

**LICENSE AGREEMENT**

**THIS LICENSE AGREEMENT** is dated February 26, 2010, and is by and between the COUNTY OF KAUAI, a political subdivision of the State of Hawaii, whose mailing address is 4444 Rice Street, Lihue, Kauai, Hawaii 96766, hereinafter called "Licensor", and McBRYDE SUGAR COMPANY, LIMITED, a Hawaii corporation, whose post office address is Post Office Box 8, Eleele, Kauai, Hawaii 96705, hereinafter called "Licensee".

Licensor hereby exclusively licenses to Licensee that certain property situate at Eleele, Koloa, Kauai, State of Hawaii, being a portion of Tax Map Key No. (4)2-1-01-27, as generally shown on the map attached hereto as Exhibit "A" and made a part hereof, (said property, together with all present and future improvements on or to said property, including field roads and farming and irrigation equipment, being hereinafter referred to as the "Premises") upon and subject to all of the terms and conditions set forth in this Agreement, and subject to all encumbrances affecting the Premises.

This Agreement shall be for a term commencing as of the date of this Agreement and continuing until such time as Licensor needs actual possession of the Premises for the development of its affordable housing project, provided that Licensor shall give Licensee at least one hundred eighty (180) days prior written notice of such termination and in any case, such termination shall not take place until after Licensee or Kauai Coffee Company, Inc. completes the harvest of any crop then being grown on the Premises. The parties intend to allow Licensee to occupy and farm as much of the Premises as possible, for as long as possible, while taking into consideration Licensor's development of an affordable housing project. As such, in the event that Licensor develops its project on the Premises in phases, the parties contemplate multiple partial termination or withdrawals of land from the Premises from time to time, and in such case, Licensor will withdraw from the Premises only as much land as it needs for each phase, and as necessary, in Licensor's sole discretion, for a buffer zone between the lands developed and Licensee's operations, and to protect individuals from dangerous natural conditions, so that Licensee may continue to farm the maximum amount of land within the Premises for as long as possible. Notwithstanding the foregoing, Licensee may terminate this Agreement at any time by giving Licensor thirty (30) days prior written notice of such termination.

Licensee further agrees with Licensor as follows:

1. Licensee shall at all times use the Premises solely for cultivating and harvesting coffee or any other agricultural crop. Licensee will use the Premises for no other purposes without the prior written consent of Licensor, which consent may be granted or withheld in Licensor's sole discretion.

2. Licensee shall not alter the Premises, construct, erect or place any structure or other improvement on the Premises or demolish, remove, remodel, replace, alter or make any addition to any improvements now or hereafter located on the Premises, without Licensor's prior written consent, which consent may be withheld in Licensor's sole discretion, except that Licensee may undertake actions and install improvements which are normally undertaken or installed in connection with its farming activities without Licensor's prior consent.

3. Licensee shall, at its own expense, keep the Premises in good, clean and sanitary order, condition and repair, reasonable wear and tear excepted.

4. Licensee shall procure at its own cost and expense and keep in force during the entire term of this license, a policy of general comprehensive liability insurance, in form and with such insurance company or companies as shall be approved by Licensor, with such reasonable minimum limits as shall be prescribed by Licensor, in its sole discretion, from time to time but initially with combined single limits for bodily injury and property damage of not less than \$1,000,000 in any one occurrence. Such policy or policies shall cover occurrences arising out of the use, occupancy, misuse or condition of the Premises, improvements thereon, Licensor's adjacent property and other adjoining and nearby areas, name Licensor as an additional insured on a primary basis, be deposited with Licensor, require the insurer to give Licensor at least thirty (30) days' written notice of its intention to cancel, terminate or amend the policy or policies in any material respect, and contain a waiver by the insurer of any right of subrogation to any right of Licensor or Licensee against them or any person acting under them.

5. Licensor has not made and will not make, any representation or warranty, implied or otherwise, with respect to the condition of the Premises, including but not limited to (a) any express or implied warranty of merchantability or fitness for any particular purpose or (b) any dangerous or defective conditions existing upon the Premises, whether or not such conditions are known to Licensor or reasonably discoverable by Licensee. Licensee accepts the Premises in completely "as is" condition, with full assumption of the risks, and consequences of such conditions. All property, vehicles, approved improvements and equipment of Licensee shall be kept, placed or stored at the sole risk of Licensee, and Licensor shall not be responsible or liable for any damage thereto or loss of theft thereof.

