

224-200156-002



SECOND AMENDMENT
 TO
 LEASE NO. H-88-35
 BETWEEN

STATE OF HAWAII AND MATSON TERMINALS, INC.

THIS SECOND AMENDMENT TO LEASE NO. H-88-35 ("Lease") is entered into by the STATE OF HAWAII ("LESSOR") and MATSON TERMINALS, INC. ("LESSEE").

LESSOR and LESSEE agree that the Lease is amended as follows:

1. Section 1 of the Lease is restated as follows:

1. AREA LEASED. THAT THE LESSOR, for and in consideration of the rent to be paid and of the terms, covenants and conditions herein contained, all on the part of the LESSEE to be kept, observed and performed, does hereby demise and lease unto the LESSEE and the LESSEE does hereby lease and hire from the LESSOR the following premises all situated in the Container Handling Facilities, Pier 2 Nawiliwili Harbor, Kauai, Hawaii:

(i) nonexclusive surface powerline easement designated as Easement 1, containing an area of 648.20 square feet delineated on the map designated Plan "A," which is attached hereto and made a part hereof;

(ii) powerline easement designated as Easement 2A, containing a total area of 1,500 square feet, consisting of a nonexclusive underground easement of 1,316 square feet for an electrical powerline, a nonexclusive underground easement of 24 square feet for 4 electrical pull boxes, and an exclusive surface easement of 160 square feet for 10 reefer pedestals, delineated on the map designated Plan "B," which is attached hereto and made a part hereof;

(iii) nonexclusive "Kauai Elec. Service Line" easement designated as Easement 2B, containing an area of 782.35 square feet delineated on the map designated Plan "B"; and

(iv) exclusive surface easement designated as Easement 2C for the substation area, containing an area of 375 square feet delineated on the map designated Plan "B".

2. Paragraph 7 of the Lease is restated as follows:

7. RENTALS AND CHARGES.

(a) For the period beginning September 29, 1988 and ending September 28, 2003 the rental for Easement 1 shall be at the rate of Two Thousand One Hundred Seventy-Seven Dollars (\$2,177.00) per annum.

(b) For the period beginning the date construction is completed on Easements 2A, 2B and 2C under that certain Construction Right-of-Entry Agreement dated March 1, 1992 made by and between LESSOR and LESSEE with respect to Easements 2A, 2B, and 2C, and ending September 28, 2003, the rental for Easements 2A, 2B and 2C shall be at the following annual rates:

<u>Easement</u>	<u>Area Sq. Ft.</u>	<u>Rate Per Sq. Ft.</u>	<u>Percentage Usage</u>	<u>Rate of Return</u>	<u>Annual Rental</u>
2A					
(Under)	1,340	21.21	25	8	\$ 568.00
(Above)	160	21.21	100	8	272.00
2B	782.35	21.21	25	8	332.00
2C	375	21.21	100	8	<u>636.00</u>

Total: \$1,808.00

(c) The annual rental for Easements 1, 2A, 2B and 2C after September 28, 2003 shall be determined under paragraph 9 and shall be set forth in amendments hereto, filed and effective as provided in paragraph 6.

Except as set forth above, the terms, covenants and conditions of the Lease shall continue in full force and effect.

IN WITNESS WHEREOF, LESSOR and LESSEE have executed this SECOND AMENDMENT the 16th day of September, 1992 to be effective when submitted by LESSOR to Federal Maritime Commission and accepted by the Commission for filing under the Shipping Act of 1984.

STATE OF HAWAII

By [Signature]
Its Director of
Transportation

Name Typed Alvin Pang

APPROVED AS TO FORM:

[Signature]
Deputy Attorney General
Name Typed Winfred K.T. Pong

MATSON TERMINALS, INC.

By [Signature]
Its Vice President

Name Typed Thomas A. Marnane

By _____
Its _____

Name Typed _____

APPROVED:

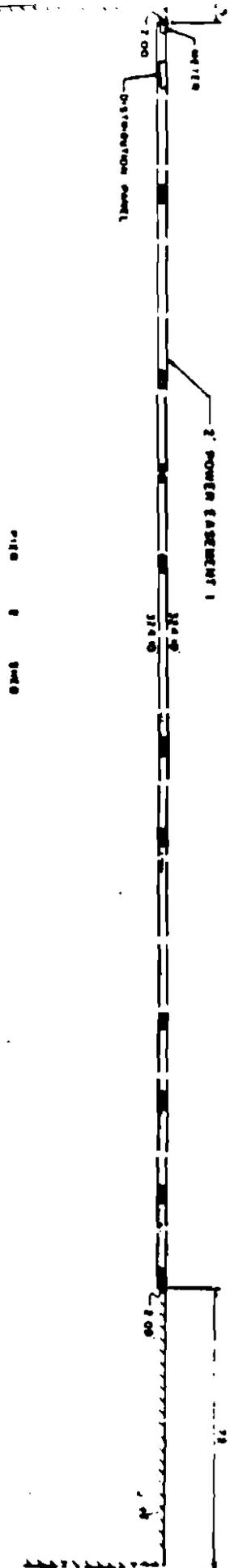
BOARD OF LAND AND NATURAL RESOURCES

By [Signature]
Its Chairman and Member
Name Typed _____

Approved by the Board
at its meeting held on
3-13-92, J-8

[Signature]

