SURFRIDER-ROYAL HAWAIIAN SECTOR BEACH AGREEMENT

THIS AGREEMENT, made as of the 28th day of May, 1965, by and between the STATE OF HAWAII, herein called the "State", and the undersigned owners of interests in land abutting Waikiki Beach in Honolulu, Hawaii, herein called the "Owners",

WITNESSETH THAT:

WHEREAS, the parties hereto, or their predecessors in title and other property owners, by the Waikiki Beach Reclamation Main Agreement, recorded in the Hawaii Bureau of Conveyances in Book 1034, Page 11, and also recorded in Book 1047, Page 176, the Supplementary Agreement recorded in Book 1045, Page 141, and the Bishop Estate Agreement, recorded in Book 1045, Page 131, created a public easement for a bathing beach and foot passage along Waikiki Beach, including a portion thereof extending from the southern boundary of the Surfrider Hotel to the northern boundary of the Royal Hawaiian Hotel (herein called the "Surfrider-Royal Hawaiian Sector") and lying within 75 feet shoreward of mean highwater mark along said beach as it may exist from time to time and seaward of Line A, described in Exhibit A and shown on
Exhibit B attached hereto and made parts hereof; and

WHEREAS, the parties hereto desire to promote and facilitate the improvement of Waikiki Beach as proposed by the U. S. Army Engineer District, Honolulu, in its Cooperative Beach Erosion Control Study dated 9 August 1963 (herein called the "Cooperative Project"), seaward of Line B as described in Exhibit A and shown on Exhibit B, and to provide for better maintenance and control of said beach; and

WHEREAS, by the terms of Item 3(c), Section 1B, Act 201, S.L.H. 1963, as amended by Act 31, S.L.H. 1964, any improvements to the Kuhio Beach section of Waikiki Beach as provided by such Act, as amended, must be held in abeyance until the owners of at least two-thirds of the property along Waikiki Beach in the SurfRider-Royal Hawaiian Sector have entered into an agreement with the State to so fix the boundaries of their private properties along said beach that no accretion to private land along said beach shall accrue thenceforth,

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

1. The State will use its best efforts to construct the beach seaward of Line B in the SurfRider-Royal Hawaiian Sector substantially in accordance with the Cooperative Project.

2. The Owners hereby approve and consent to the improvement of Waikiki Beach substantially in accordance with the Cooperative Project and the maintenance, preservation and restoration thereof as may be necessary from time
to time, and in furtherance thereof agree to abstain from
raising or making any protest, objection or complaint, in
court or otherwise, against such improvement.

3. The Owners will release and quitclaim to the
State forever all of their respective estate, right, title
and interest, including littoral rights, in and to the
SurfRider-Royal Hawaiian Sector of Waikiki Beach now or
from time to time hereafter existing seaward of Line B,
whether created by construction or otherwise, reserving to
the Owners the right for themselves, their assigns, employees,
officers, guests and all persons under them of full and free
access between their respective abutting lands and the sea
across said beach and to use said beach for a bathing beach
and foot passage.

4. The State will not erect, place or suffer in
the SurfRider-Royal Hawaiian Sector of Waikiki Beach seaward
of Line B any fence, wall, building, wharf, structure, road,
walkway, machine or other obstruction of any kind, except
such as may be necessary to be used in connection with such
improvement, maintenance, preservation or restoration and
except not more than two (2) lifeguard towers. The State
will consult the Owners regarding the location of retaining
walls, groins, lifeguard towers and other structures before
the construction thereof. Upon completion or abandonment
of such work the State will remove all obstructions except
such retaining walls, groins or other structures as may be
necessary for the preservation of that part of the beach
which has been constructed, which shall be as low as
possible consistent with reasonable engineering requirements,
and such lifeguard towers, and subject to the above exceptions will forever thereafter keep said beach free and clear of obstructions and open for use of the public for bathing beach and foot passage. The State will protect and preserve all existing beach between Lines A and B from any diminution whatsoever as a result of any work in connection with the Cooperative Project and specifically will not remove the groin now situated near the north end of the SurfRider-Royal Hawaiian Sector without first constructing a replacement groin at or near the same location substantially in accordance with the Cooperative Project.

5. The State will release and quitclaim to the respective Owners, their heirs, successors and assigns, forever, severally in proportion to their respective frontages along Line A, as shown on Exhibit B hereof, contemporaneously with the Owners' conveyance to the State provided in paragraph 3 hereof, all the estate, right, title and interest of the State in and to all the land of the SurfRider-Royal Hawaiian Sector of Waikiki Beach between Lines A and B, as described in Exhibit A and shown on Exhibit B; PROVIDED, HOWEVER, that said land between Lines A and B shall remain subject to the public easement and all the terms and conditions thereof provided by the Waikiki Beach Reclamation Main Agreement recorded in the Hawaii Bureau of Conveyances in Book 1034, Page 11, and also recorded in Book 1047, Page 176, and the Bishop Estate Agreement, recorded in Book 1045, Page 131, as modified herein, until a beach at least seventy-five (75) feet wide shall have been created seaward of Line B along its entire length, in the SurfRider-Royal Hawaiian
Sector, whereupon said easement shall terminate.