6. Licensee shall not make or suffer any unlawful, improper, or offensive use of the Premises. Licensee will comply with all laws and ordinances and governmental rules and regulations, including but not limited to obtaining, at its sole cost and expense, all governmental permits necessary for its use of the Premises.

7. Licensor acknowledges that the growing, harvesting and processing of coffee or other crop on the Premises may from time to time produce or result in smoke, dust, noise, heat, agricultural chemicals, particulates and similar substances and nuisances (collectively, the "Agricultural By-Products") and that the creation of Agricultural By-Products shall not constitute an improper or offensive use of the Premises or a nuisance.

8. Licensee shall not commit or suffer any act or neglect whereby the Premises or the estate of Licensee in the same, shall at any time become subject to any attachment, lien, charge or encumbrance whatsoever and shall indemnify, defend and hold harmless Licensor from and against all liens, charges and encumbrances and all expenses resulting therefrom, including reasonable attorneys' fees, it being hereby expressly agreed that Licensee shall have no authority, express or implied, to create any lien, charge or encumbrance upon the Premises.

9. Licensee shall indemnify, defend and hold harmless Licensor from and against all actions, suits, investigations, governmental proceedings damages and claims filed against Licensor, and for all costs and expenses (including attorneys' fees) incurred by Licensor, by

whomsoever brought or made by reason of or arising out of (a) the issuance of this license to Licensee, or (b) any act or omission of Licensee or any person claiming by, through or under Licensee, or (c) any mishap, fire, casualty or nuisance occurring or made on the Premises or adjacent property, or (d) the use or occupancy of the Premises by Licensee, the general public or Licensee's invitees, permittees, employees, agents or contractors, or (e) Licensee's breach of any of the terms or conditions of this Agreement.

10. Licensee shall not directly or indirectly, by operation of law or otherwise, assign, mortgage or encumber this license or sublicense the whole or any portion of the Premises, provided, however, the Licensor acknowledges that Licensee's related entity, Kauai Coffee Company, Inc. ("KCOF"), undertakes and performs the farming activities on the Premises. Any merger, consolidation or liquidation of Licensee or any change in the ownership of or power to vote the majority of Licensee's outstanding voting stock shall constitute an assignment of this lease for purposes of this paragraph. Any assignment, mortgage, encumbrance or sublicense made without such consent shall be null and void and shall constitute an event of default by Licensee under this Agreement. No assignment of this license shall release or be deemed to relieve Licensee from the full and faithful performance of any terms and conditions in this Agreement contained and on Licensee's part to be observed and performed, or from any liability for the nonobservance or nonperformance thereof, nor be deemed to constitute a waiver of any rights of Licensor hereunder.

11. Upon the termination, surrender or expiration of this license, Licensee shall peaceably surrender the Premises to Licensor in good, clean and sanitary condition, order and repair (reasonable wear and tear excepted). Licensee shall harvest the crop on the Premises and clear it consistent with Licensee's normal harvesting practice and cap off irrigation lines.

12. In the event at any time during the existence of this license the Premises shall be taken or condemned by any duly constituted authority exercising the right of eminent domain, then and in every such case the estate and interest of Licensee in the Premises so taken shall cease and be determined as of the date possession shall be taken and Licensee shall not by reason of such condemnation be entitled to any claim either against Licensor or others for compensation or indemnity and all compensation payable or to be paid by reason of any such condemnation shall be payable to and be the sole property of Licensor, and Licensee shall have no interest in or claim to such compensation or any part or parts thereof whatsoever; provided, however, that in the event any improvements erected or made by Licensee shall be condemned and taken, then and in that event all compensation payable for such improvements shall accrue to Licensee.

13. Any notice or demand to be given to or served upon either Licensor or Licensee in connection with this Agreement shall be deemed to have been sufficiently given or served for all purposes by being sent as registered or certified mail, postage prepaid, addressed to the parties at the respective addresses set forth in the introductory paragraph of this Agreement, or at such other address as a party may from time to time designate in writing to the other party, and any such notice or demand shall be deemed conclusively to have been given or served upon the earlier to occur of the actual date of delivery or three business days after the date of mailing.