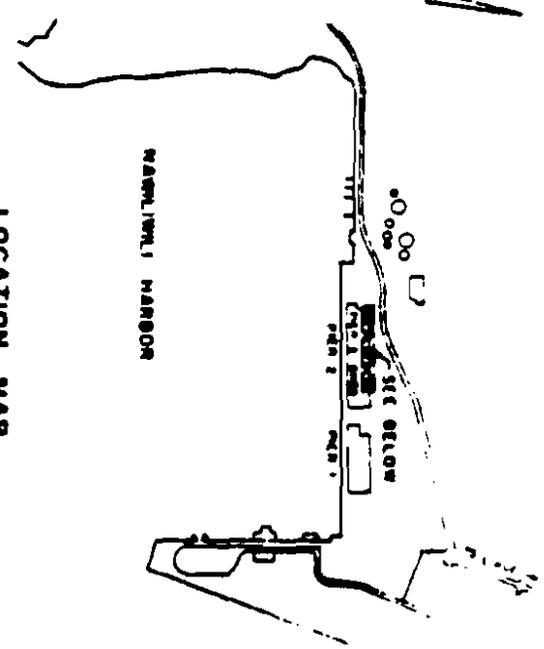
TRUE NORTH
SCALE 1"=20'



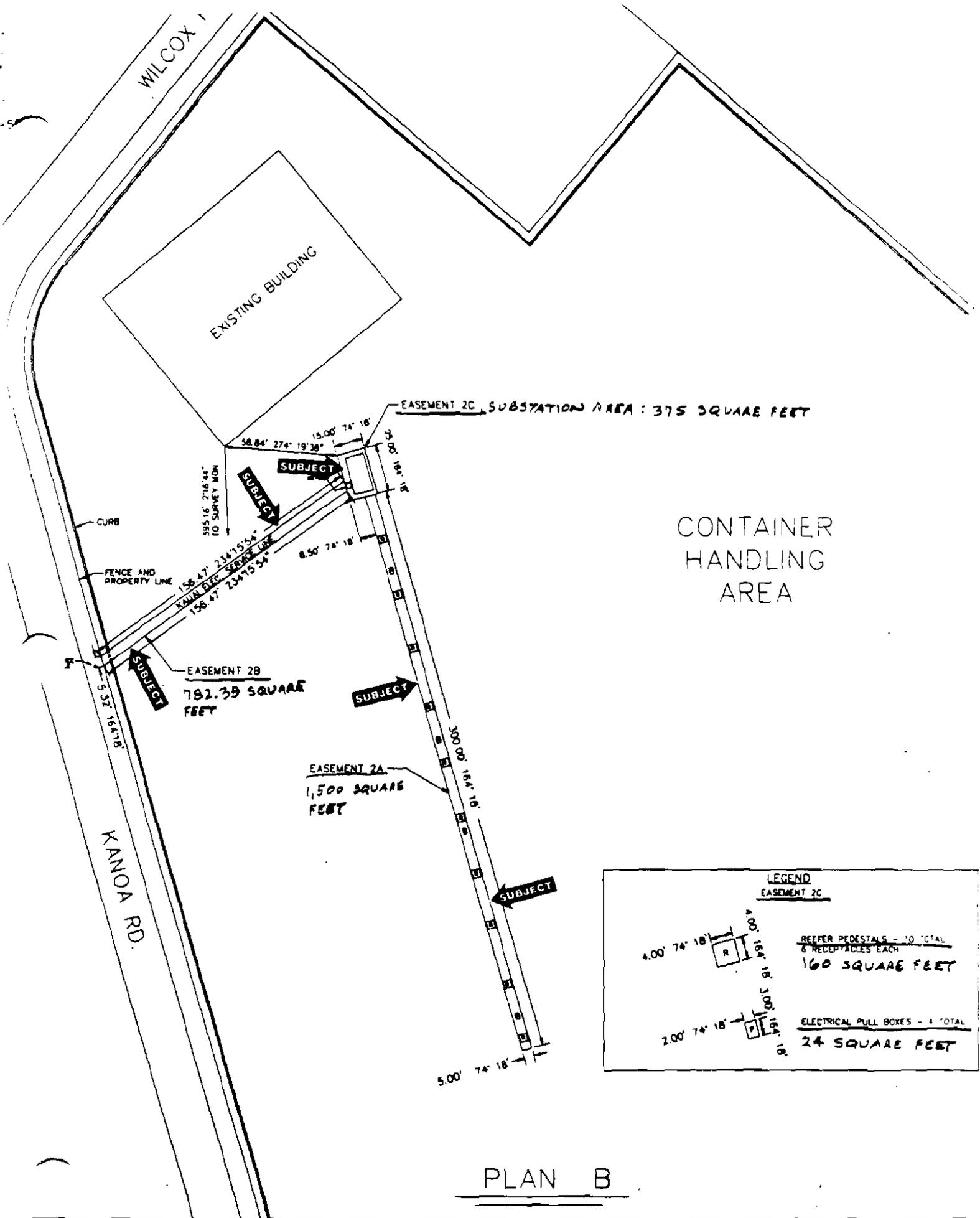
100' 3140' 3140' 200'

TRUE NORTH

LOCATION MAP
MTS



PLAN "A"



PLAN B

MONUMENT: STREET SURVEY MONUMENT
 LOCATED AT THE SOUTH EAST CORNER OF KANOA RD.
 AT INTERSECTION WITH WAAPA RD.
 B.M. ELEV. 6.38
 STAMPED "NAWILIWILI"

NAWILIWILI CONTAINER
 ELECTRICAL REEFER SERV