
CAPITAL IMPROVEMENT


Joel A. Fiza Batiz
Executive Director


Carlos Ignacio Pesquera Morales, PE
President

Revised and recommended by:


Christian Trinidad De Jesús
General Legal Counsel


Romel Pedraza Claudio
Acting, Assistant Executive Director in Planning,
Engineering, Construction and Environmental
Affairs

/s/

SUPPLEMENTARY AGREEMENT

2010-000078-E

AP-09-10-(4)-078 (A-5)

In San Juan, Puerto Rico, this 14 day of December, 2020.

APPEARANCES

AS PARTY OF THE FIRST PART: : THE PUERTO RICO PORTS AUTHORITY, a public corporation and instrumentality of the Government of Puerto Rico, created by Act No. 125 of May 7, 1942, as amended, represented by its Acting Executive Director, Joel A. Pizá Batiz, Esq., of legal age, married, and resident of San Juan, Puerto Rico, hereinafter referred to as the "Authority".

AS PARTY OF THE SECOND PART: S2 SERVICES PUERTO RICO LLC, a Limited Liability Company, organized under the Law of Puerto Rico and duly authorized to do business in Puerto Rico, hereinafter referred to as "S2PR" with registered number 2113 at the Puerto Rico Department of State and with employer identification number , represented in this act by Jonathan Fleming, President, of legal age, married and resident of the Commonwealth of Virginia, United States.

STATE

1. On December 17, 2009, the Authority and Rapiscan System, Inc. signed the Agreement number AP-09-10-(4)-078 to provide non-intrusive cargo scanning services for scanning 100% of the inbound Cargo entering the Commonwealth of Puerto Rico through the Port of San Juan (the "Port") not previously selected and scanned (imaged) by the United States Customs and Border Protection ("CBP").

2. On August 3, 2010, the Authority, Rapiscan System, Inc and S2PR entered into a Supplementary Agreement, AP-09-10-(4)-078-A by which, in addition to certain amendments, Rapiscan assigned as contemplated in the Agreement all its rights and obligations under the Agreement to S2PR, with the consent of the Authority.

3. On January 24, 2011, the parties further agreed to amend and update the terms and conditions of the Agreement and First Supplement in the manner set forth therein, and they further restated all the terms and conditions of the Agreement, as amended, into that certain Second Supplementary and Restatement of Complete Scanning Services Agreement (AP-09-10-(4)-078 (RESTATED) (the "Restated Agreement"), so that the Restated Agreement contained and included all the terms and conditions, substituting, for all purposes, the Agreement and the Supplementary Agreement in full.



4. On March 23, 2011, the parties signed the Third Supplementary Agreement number AP-09-10-(4)-078-A-3 to amend and update the terms and conditions of the Restated Agreement by substituting in full its Schedule D for a new Schedule D in the manner set forth therein.

5. On December 16, 2019, the parties signed Supplementary Agreement number AP-09-10-(4)-078 (A-4) to update certain terms and conditions of the Agreement, as amended.

6. The parties further state that the amendment set forth herein shall not be deemed as a waiver as to any claim regarding the term and extension of the contract and that each party reserves all rights under the Agreement.

7. The Authority and S2PR have agreed to amend certain terms and conditions of the referenced Agreement, specifically:

TERMS AND CONDITIONS

SECTION 4. TERM

Section 4.1.1 The initial term ("Initial Term") of this Agreement shall commence on the Operations Start Date and shall expire eleven (11) years and nine (9) months after the aforementioned date.

The Parties further agree to notify this Amendment to the Office of the Comptroller of the Commonwealth, as required by Act No. 18 of October 30, 1975, as amended.


All other terms and conditions of the Agreement AP-09-10-(4)-078, AP-09-10-(4)-078 -A, AP-09-10-(4)-078 -A-2, AP-09-10-(4)-078 -A-3 and AP-09-10-(4)-078 -A-4 not amended herein shall remain in full force and effect.

IN WITNESS WHEREOF the parties have signed this Supplementary Agreement at the date and place indicated at the beginning of this document.

PUERTO RICO PORTS AUTHORITY

S2 SERVICES PUERTO RICO LLC.,


Joel A. Piza Batiz, Esq.
Acting Executive Director


Jonathan Fleming
President
S2 P.

ANEJO 2

CERTIFICACIÓN

La Oficina de Seguridad General de la Autoridad de los Puertos certifica que el aspecto de intervención y revisión de carga internacional es jurisdicción de la Agencia Federal CBP.

Además, que la carga doméstica es verificada por las máquinas de escaneo que se encuentran en las afueras del terminal de las Compañías Crowley y Luis Ayala Colón.

La única gestión que la Oficina de Seguridad realiza es anotar el furgón que no pasa por la máquina para referirlo a la Oficina de Finanzas y que la Compañía de Escaneo no cobre el servicio de ese vagón que no pasó por la máquina. El motivo por el cual un vagón no pasa por la máquina es exclusivamente para no paralizar el comercio interestatal. Cuando un vagón está pasando por la máquina y se encuentra un segundo en fila esperando, el tercero no pasaría por la máquina. Ese tercero sería anotado y referido a Finanzas para que no exista un cobro por este furgón.

Además certificamos que desde el 2019 al presente, no hemos realizado ningún tipo de intervención por ocupación de algún material delictivo de parte de la Oficina de Seguridad de la Autoridad de los Puertos.

San Juan, Puerto Rico, marzo 24, 2025.



José A. Nieves Saldaña
Director de Seguridad General
Autoridad de los Puertos de Puerto Rico