14. All provisions of this Agreement have been negotiated by Licensor and Licensee at arm's length and with the opportunity for full representation of their respective legal counsel

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and neither party shall be deemed to be the drafter of this Agreement. If this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision of this Agreement against either party as the drafter of the Agreement.

15. This Agreement supersedes all prior written or oral agreements between the parties hereto, all of which earlier agreements are hereby terminated.

(Execution page follows)

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first above written.

COUNTY OF KAUAI

By: 

WALLACE G. REZENTES, JR.  
Its Director of Finance

By: 

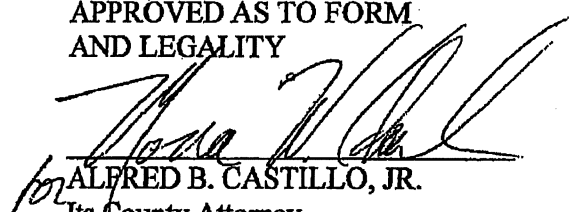
PETER A. NAKAMURA  
Its County Clerk

"Licensor"

APPROVAL RECOMMENDED:

  
EUGENE K. JIMENEZ  
Its Housing Director

APPROVED AS TO FORM  
AND LEGALITY

  
ALFRED B. CASTILLO, JR.  
Its County Attorney

McBRYDE SUGAR COMPANY, LIMITED

By: \_\_\_\_\_

NORBERT M. BUELSING  
Its Vice President

By: \_\_\_\_\_

ALYSON J. NAKAMURA  
Its Secretary

"Licensee"

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first above written.

COUNTY OF KAUAI

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WALLACE G. REZENTES, JR.  
Its Director of Finance

By: \_\_\_\_\_  
PETER A. NAKAMURA  
Its County Clerk

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EUGENE K. JIMENEZ  
Its Housing Director

APPROVED AS TO FORM  
AND LEGALITY

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ALFRED B. CASTILLO, JR.  
Its County Attorney

McBRYDE SUGAR COMPANY, LIMITED

By:   
\_\_\_\_\_  
NORBERT M. BUELSING  
Its Vice President

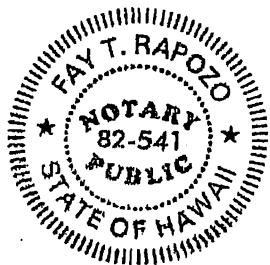
By:   
\_\_\_\_\_  
ALYSON J. NAKAMURA  
Its Secretary

"Licensee"

STATE OF HAWAII )  
 ) SS:  
COUNTY OF KAUAI )

On this      day of FEB 3 - 2010, 2010, before me appeared WALLACE G. REZENTES, JR., to me personally known, who, being by me duly sworn or affirmed, did say that he is the Director of Finance of the COUNTY OF KAUAI, a political subdivision of the State of Hawaii; that the seal affixed to the foregoing instrument is the corporate seal of the COUNTY OF KAUAI, and that said instrument was signed and sealed on behalf of the COUNTY OF KAUAI by authority of its charter; and that said WALLACE G. REZENTES, JR. acknowledged this instrument to be the free act and deed of the said of COUNTY OF KAUAI.

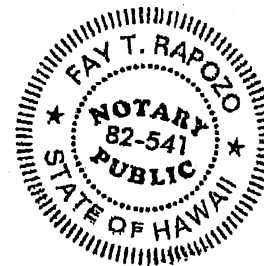
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Signature: *Fay T. Rapozo*  
Print Name: FAY T. RAPOZO  
Notary Public, State of Hawaii  
My Commission Expires: 8-18-2010

(Official Stamp or Seal)

<u>NOTARY CERTIFICATION STATEMENT</u>	
Document Identification or Description: License Agreement	
Doc. Date: <u>FEB 3 - 2010</u> or <input type="checkbox"/> Undated at time of notarization.	
No. of Pages: <u>10</u>	Jurisdiction: <u>5th</u> Circuit (in which notarial act is performed) <u>FEB 3 - 2010</u>
Signature of Notary <u><i>Fay T. Rapozo</i></u>	Date of Notarization and Certification Statement
<b>FAY T. RAPOZO</b>	
Printed Name of Notary	



(Official Stamp or Seal)

STATE OF HAWAII  
COUNTY OF KAUAI

)  
) SS:  
)

