

**ADDENDUM NO. ONE TO
LEASE GRANTING THE EXCLUSIVE PRIVILEGE
OF HARVESTING KELP AT KELP BED NO. 214**

This Addendum No. One is attached to and made a part of that certain Lease Granting the Exclusive Privilege of Harvesting Kelp at Kelp Bed No 214 dated as of May 13, 2006 by and between The Nature Conservancy, a District of Columbia non-profit corporation, as Lessee, and the California Fish and Game Commission, as Lessor.

The Parties agree that Lessee shall be entitled to prorate its annual rent for the period of January 1, 2008 through May 13, 2008, or, if Lessee gives notice of renewal in accordance with Paragraph 6, the Parties may negotiate for incorporation of such prorated rent into the rent due for calendar year 2008 under the terms of the lease renewal.

Notwithstanding anything to the contrary in Paragraph 9, Lessor agrees that to the extent that activities in Kelp Bed 214 are carried out by the any of (i) the Regents of the University of California (the "University") and/or any subsidiary, division, or owned or controlled entity of the University, (ii) the University's employees for acts within the scope of their employment by the University or (iii) any voluntary worker of the University when acting within the scope of his or her duties as such and under the direct supervision of a University employee, the insurance obligations of this Paragraph 9 shall be satisfied from the self insurance program maintained by the University, a description of which is attached to this Addendum No. One as Attachment One.