

PERMIT TERMINATION AND MUTUAL RELEASE AGREEMENT

THIS PERMIT TERMINATION AND MUTUAL RELEASE AGREEMENT

("Agreement") is by and between TRI UNION SEAFOODS, LLC, a California limited liability company dba Chicken of the Sea International (herein, "COSI") on the one hand, and the City of Los Angeles ("CITY"), acting through its Board of Harbor Commissioners ("BOARD"), on the other hand, and is dated September ____, 2011 for reference.

RECITALS

A. WHEREAS, on or about March 21, 1997, CITY and COSI's predecessor-in-interest, Tri-Union International, LLC, entered into Permit No. 777 ("Permit") (Board of Harbor Commissioners Order No. 6497) for use of certain premises ("Premises) located in the Port of Los Angeles, as more particularly described in the Permit, for the construction, operation and maintenance of a fish and pet food processing facility and a fish and pet food canning facility and for purposes related thereto;

B. WHEREAS, on or about January 27, 1999, the BOARD approved a transfer of the grant of control of the Permit¹ from Tri-Union International, LLC to Tri-Union Seafoods, LLC dba Chicken of the Sea International [COSI] (Board of Harbor Commissioners Order No. 6643) due to the merger of Tri-Union International, LLC into Tri-Union Seafoods, LLC. The approval was conditioned upon (i) Tri-Union Seafoods, LLC providing joint and several guarantees from Tri-Marine International, Inc., Thai Union Frozen Products Public Company Limited, and the Edward A. Gann Trust udt 9/14/92 (collectively, "Guarantors") to replace the corporate guarantee previously provided by Tri-Marine International, Inc. and Thai Union Frozen Products Public Company, Limited with such guarantees approved by the Chief Financial Officer and the Office of the City Attorney; and (ii) the filing of the document recorded with the California

¹ The Order also included the approval of the grant of control of Permit No. 783.

Secretary of State merging Tri-Union International, LLC with Tri-Union Seafoods, LLC with the Secretary of the BOARD.

C. WHEREAS, the Permit expired by its terms on April 30, 2006 and COSI continued its tenancy and possession of the Premises on a month-to-month holdover basis;

D. WHEREAS, COSI has shut down its operations at the Premises and desires to terminate its tenancy and its obligations under the Permit. Whereas, COSI is obligated under the terms of the Permit to, among other things, remove, at its sole cost and expense, all works, structures and improvements on the Premises and restore and remediate the Premises, as more particularly provided in Section 8(b) of the Permit. Whereas, CITY has agreed to accept the Premises without the required demolition, restoration and remediation required under the Permit by COSI in exchange for a payment by COSI of the Restoration Fee, as defined and more particularly described in the Agreement (Section 1) below.

E. WHEREAS, CITY and COSI desire to enter into this Agreement to document (1) the termination of the Permit and COSI's tenancy and occupation of the Premises, (2) the agreement of CITY and COSI regarding the restoration and remediation of the Premises, and (3) the release of the parties' respective obligations under the Permit, on the following terms and conditions.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, CITY and COSI agree as follows:

1. RESTORATION FEE: Concurrently with the delivery by COSI of the fully executed original(s) of this Agreement, COSI shall deliver to CITY payment in the amount of One Million Two Hundred Twenty-Four Thousand One Hundred Seventy-Two Dollars (\$1,224,172) ("Restoration Fee") which represents City's estimated cost for demolition, restoration and remediation of the Premises including all improvements in,

on and about the Premises as required by Section 8(b)(1) of the Permit, after applying a credit in the amount of Three Hundred Twelve Thousand Six Hundred Twenty-Eight Dollars (\$312,628) ("Restoration and Remediation Fund Deposit") from the restoration and remediation fund (as described in Section 8(e)(2) of the Permit) that City has on account in connection with the Permit. COSI's payment of the Restoration Fee shall be in full and complete satisfaction of all obligations of COSI under the Permit and/or with respect to the Premises irrespective of whether the actual, ultimate cost of demolishing, restoring and remediating the Premises is greater or less than the amount of the Restoration Fee. CITY and COSI each acknowledges and agrees that there will be no accountings, refunds, requests for additional funds, and/or further action regarding the Restoration Fee after payment is made.

