



September 29, 2010

West Indian Company
Attention: Edward Thomas
P.O. Box 7660
St. Thomas, USVI 00801

Dear Ed,

I appreciate the time you spent last week with Tom Mukamal and Eric Toth to discuss the ongoing challenges at Yacht Haven Grande. I understand from Tom that the meeting was productive, and I am looking forward to seeing the prompt implementation of some much needed changes which should result in a positive long term benefit for Yacht Haven Grande, WICO and the Havensight Mall. For your reference I have summarized these changes as I understand them from Tom.

1. **New Signage** – WICO has executed a letter pursuant to which it has agreed to allow Yacht Haven Grande to erect directional signage along the WICO cruise ship dock. This signage will include directions to Downtown and the Yacht Haven Grande and Havensight shops. This signage will be ordered by the end of this week and we expect to have it installed by November 1, 2010.

Ultimately, Yacht Haven Grande would like its signage integrated throughout the Havensight Mall and would similarly integrate signage for the Havensight Mall at Yacht Haven Grande. This should be done in conjunction with a thorough review of the security requirements for the cruise ship dock, and, after such review, a plan should be developed and implemented to more strategically link Yacht Haven Grande, Havensight Mall and Port of Sale by repositioning certain gates. This will allow cruise ship passengers and guests a far more inviting and friendly experience as well as access to an integrated shopping area where visitors to St. Thomas can more easily access the experience of shopping in three very distinct retail destinations.

2. **Trolley Cart** – WICO has agreed to allow Yacht Haven Grande to operate a trolley cart from the cruise ship terminal into Yacht Haven Grande. Yacht Haven Grande will purchase and operate the trolley cart and will present you with a proposed route path by the end of this week. We anticipate that this cart will be delivered in time for the 2010/2011 season.

Pick up of passengers at Havensight Mall for transport to Yacht Haven Grande and back should occur at the same location that the Havensight Trolley currently picks up passengers i.e. where the bulk of the cruise ship passengers disembark. Of course we will need to ensure that the parties quickly prepare and execute appropriate documentation such that, in making this capital investment, Yacht Haven Grande can be assured of long term access to bring shoppers into and out of the Havensight area. Tom and Eric are prepared to work diligently to ensure that this is properly memorialized.

Island Global Yachting
717 Fifth Avenue, 18th Floor, New York, NY 10022, USA



3. **Sugarmill Area (East Gate)** – Yacht Haven Grande has noted your objection to a permanent easement allowing it to operate in the area by the East Gate and the Sugarmill. I understand that you, Tom and Eric have agreed that Yacht Haven Grande will operate in that area on an interim basis and that you have agreed to communicate directly with Tom and/or Eric in the event you have specific concerns regarding the scope of such operations.

An agreement for long term access to this area is a key element to drawing shoppers into the Yacht Haven Grande mall and the future success of its local and national and international retail tenants (many of whom we fear may terminate their leases in 2011 absent some meaningful changes). Ideally, as I believe Tom has mentioned, we would like to introduce into this area some of the colorful Kiosks (either on a fee sharing basis with WICO or complimentary to local merchants and performers) already inside Yacht Haven Grande and/or allow some local small businesses or concessionaires, tour operators and artists access to operate in this area. Generating this activity in the area which links all of the local malls is important to offering locals and visitors to St. Thomas an integrated experience of the entire shopping/dining area and could be a great way to showcase local art and culture.

4. **Rent Reduction** – Yacht Haven Grande has requested an immediate rent reduction of at least 50%. This reduction reflects the severe ongoing challenges at the retail component of the site and a general revaluation of retail and commercial rents on the island. Tom has advised me that WICO has agreed to respond formally to this request no later than the third week of October.

Thank you in advance for your support of the Yacht Haven Grande project. I look forward to some measurable success this upcoming season.

Sincerely,



Andrew L. Parkas
Chairman

Cc: Frank Garrison
Tom Mukamal
Eric Toth