6. The Owners will at their own expense, concurrently with the State's construction of beach seaward of Line B, bring their respective areas of beach between Lines A and B up to the finished grade of and equivalent in quality to the beach constructed seaward of Line B. The Owners will not at any time in the Surfrider-Royal Hawaiian Sector of Waikiki Beach between Lines A and B erect or place any building or other structure of any kind, except fences or hedges for the purpose of marking the boundaries of their respective lands.

7. No beach, island or other land or structure whatsoever shall be constructed or permitted to extend in excess of two hundred twenty (220) feet seaward from Line B in the Surfrider-Royal Hawaiian Sector of Waikiki Beach, except for groins required by the Cooperative Project. The State will take all reasonable measures to prevent or remove any such excess beach or land, subject to the availability of funds therefor, and in case of its failure to do so diligently, the Owners or any of them affected thereby may take any such measures and retain or dispose of any material removed.

8. The State will at all times hereafter maintain and keep all of the public beach in the Surfrider-Royal Hawaiian Sector of Waikiki Beach, including all beach seaward of Line B and also the area between Lines A and B subject to public easement while so subject, in a neat and sanitary condition, subject to the availability of funds, and, to the extent permitted by law, policed adequately to assure its
fullest use by the public for a bathing beach and foot passage.

9. The State will not conduct or permit any commercial activity of any kind on the public beach in the Surfrider-Royal Hawaiian Sector of Waikiki Beach, including all beach seaward of Line B and also the area between Lines A and B subject to public easement while so subject. The Owners will not conduct or permit any commercial activity of any kind on the area between Lines A and B subject to public easement while so subject.

10. This Agreement shall be deemed a severable and not joint agreement between the State and the respective Owners, may be executed in two or more counterparts, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns, and shall not become effective for any purpose unless within one year from the date hereof (a) this Agreement shall be duly executed by the State, with the approval of its Governor, and Owners for the time being owning all legal title and interest in the abutting land along at least two-thirds of Line A, and (b) the State shall be duly authorized to make its conveyances herein provided for. Upon becoming effective this Agreement shall then supersede said Waikiki Beach Reclamation Agreements as to the Surfrider-Royal Hawaiian Sector of Waikiki Beach.

IN WITNESS WHEREOF, the parties hereto have caused
this instrument to be duly executed the day and year first above written.

STATE OF HAWAII

By: [Signature]
Chairman and Member
Board of Land and Natural Resources

And By: [Signature]
Member
Board of Land and Natural Resources

KOKUSAI KOGYO KABUSHIKI KAISHA, a Japan Corporation

By: [Signature]
RYO NAGASAWA
Executive Director
KOKUSAI KOGYO CO., LTD.

HAWAIIAN TRUST COMPANY, LIMITED, as Trustee under the Will and of the Estate of Emily Catharine Judd, deceased, and not individually

By: [Signature]
VICE-PRESIDENT

By: [Signature]
ASSISTANT SECRETARY

EMILY WRIGHT BURKE

HELEN JUDD MASSEY

WILLIAM PORTZMAN MASSEY, JR.

RUTH FARLEY MASSEY

APPROVED AS TO FORM
1 - 3, 1965
By: [Signature]

-7
THE QUEEN'S HOSPITAL

By: E. E. Neele
   Its President

By: K. A. Neele
   Its Secretary

APPROVED AS TO FORM
ROBERTSON, CASTLE & ANTHONY
By: ____________

TRUSTEES UNDER THE WILL AND OF
THE ESTATE OF BERNICE PUAHIE
BISHOP, DECEASED
On this 15th day of July, 1965, before me appeared Ryo Nagasawa, personally known, who, being by me duly sworn, did say that he is the Executive Director of Kokusai Kogyo Kabushiki Kaisha, a Japan corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said Ryo Nagasawa acknowledged said instrument to be the free act and deed of said corporation.

Louis A. Galli
Consul of the United States of America
Notary Public, First Judicial Circuit, State of Hawaii

My Commission expires:
On this 7th day of June, 1965, before me appeared K. R. Nurse and R. W. Davis, to me personally known, who, being by me duly sworn, did say that they are the Vice-President and Assistant Secretary, respectively, of HAWAIIAN TRUST COMPANY, LIMITED, a Hawaii corporation, Trustee under the Will and of the Estate of Emily Catharine Judd, deceased; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said K. R. Nurse and R. W. Davis acknowledged that they executed the same as the free act and deed of said corporation as such Trustee.

[Signature]
Notary Public, First Judicial Circuit, State of Hawaii,
My Commission expires: 12-9-17

[Seal]
STATE OF Virginia } ss.
COUNTY OF Frederick }

On this 25th day of June, 1965,
before me personally appeared HELEN JUDY MASSEY, to me known to
be the person described in and who executed the foregoing
instrument and acknowledged that she executed the same as her
free act and deed.