1(a) The Restoration and Remediation Fund Deposit was paid by the original tenant and Cosi's predecessor-in-interest Tri-Union International, LLC. COSI has represented it has the full right, power and authority as the successor tenant to receive the credit for the Restoration and Remediation Fund Deposit. In the event any person and/or entity pursues a claim against CITY for the return of the Restoration and Remediation Fund Deposit, COSI shall defend, indemnify and hold harmless CITY from and against all costs, claims, causes of action, expenses, judgments and/or damages of any kind including attorney's fees and expert's fees incurred by the CITY in connection with COSI's receipt of the credit of the Restoration and Remediation Fund Deposit.

1(b) CITY acknowledges that it has on account a rent deposit ("Rent Deposit") in the amount of Fifty-Six Thousand One Hundred Fourteen Dollars (\$56,114) that was previously paid by COSI's predecessor-in-interest, Tri-Union International, LLC, to CITY when it entered into to the Permit (Permit Section 4(2)). Within a commercially reasonable period following the Termination Date (defined below), CITY shall return to COSI the full amount of the Rent Deposit.

2. TERMINATION DATE: The parties acknowledge that this Agreement and each of its terms and conditions is subject to the approvals of the BOARD, and any

other CITY approvals, as needed, which must occur as a condition to the effectiveness of this Agreement. When this Agreement is fully approved by CITY and any and all other obligations under this Agreement have been completed including but not limited to the payment of the Restoration Fee to CITY, the Permit and COSI's tenancy and occupancy of the Premises will be deemed terminated ("Termination Date"). COSI's obligation to pay monthly compensation to CITY under the PERMIT shall continue through August 31, 2011.

3. COSI'S RELEASE. COSI (including all of its officers, employees, directors, members, Guarantors, directors, representatives, agents, departments, subsidiaries and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by, through, under or in concert with any of the foregoing) forever releases and discharges CITY including CITY'S former, present and future boards, elected and appointed officials, employees, officers, directors, representatives, agents, departments, subsidiaries and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by, through, under or in concert with any of the foregoing, from any and all obligations arising under or out of the Permit and the Premises.

4. CITY'S RELEASE. CITY (including CITY'S former, present and future boards, elected and appointed officials, employees, officers, directors, representatives, agents, departments, subsidiaries and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by, through, under or in concert with any of the foregoing) forever releases and discharges COSI (including all of its officers, employees, directors, members, Guarantors, directors, representatives, agents, departments, subsidiaries and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by, through, under or in concert with any of the foregoing) from any and all obligations arising under or out of the Permit and the Premises.

5. WAIVER OF SECTION 1542. There is a risk that, subsequent to the execution of this Agreement, a party hereto will discover, incur or suffer loss, damages or injuries which are in some way related to the matters released but which are unknown or unanticipated at the time that this Agreement is executed. Each party hereby assumes this risk and understands that this Agreement shall apply to all unknown or unanticipated losses or damages related to the matters released above as well as those known and anticipated. Each party hereby expressly waives section 1542 of the California Civil Code which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Each party understands and acknowledges the significance and consequence of this specific waiver of section 1542. Having the opportunity to consult with legal counsel, each party expressly waives and relinquishes any and all rights and benefits which it, he or she may have under section 1542 of the Civil Code to the full extent that such rights and benefits may be lawfully waived pertaining to the subject matter of this Agreement.

6. COSI represents and warrants to CITY that (a) it has not at any time assigned or transferred, or purported to assign or transfer the Permit or any rights as to the Premises or any rights arising under the Permit or the Premises and will not do so; (b) there are no liens or third-party rights as to the Premises and/or the Permit and/or any personal property or fixtures in the Premises including without any limitations any pipelines serving or being served by the Premises; (c) it has the full right, power and specific authority to enter into, execute and consummate this Agreement; and (d) the entities and/or individuals executing this Agreement on behalf of COSI have the full right and authority to do so.

