



**CONFIDENTIAL**

March 8, 2019

Ms. Suja Lowenthal  
City Manager  
City of Hermosa Beach  
City Hall  
1315 Valley Drive  
Hermosa Beach, CA 90254

**RE: Notification of Assignment of an Undivided 1/4 Interest in Easement Number 20160974447**

Dear Ms. Lowenthal:

RTI Infrastructure, Inc. ("RTI-I"), formerly known as MC Global BP4, Inc., and the City of Hermosa Beach (the "City") executed a Fiber Optic Cable Easement and Associated Construction Easement recorded as document number 20160974447 on August 17, 2016 (the "Easement").

RTI-I installed the terrestrial support facilities (landing pipes, underground conduit systems, etc.) to support four subsea fiber optic cable systems within the City, with one such cable system, the Southeast Asia-United States Cable System ("SEA-US"), installed as of the date of this letter. RTI-I is now working on arrangements to install three other cable systems. Two of the systems will remain under RTI-I's control and authority. However, the owners of one of the proposed systems, the SX-NEXT system, require that they have direct control over their system and thus require a partial assignment of RTI-I's rights and obligations under the above referenced Easement.

A partial assignment(s) was contemplated in the Easement agreement as reflected in Section 4.13 of the Easement. A copy of the Easement is attached for your convenience.

In accordance with Section 4.13 of the Easement, RTI-I is hereby providing notice to the City of Hermosa Beach of their intention to assign an undivided one quarter (1/4) interest in the Easement to the party described below:

Assignee:  
Pacific Carriage Limited, with a principle place of business at:  
Level 5, Resimac House, 45 Johnston Street  
Wellington 6011 New Zealand

The undivided 1/4 interest is intended to cover only one cable system regardless of any potential future amendments or assignments. Attached is the Assignment of Easement Rights and Obligations ("Assignment") that RTI-I intends to execute with Pacific Carriage Limited. Per Section 4.13 of the Easement, RTI-I requests that the City confirm that delivery of a copy of this Assignment, duly executed by both parties, will satisfy RTI-I's obligations pursuant to that Section.

It is important to note that RTI-I is currently working with the City to amend the easement to allow for additional future facilities. That amendment will not be completed until well after this partial assignment is consummated. That amendment, if granted, will be exclusive of this assignment.

We look forward to working with the City to arrange for any additional supporting documentation it may require pursuant to Section 4.13. Should you have any questions, please do not hesitate to contact me at (916) 949-9141 or [chris.brungardt@rticable.com](mailto:chris.brungardt@rticable.com).

Sincerely,



Chris Brungardt  
Senior Vice President

cc:

Russ Matulich, President & CEO

Brian Mass, CFO