[Signature]
Notary Public
My Commission Expires July 14, 1968
STATE OF VIRGINIA}   SS.
COUNTY OF FREDERICK}

On this 25th day of JUNE, 1965, before me personally appeared RUTH FARLEY MASSEY, to me known to be the person described in and who executed the foregoing instrument and acknowledged that she executed the same as her free act and deed.

[Signature]
Notary Public

STATE OF HAWAII}   SS.
CITY AND COUNTY OF HONOLULU}

On this 8th day of JULY, 1965, before me appeared E. E. BLACK and K. R. NURSE, to me personally known, who, being by me duly sworn, did say that they are the PRESIDENT and SECRETARY, respectively, of THE QUEEN'S HOSPITAL, an eleemosynary corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the foregoing instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said E. E. BLACK and K. R. NURSE acknowledged the foregoing instrument to be the free act and deed of said corporation.

[Signature]
Notary Public, First Judicial Circuit, State of Hawaii

My Commission expires: 12-3-67
On this 31st day of August, 1965,
before me personally appeared

Edwin P. Murray

Frank E. Midkiff

Richard Lyman, Jr.

Trustees under the Will and of the Estate of Bernice Pauahi Bishop, deceased, to me known to be the persons described in
and who severally executed the foregoing instrument and
severally acknowledged that they executed the same as their
free act and deed as such Trustees.

Elvern Black
Notary Public, First Judicial
Circuit, State of Hawaii

My Commission expires: MAR 31 1969
LINE A. Beginning at a "+" cut on top of seawall at the west end of this line, being the southeast corner of Lot A, as shown on Map 2 of Land Court Application 1316, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LEAH" being 6125.86 feet North and 6105.36 feet West, thence running by azimuths measured clockwise from True South:—

1. 268° 12' 97.45 feet along R.P. 2560, L.C.Aw. 1445, Apana 1 to Kanemakua;
2. 170° 45' 5.50 feet along R.P. 2560, L.C.Aw. 1445, Apana 1 to Kanemakua;
3. 261° 19' 233.06 feet along R.P. 2560, L.C.Aw. 1445, Apana 1 to Kanemakua;
4. 271° 16' 109.04 feet along R.P. 2560, L.C.Aw. 1445, Apana 1 to Kanemakua and along Lot 3, as shown on Map 1 of Land Court Consolidation 14;
5. 275° 25' 152.50 feet along Lot 3, as shown on Map 1 of Land Court Consolidation 14 and along Lot 4, as shown on Map 2 of Land Court Consolidation 12;
6. 287° 47' 131.90 feet along Lot 4, as shown on Map 2 of Land Court Consolidation 12 and along Lot D, as shown on Map 2 of Land Court Application 1071;
7. 297° 32' 141.50 feet along Lot D, as shown on Map 2 of Land Court Application 1071 and along Lot A, as shown on Map 1 of Land Court Application 1677;
8. 310° 17' 61.80 feet along Lot A, as shown on Map 1 of Land Court Application 1677;
9. 291° 29' 88.92 feet along Lot A, as shown on Map 1 of Land Court Application 1677;
10. 293° 38' 66.50 feet along Lot A, as shown on Map 1 of Land Court Application 1677;
11. 302° 30' 10.29 feet along Lot A, as shown on Map 1 of Land Court Application 1677;
12. 301° 38' 187.26 feet along Lot B, as shown on Map 3, Lot A-2, as shown on Map 4 and Lots A-1-A and A-1-B, as shown on Map 5, all of Land Court Application 1274, to a brass pin in concrete at the easterly end of said Line A, being the south corner of Lot A-1-B and the west corner of Lot A-1-C, as shown on Map 5 of said Land Court Application 1274.

LINE B. Situate at Waikiki, Honolulu, Oahu, Hawaii.

Beginning at the west end of this line, the true azimuth and distance to the southeast corner of Lot A, as shown on Map 2 of Land Court Application 1316 being 186° 30' 75.41 feet and the coordinates of said point of beginning referred to Government Survey Triangulation Station "LEAHI" being 6050.93 feet North and 6113.90 feet West, thence running by azimuths measured clockwise from True South:

1. 266° 29' 30" 117.69 feet;
2. 260° 45' 225.78 feet;
3. 271° 16' 99.79 feet;
4. 275° 25' 141.66 feet;
5. 287° 47' 63.37 feet;
6. 287° 19' 30" 16.15 feet;
7. 287° 30' 70.00 feet;
8. 294° 17' 74.65 feet;
9. 297° 50' 126.32 feet;
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<tr>
<td>12</td>
<td>301° 45'</td>
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The true azimuth and distance, to a brass pin in concrete at the south corner of Lot A-1-B and the west corner of Lot A-1-C, as shown on Map 5 of Land Court Application 1274 being 224° 57' 30'' 55.10 feet.