7. By the Termination Date, COSI shall (i) leave the Premises in clean condition as determined by City in its reasonable discretion; (ii) release any and all liens, interests and encumbrances, held by it or any party, in and to any and all fixtures, equipment, improvements and/or personal property in, on or about the Premises; and (iii) if not already in the possession of CITY, turn over complete copies of any and all environmental studies, remediation plans and/or remediation cost estimates for the Premises (whether in final or draft form). Any and all personal property, fixtures, equipment, and/or improvements of any kind left in, on or about the Premises on the Termination Date are subject to disposal, demolition or destruction by City without further notice. In the event any holders of liens or other encumbrances or interests in any personal property, fixtures, equipments, or improvements in, on or about the Premises, pursue claims or causes of action against CITY, COSI shall defend, indemnify and hold harmless CITY from and against all costs, claims, causes of action, expenses, judgments and/or damages of any kind including attorney's fees and expert's fees ("Claims") incurred by the CITY as a result of such Claims..

8. CONSTRUCTION OF AGREEMENT. This Agreement shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this Agreement and it shall be deemed their joint work product; each and every provision of this Agreement shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

9. TITLES AND CAPTIONS. Any and all section titles in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of the parties in including any particular provision in this Agreement.

10. ADVICE OF COUNSEL AND VOLUNTARY EXECUTION. Each party has

freely and voluntarily read and executed this Agreement and acknowledges that it fully understands the meaning, effect, significance and consequences thereof. Each party has had the opportunity to consult with counsel prior to executing this Agreement.

11. PERFORMANCE OF ADDITIONAL ACTS. Each party agrees that it shall execute and deliver any and all documents and perform any and all acts required on its part or those which may be reasonably necessary to effectuate and complete and facilitate the provisions of this Agreement.

12. NOTICES. The parties shall send all notices or other communication necessary under this Agreement in writing by personal service or express mail, Federal Express, DHL, UPS or any other similar form of airborne/overnight delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, addressed to the parties at their respective addresses as follows:

If to COSI:

Tri-Union Seafoods, LLC
dba Chicken of the Sea International
9330 Scranton Road, Suite 500
San Diego, CA 92121
Attention: Shue Wing Chan

With a copy to:

Tri-Union Seafoods, LLC
dba Chicken of the Sea International
9330 Scranton Road, Suite 500
San Diego, CA 92121
Attention: John Barker

If to CITY:

Port of Los Angeles
425 South Palos Verdes Street
San Pedro, California 90731
Attn: Real Estate Division

with a copy to:

Los Angeles City Attorney's Office
425 South Palos Verdes Street
San Pedro, California 90731
Attn: Estelle M. Braaf, Deputy

Any such notice shall be deemed to have been given upon delivery or two business days after deposit in the mail as aforesaid. Either party may change the address at which it desires to receive notice upon given written notice of such request to the other parties.

13. MODIFICATION IN WRITING. This Agreement may be modified only by written agreement of all parties. Any such modifications are subject to all applicable approval processes set forth in the Los Angeles City Charter, the Los Angeles City Administrative Code, or elsewhere.

14. WAIVER. A failure of any party to this Agreement to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

15. GOVERNING LAW. This Agreement is made and entered into in the State of California and shall in all respects be construed, interpreted, enforced and governed under and by the laws of the State of California, without reference to choice of law rules.

16. SEVERABILITY. Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition or provision shall be treated as follows: (a) if such part, term, condition

or provision is immaterial to this Agreement, then such part, term, condition or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition or provision is material to this Agreement, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

17. TIME IS OF THE ESSENCE. Time shall be of the essence as to all dates and times of performance, and obligations set forth herein, whether or not a specific date is contained herein. If performance is required by the terms hereof on a Saturday, Sunday or legal holiday in California, the performance shall be made on the next business day.

18. MEDIATION. The parties agree to use best efforts to cooperate with each other and to resolve any disputes that arise as quickly and efficiently as possible. The parties will first attempt to resolve disputes informally without the assistance of a third party. If the parties are unable to resolve a dispute through discussion or negotiation, the parties shall, as a condition precedent to further remedies at law or equity, first submit the dispute to an experienced mediator who shall be selected by and reasonably acceptable to each party. The parties shall agree upon the mediator not less than ten business (10) days after delivery of a written notice by one party to another demanding mediation. The mediator shall have at least five (5) years experience mediating disputes involving facilities similar to the Premises. All mediation conducted pursuant to this paragraph shall be conducted in Los Angeles County, California. Each party shall bear its own costs of participating in mediation and shall share equally the reasonable costs of the mediator. If the parties involved in the mediation are unable to agree upon a mediator within the above-referenced 10-day period, or if the mediator is selected but the parties, negotiating in good faith, are unable to resolve and settle the dispute within thirty (30) calendar days after the dispute is first submitted to the mediator, then either party may terminate the mediation and pursue other remedies.

