

**FIRST AMENDMENT TO THE**

**USAGE AGREEMENT**

**By and Between**

**BAYONNE LOCAL REDEVELOPMENT AUTHORITY**

**And**

**ROYAL CARIBBEAN CRUISES LTD.**

**BAYONNE, NEW JERSEY**

**Dated as of December 1, 2006**

## FIRST AMENDMENT TO USAGE AGREEMENT

**THIS FIRST AMENDMENT TO THE USAGE AGREEMENT** dated September 1, 2005 by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"), is made as of this first day of December, 2006 (the "First Amendment to the Usage Agreement"). Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A to the Usage Agreement, as amended herein.

### WITNESSETH

**WHEREAS**, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Usage Agreement and the Terminal Operating Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Cape Liberty Cruise Port ("Port"), all in accordance with Applicable Law; and

**WHEREAS**, since the execution of the Transaction Documents, it has been determined by the Parties that it is necessary to make certain technical changes to the Usage Agreement and the Terminal Operating Agreement, and further, to enter into the Revenue Collection and Disbursement Agreement in order to make certain changes related to the disbursement of certain funds and payment of certain expenses; and

**WHEREAS**, Section 13.9 of the Usage Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

**NOW THEREFORE**, in consideration of the mutual promises and covenants contained herein and in the Usage Agreement as amended and supplemented by this First Amendment to the Usage Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

**Section 1. Amendment to Exhibit A of the Usage Agreement.** Exhibit A to the Transaction Documents is hereby amended to include the following definitions:

"Agent" means the Bank of New York, a state banking corporation organized and existing under the laws of the State of New York, or any successor Agent appointed pursuant to the Revenue Collection and Disbursement Agreement.

"Bond Resolution" means the resolution of the BLRA, duly adopted on September 22, 2005 and amended on February 16, 2006, entitled, "Resolution Authorizing the Issuance of Revenue Bonds (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency", as supplemented, including by a resolution of the BLRA duly adopted on September 22, 2005 and amended on February 16, 2006 entitled "Supplemental Resolution Authorizing the Issuance of Not To Exceed \$16,500,000 Revenue Bonds, Series 2006 (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency and Determining Various Other Matters in Connection Therewith" and by a certificate of the Executive Director of the BLRA dated as of March 16, 2006.

“Bond Trustee” means the Bank of New York, West Paterson, New Jersey, and its successors and assigns, as trustee with respect to the Bonds.

“Cape Liberty Capital Reserve Fund” shall mean the cape liberty capital reserve fund established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and which is reasonably satisfactory to the BLRA.

“Cape Liberty Revenue Fund” shall mean the cape liberty revenue fund established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and which is reasonably satisfactory to the BLRA.

“Revenue Collection and Disbursement Agreement” shall mean the Revenue Collection and Disbursement Agreement dated as of December 1, 2006 entered into by the BLRA, the Redeveloper, the Port Manager and the Agent.

“Terminal Operating Expenses” means Actual Operating Expenses (other than Agent Fees, Priority Charges, the BLRA Financing Charge, Port Management Fee and the Capital Reserve Charge).

Exhibit A to the Transaction Documents is further amended to delete the definitions of Capital Reserve Fund and Revenue Fund. All references to “Capital Reserve Fund” in the Transaction Documents shall be amended to read “Cape Liberty Capital Reserve Fund” and all references to the “Revenue Fund” in the Transaction Documents shall be amended to read “Cape Liberty Revenue Fund.”

**Section 2 Amendment to Section 3.2.2 of the Usage Agreement.** Section 3.2.2 of the Usage Agreement is hereby amended to replace “March 1” with “December 15.”

**Section 3 Amendment to Section 6.1 of the Usage Agreement.** Section 6.1 of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

**Establishment, Invoicing and Collection of Berthing Tariffs and Wharfage Fees.** The BLRA and the Port Manager shall establish the Berthing Tariffs and Wharfage Fees in accordance with Section 5.2 of the Terminal Operating Agreement. The Port Manager shall, on behalf of the BLRA, invoice RCCL Cruise Lines and the Other Cruise Lines for the Berthing Tariffs and Wharfage Fees in accordance with Section 5.3 of the Terminal Operating Agreement. The BLRA shall be responsible for, and shall designate, the Agent and Bond Trustee to act on its behalf to collect all Berthing Tariffs and Wharfage Fees."

**Section 4. Amendment to Section 6.3(1) of the Usage Agreement.** Section 6.3(1) of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

**Payment of Berthing Tariffs and Wharfage Fees.** Except to the extent paid by RCCL Cruise Lines or the Other Cruise Lines, the Redeveloper shall pay the BLRA Financing Charge, when due, to the Bond Trustee. The Redeveloper shall pay to the Agent the unpaid portion of the Berthing Tariffs and Wharfage Fees invoiced to RCCL Cruise Lines which are payable to the Agent. To the extent that Berthing Tariffs and Wharfage Fees are remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent’s wire instructions."