On this 18<sup>th</sup> day of February, 2010, before me appeared PETER A. NAKAMURA, to me personally known, who, being by me duly sworn or affirmed, did say that he is the County Clerk of the COUNTY OF KAUAI, a political subdivision of the State of Hawaii; that the seal affixed to the foregoing instrument is the ~~corporate~~ seal of the COUNTY OF KAUAI, and that said instrument was signed and sealed on behalf of the COUNTY OF KAUAI by authority of its charter; and that said PETER A. NAKAMURA acknowledged this instrument to be the free act and deed of the said of COUNTY OF KAUAI. J 260

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Signature: [Handwritten Signature]  
Print Name: Aida Okasaki  
Notary Public, State of Hawaii

My Commission Expires: July 27, 2011

(Official Stamp or Seal)

**NOTARY CERTIFICATION STATEMENT**

Document Identification or Description: License Agreement

Doc. Date: Feb. 3, 2010 or  Undated at time of notarization.

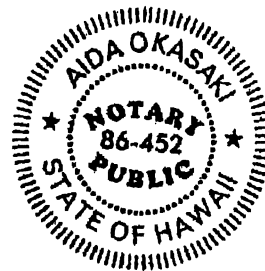
No. of Pages: 11 Jurisdiction: Fifth Circuit  
(in which notarial act is performed)

Signature of Notary

Date of Notarization and Certification Statement

Printed Name of Notary

Aida Okasaki



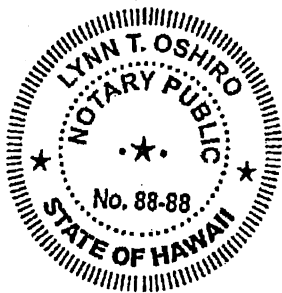
(Official Stamp or Seal)



STATE OF HAWAII )  
 ) SS:  
CITY & COUNTY OF HONOLULU )

On this 3rd day of February, 2010, before me personally appeared NORBERT M. BUELSING, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

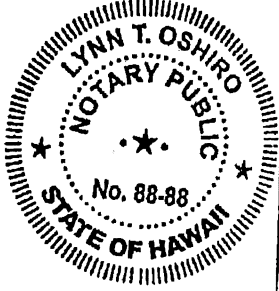


Signature: Lynn T. Oshiro  
Print Name: Lynn T. Oshiro  
Notary Public, State of Hawaii

My Commission Expires: 02-08-2012

(Official Stamp or Seal)

<u>NOTARY CERTIFICATION STATEMENT</u>	
Document Identification or Description: License Agreement	
Doc. Date: _____ or <input checked="" type="checkbox"/> Undated at time of notarization.	
No. of Pages: <u>10</u>	Jurisdiction: First Circuit (in which notarial act is performed)
<u>Lynn T. Oshiro</u> Signature of Notary	<u>2/3/10</u> Date of Notarization and Certification Statement
<u>Lynn T. Oshiro</u> Printed Name of Notary	

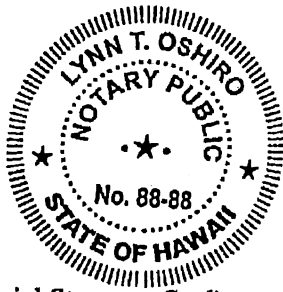


(Official Stamp or Seal)

STATE OF HAWAII )  
 ) SS:  
CITY & COUNTY OF HONOLULU )

On this 3rd day of February, 2010, before me personally appeared ALYSON J. NAKAMURA, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

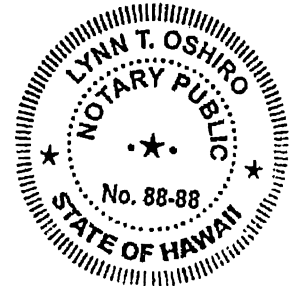


(Official Stamp or Seal)

Signature: Lynn T. Oshiro  
Print Name: Lynn T. Oshiro  
Notary Public, State of Hawaii

My Commission Expires: 02-08-2012

<u>NOTARY CERTIFICATION STATEMENT</u>	
Document Identification or Description: License Agreement	
Doc. Date: _____ or <input checked="" type="checkbox"/> Undated at time of notarization.	
No. of Pages: <u>10</u>	Jurisdiction: First Circuit (in which notarial act is performed)
<u>Lynn T. Oshiro</u> Signature of Notary	<u>2/3/10</u> Date of Notarization and Certification Statement
<u>Lynn T. Oshiro</u> Printed Name of Notary	