19. ATTORNEY'S FEES. In any legal action, or other proceeding brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to

"reasonable attorneys' fees" and any other costs and expenses, including, but not limited to, expert fees, incurred in that proceeding in addition to any other relief to which it is entitled. The "reasonable attorneys' fees" awarded under this paragraph shall be determined as the lesser of (1) calculating the hours reasonably expended by each counsel for the prevailing party multiplied by the prevailing market hourly rate in Los Angeles County for attorneys of comparable skill and experience and (2) attorney fees reasonably expended by the prevailing party.

20. ENFORCEMENT OF AGREEMENT. Nothing contained herein, including, but not limited to, provisions relating to releases or waiver of provisions of section 1542 of the Civil Code, is intended to, or shall, affect or limit any party's right to enforce any provision of this Agreement. This Agreement is admissible in any judicial proceeding to enforce its terms despite any confidentiality provisions contained herein.

21. JURISDICTION. The parties hereto consent to the jurisdiction of the State of California, County of Los Angeles, for the enforcement of this Agreement.

22. INTEGRATED AGREEMENT. This Agreement contains the entire understanding and agreement between the parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this Agreement by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the AGREEMENT. **THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

23. CONFLICT BETWEEN THIS AGREEMENT AND THE PERMIT. In the event that a conflict exists between this Agreement and the Permit, the terms of this Agreement shall control.

24. EXECUTION IN COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one agreement to be effective on the date first above written.

25. CITY'S DISCLOSURE OBLIGATIONS. COSI acknowledges that CITY is subject to laws, rules and/or regulations generally requiring it to disclose records upon request, which laws, rules and/or regulations include but are not limited to the California Public Records Act (California Government Code sections 6250 et seq) ("Disclosure Laws"). COSI further acknowledges CITY's obligation and intent to comply with such Disclosure Laws in all respects. Notwithstanding the foregoing, in the event that CITY receives a request for disclosure of records prepared in connection with this settlement, CITY will notify COSI in writing, enclosing a copy of such request, at which point COSI may take whatever steps deemed appropriate, including but not limited to seeking a protective or other order excusing disclosure from a court of competent jurisdiction. In the absence of such an order from a court of competent jurisdiction excusing CITY from its disclosure obligations, CITY shall undertake whatever action is necessary to comply with the requirements imposed by the applicable Disclosure Law(s). In the event that any action is filed by COSI and/or by any requester of information where COSI elects to challenge any disclosure, and CITY is named as a party to that action, COSI agrees to defend and hold CITY and CITY's former, present and future boards, elected and appointed officials, employees, officers, directors, representatives, agents, departments, subsidiary and affiliated entities, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by,

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through, under or in concert with any of the foregoing harmless from any and all defense costs or judgments or settlements in any such action.

IN WITNESS WHEREOF, this Agreement is executed on the date first above written.

THE CITY OF LOS ANGELES,
by its Board of Harbor Commissioners

Dated: _____, 2011

By: _____
Executive Director

Attest: _____
Secretary

TRI-UNION SEAFOODS, LLC, a
California limited liability company
dba Chicken of the Sea International

