

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

**CAPT. JAKE ELMSTROM, et al.**

**PLAINTIFFS,**

**v.**

**NFENERGIA LLC, et al.,**

**DEFENDANTS.**

**CIVIL NO. 25-CV-01462 (SCC)**

**RE: COMPLAINT; PRELIMINARY AND  
PERMANENT INJUNCTION;  
DECLARATORY JUDGMENT  
IN ADMIRALTY**

**SETTLEMENT AGREEMENT AND RELEASE BETWEEN PLAINTIFFS  
AND THE PILOTAGE COMMISSION OF PUERTO RICO**

This Settlement Agreement and Release Agreement (hereinafter the Agreement) is entered into this 10<sup>th</sup> day of October, 2025, by and between Captain Tomas Busto Álvarez; Captain Carlos E. Ramos; Captain Ray Díaz; Captain Jacob Elmstrom; Captain Richard Flynn Caro; Captain Carlos Gutiérrez; Captain Patrick López, and the San Juan Bay Pilots Corporation (Plaintiffs hereinafter) and Co-Defendants The Pilotage Commission of Puerto Rico and Attorney Jessica Ñeco Morales, in her official capacity as Acting President (hereinafter jointly the Commission).

This Agreement will come into effect simultaneously with another agreement with the NFE Energia LLC, absent which, this Agreement will be null and void.

The Plaintiffs and the Commission are hereinafter collectively referred as the Parties.

The Plaintiffs and the Commission freely and voluntarily express as follows:

1. The Plaintiffs and the Commission are parties to the above-captioned case pending before the Federal District Court for the District of Puerto Rico.
2. The Plaintiffs filed suit against the Commission asserting various claims and have requested the issuance of a Temporary Restraining Order.

3. The Commission has denied the allegations of the Plaintiffs and has vigorously defended by filing several motions to dismiss the instant claims against it.

4. In this case, the Court has held various days of hearings, in which the Plaintiffs have presented their expert witness testimonies and other evidence.

5. On September 26, 2025, the Court, after Plaintiffs requested the issuance of a TRO, declared null and void the Cease-and-Desist Letter of the Commission dated August 15, 2025.

6. The parties have reached an agreement in order to have the Commission dismissed from this suit.

7. The Commission believes that it is appropriate that, at this stage, the Commission no longer be considered a party to this action through the filing of a joint motion to dismiss with prejudice the present action.

THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Commission agrees to issue a resolution withdrawing and leaving without effect the Cease-and-Desist Letter of August 15, 2025, and to notify the same to all entities to which it was disseminated.
2. The Commission agrees to issue a resolution withdrawing and leaving without effect Resolution 2006-001 of August 21, 2025, and to notify the same to all entities to which it was disseminated.
3. The Commission agrees to issue a resolution withdrawing and leaving without effect the letter dated September 8, 2025, and to notify the same to all entities to which it was disseminated.

4. NFE and the Plaintiffs, have entered into an Agreement to resolve their claims in this case which has been approved by the Court, which allows an upcoming LNG maneuver to be conducted by Pilots Daniel Montes, Cesar Montes, and Alex Cruz, which the Commission previously authorized.
5. The Commission will officially notify Commissioner Capt. Ramos of all resolutions and letters, and notice of meetings in accordance with Law 226, including those involving all matters related to LNG vessels.
6. Captain Ramos will assume his complete fiduciary duties as a duly appointed commissioner by the Governor of Puerto Rico.
7. The Plaintiffs agree not to refile against the Commission the suit filed in the Court of First Instance, Commonwealth Court in the case of Capt. Jake Elmstrom, Capt. Tomas Busto; Capt. Carlos E. Ramos, Capt. Kenneth Días, Capt. Richard Flynn, Capt. Carlos Guterrez and Capt. Patrick Lopez v. Comisión de Practicaje de Puerto Rico, civil No. SJ2025CV07446, which was dismissed without prejudice upon petition by the Plaintiffs on September 24, 2025, while this case is pending. However, if the case is dismissed with prejudice, the agreement not to refile will be observed indefinitely.
8. This Agreement is a compromise of disputed claims. It is understood and agreed that this settlement does not constitute, and shall not be construed as, an admission of liability or wrongdoing by either Party.
9. Costs and Fees. Each Party shall bear its own attorneys' fees, costs, and expenses incurred in connection with the Litigation and this Agreement.
10. Nothing in this Settlement Agreement shall be interpreted or construed as limiting, modifying, or otherwise impairing any of the powers, duties or functions vested in the

Puerto Rico Pilotage Commission under Act No. 226-1999, or any amendments thereto.

The Parties expressly acknowledge that the Commission retains full authority to exercise all powers conferred upon it by its enabling legislation, regulations and other applicable laws, notwithstanding any terms, conditions or undertakings contained herein.

11. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or understandings, whether written or oral.

12. All controversies are resolved by way of this Agreement, once approved by the Court.

**Counsels for the Plaintiffs**

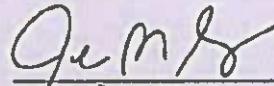


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**Codefendant The Pilotage Commission of  
Puerto Rico**



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