(Official Stamp or Seal)

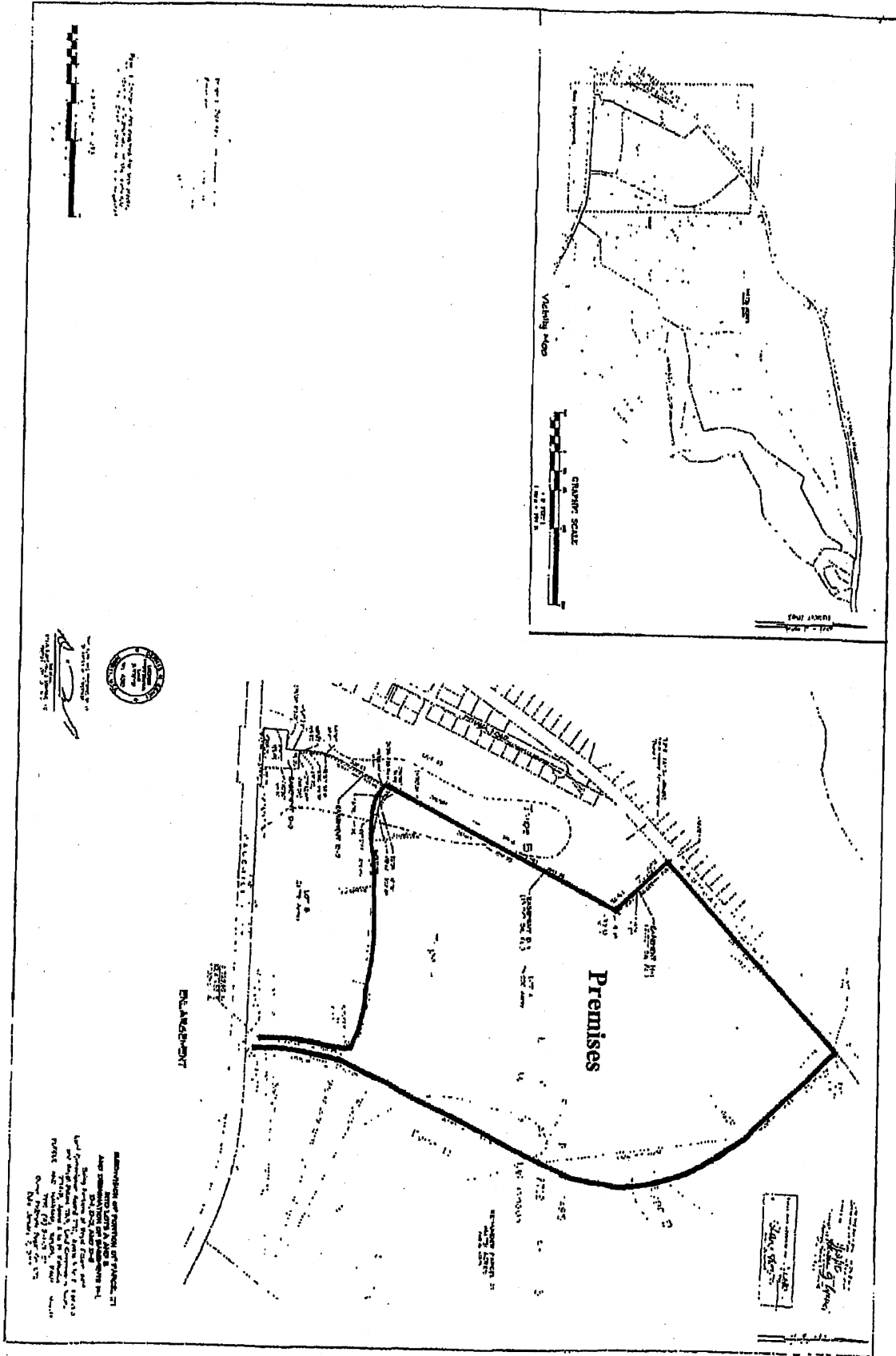


EXHIBIT "A"