Dated: Sept. 1, 2011

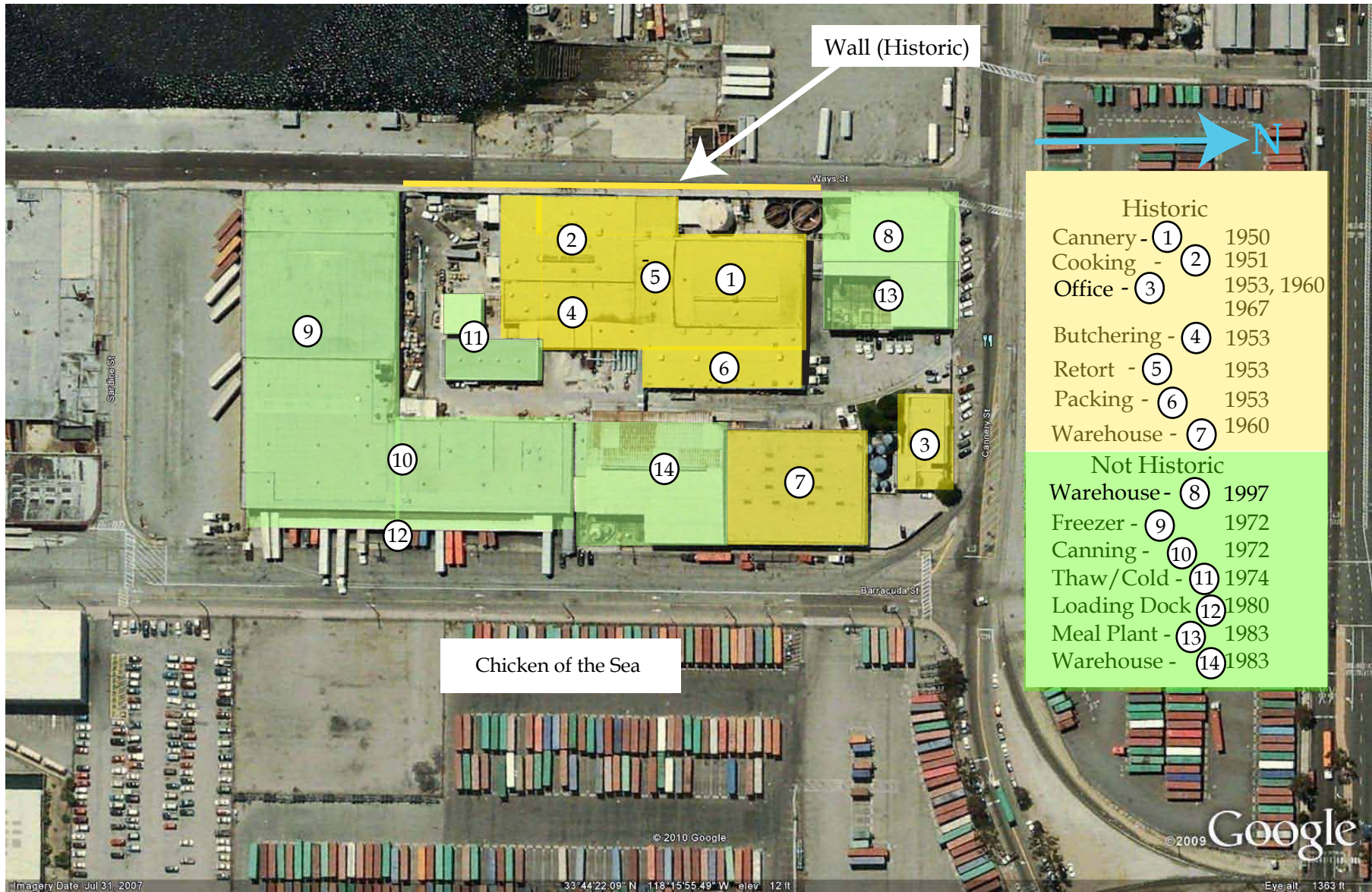
By: [Signature]
Shue Wing Chan
Its President and CEO

Attest By: [Signature]
Its MANAGER CORP. AFFAIRS

APPROVED AS TO FORM AND LEGALITY

Sept. 2, 2011
CARMEN A. TRUTANICH, CITY ATTORNEY
Thomas A. Russell, General Counsel

By: [Signature]
Estelle M. Braaf, Deputy

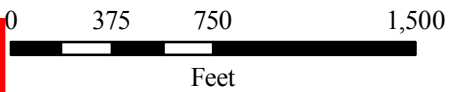




Permit No. 777 - Tri Union Seafoods, LLC
dba Chicken of the Sea International (COSI)



TRANSMITTAL 3



Harbor Department
Planning & Economic Development
Map Produced 8/2011