**Section 5. Amendment to Section 6.4(2), (3) and (4) of the Usage Agreement.** Sections 6.4(2), (3) and (4) of the Usage Agreement are hereby deleted in their entirety and amended to read as follows:

"(2) If, during any calendar year, there are insufficient funds from Actual Operating Revenues or the Cape Liberty Capital Reserve Fund, to pay any Actual Operating Expenses when such obligations become due, then, within 15 days of demand by the Agent, the Bond Trustee, the Port Manager or the BLRA, as applicable, the Redeveloper shall advance sufficient funds to the Agent (to the extent there are insufficient funds to pay Actual Operating Expenses other than the BLRA Financing Charge) or the Bond Trustee (to the extent there are insufficient funds to pay the BLRA Financing Charge) to meet any shortfall as may be necessary to pay such Actual Operating Expenses (in either case a "Working Capital Advance") To the extent that any Working Capital Advance is remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(3) If at the end of any calendar year, it is determined that there were insufficient Actual Operating Revenues, or funds in the Cape Liberty Capital Reserve Fund, to pay all Actual Operating Expenses (a "Revenue Deficiency"), then Redeveloper shall pay an amount equal to such Revenue Deficiency to the Agent (to the extent such Revenue Deficiency results in insufficient funds to pay Actual Operating Expenses other than the BLRA Financing Charge) or the Bond Trustee (to the extent such Revenue Deficiency results in insufficient funds to pay the BLRA Financing Charge) within 15 days of demand by the Agent, the Bond Trustee, the Port Manger or the BLRA. To the extent that any Revenue Deficiency is remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(4) If at the end of any calendar year, a surplus results from Actual Operating Revenues exceeding Actual Operating Expenses (a "Revenue Surplus"), then the BLRA shall direct the Agent to apply all monies representing such Revenue Surplus as follows: (a) To repay Redeveloper for any Working Capital Advance; (b) To reimburse Redeveloper for any Revenue Deficiency previously paid; (c) for deposit each calendar year in the Cape Liberty Capital Reserve Fund up to an aggregate of 10% of such calendar year's Annual Operating Expense Budget, taking into account all deposits made during such calendar year into the Cape Liberty Capital Reserve Fund; and (d) As a credit against the Estimated Operating Expenses for the following year's Annual Operating Expense Budget."

**Section 6. Amendment to Section 6.5(1) of the Usage Agreement.** Section 6.5(1) of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

"(1) Redeveloper shall unconditionally and irrevocably pay to the Agent or the Bond Trustee, as applicable, punctual and full payment of the Revenue Deficiency or Working Capital Advance, as and when due under Section 6.4 above, provided, however, that upon the termination of the Transaction Documents by virtue of a termination of the Redevelopment Agreement under Section 10.2, 19.1.1, 19.1.3 and/or 20.4 thereof, in each case, the Redeveloper shall be relieved of all its obligation to pay the Revenue Deficiency and Working Capital Advance to the Agent on behalf of the BLRA, and shall thereafter only be required to pay the Bond Trustee, for further payment to the Bondholders and/or Approved Lenders, the BLRA Financing Charge (the amount of the Revenue Deficiency, Working Capital Advance or BLRA Financing Charge payable under this Section 6.5(1), as the case may be, shall mean in each instance, the "Minimum Fee"). No set-off, claim, reduction or diminution of any obligation, or any defense of any kind or nature which Redeveloper now has or hereafter may have against the BLRA or the Port Manager, shall be available hereunder to the Redeveloper against the BLRA or Port Manager with respect to the payment of the Minimum Fee."

**Section 7. Amendment to Section 7.1(1) of the Usage Agreement.** Section 7.1(1) of the Usage Agreement is hereby amended by inserting the following language in place of the presently existing language:

"(1) Neither the BLRA, nor its employees, agents or Affiliates, shall have any duty to operate, maintain and/or manage the Port. The BLRA's sole obligations shall be to retain a Port Manager to operate the Port, to retain the Agent pursuant to the terms of the Revenue Collection and Disbursement Agreement and to retain the Bond Trustee pursuant to the Bond Resolution. The BLRA shall not be responsible under any circumstances for the actions of the Port Manager."

**Section 8. Reaffirmation of Usage Agreement.** Except as amended by this First Amendment to the Usage Agreement, the Usage Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified.

**Section 9. Counterparts.** This First Amendment to the Usage Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

**Section 10. Governing Law.** This First Amendment to the Usage Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

*[Remainder of this Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Usage Agreement to be executed as of the day and year first above written.

**THE BLRA:**

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By:   
Nancy A. Kist,  
Executive Director

**REDEVELOPER:**

ROYAL CARIBBEAN CRUISES LTD.

By: Adam M. Goldstein  
Name: Adam M. Goldstein  
Title: President R.C.I.

