

LICENSE AGREEMENT

This Agreement ("Agreement") is entered into by and among Salt Pond Associates, a Delaware General Partnership, its partners, Kenneth A. Simpler and C.E. Rupert Smith (collectively, "SPA"), Salt Pond Golf Associates, L.L.C., a Delaware Limited Liability Corporation ("SP Golf Associates"), and The Salt Pond Homeowners Association, Inc., a Delaware Corporation ("SPHA"), and shall be effective as of the ____ day of _____, 2007.

WHEREAS, Salt Pond is a single family housing and condominium community complex located on and around Salt Pond on the west side of State Route 1 immediately west of Bethany Beach, Sussex County, Delaware;

WHEREAS, Salt Pond's housing and condominiums surround the Salt Pond Golf Course operated by SP Golf Associates;

WHEREAS, in marketing the housing and condominiums during the development of Salt Pond and in the marketing of the Salt Pond Golf Course, SPA and SP Golf Associates have used the trade name and service mark of Salt Pond and the stylized golf hole and marsh grass design mark (collectively, the "Marks"), Service Mark Registration No. _____, and approved Application serial No. _____ of the Design mark; and

WHEREAS, SPA and SP Golf Associates are the owners of the Marks; and

WHEREAS, it is the mutual desire and intention of the parties hereto that SPHA be authorized and permitted to use the Marks in connection with the promotion, maintenance, operation and administration of the common areas and community facilities for the housing for which SPA and SP Golf Associates uses the Marks in the manner and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties set forth below and other good and valuable consideration, the sufficiency of which are hereby mutually acknowledged, the parties hereto agree as follows:

1. Grant.

SPA and SP Golf Associates grants to SPHA a non-exclusive license to use the Marks in connection with services relating to the promotion, maintenance, operation and administration of the common areas and community facilities for the housing for which SPA and SP Golf Associates

uses the Marks at the development known as "Salt Pond" located in Bethany Beach, Delaware (hereinafter known as "Licensed Services."). Such License hereby granted may not be assigned or otherwise transferred by SPHA without the prior express written consent of SPA and SPA Golf Associates.

2. Use of the Licensed Marks.

SPHA will use the Marks solely in connection with the Licensed Services.

3. Termination.

Unless terminated by agreement of the parties in writing, this Agreement shall continue in full force and effect for a term of ninety-nine (99) years, and may be renewed for such additional terms as may be agreed upon by SPA and SPA Golf Associates in an instrument in writing duly executed by each of said parties.

4. Execution of Documents.

Each of the parties hereto agrees that they will promptly execute and deliver all documents as may be necessary and appropriate to effectuate the terms of this Agreement. This Agreement may be executed in any number of actual or telecopied counterparts, which may be joined together and attached to one such original and shall constitute one and the same instrument.

5. Notices.

Any notice under this Agreement must be in writing and must be sent by registered or certified mail to the last address of the party to whom the notice is to be given as designated by such party in writing. Any such notice, demand, request, or other communication shall be deemed to have been given at the time it is duly deposited and registered in any United States Post Office or branch post office.

6. Governing Law: Arbitration.

This Agreement shall be interpreted and enforced pursuant to the laws of the State of Delaware. The parties agree that in the event a dispute arises between the parties regarding this Agreement the sole legal recourse of either party hereto shall be to submit such dispute to binding arbitration before an arbitrator agreed to by the parties, or, if the parties cannot agree, appointed by the American Arbitration Association, pursuant

to its rules regarding commercial disputes. The costs of the arbitration, including the arbitrator's fees shall be divided evenly between the parties, but otherwise the parties shall bear their own costs and attorneys' fees in any such arbitration. The arbitrator shall be empowered to order both legal and equitable relief, as may be warranted in the circumstances. The arbitrator's order, upon application to a Delaware Court of competent jurisdiction, may be entered as a binding and enforceable judgment of that Court. For that purpose of the appointment of an arbitrator, the parties hereto consent to the jurisdiction of the American Arbitration Association and agree to accept service of process via overnight express mail.

The arbitration process shall be initiated by written demand directed via overnight mail to:

Salt Pond Associates
400 Bethany Loop
Bethany Beach, DE 19930

Salt Pond Golf Associates LLC
400 Bethany Loop
Bethany Beach, DE 19930

Salt Pond Homeowners Association, Inc.
c/o Legum & Norman
C4 – Edgewater – Sea Colony East
Bethany Beach, DE 19930

The arbitration shall take place in Delaware by the arbitrator and shall be concluded within 30 days from the date of the demand for arbitration. The parties shall agree on the procedures to be used for the arbitration. In default of such agreement, the arbitrator shall determine the procedures to apply. Any party hereto may apply to the arbitrator for temporary, emergency relief, which may be granted pending final relief, as appropriate in the circumstances.

7. Entire Agreement.

This agreement constitutes the entire agreement by and among the parties hereto and it supersedes any and all other agreements, understandings, negotiations or discussions, whether oral or written express or implied, concerning the subject matter herein among the parties to this Agreement.

8. Binding Effect.

The terms, conditions and agreements herein contained shall be kept and performed by the respective parties hereto and will be binding upon them and each of their successors and assigns.

9. Captions.

The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections in this Agreement or in any way affect this Agreement.

10. Severability.

In the event any one or more of the provisions contained in this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision herein, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

Salt Pond Associates
By:
Title:
Date:

Witness

Kenneth A. Simpler, Partner
Salt Pond Associates
Date:

Witness

C.E. Rupert Smith, Partner
Salt Pond Associates
Date:

Witness

Salt Pond Golf Associates, L.L.C.
By:
Title:
Date:

Witness

The Salt Pond Homeowners Association, Inc.
By:
Title:
Date:

Witness

STATE OF DELAWARE :
:
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this ____ day of _____, personally appeared before me, the subscriber a Notary Public for the State of Delaware and County aforesaid, _____, _____ Partner of SALT POND ASSOCIATES, a General Partnership of the State of Delaware, party of this indenture to be its act and deed, and the act and deed of the said corporation, that the signature is his own proper handwriting; that the seal affixed is the common and seal of the said general partnership; and that the act of signing, sealing, acknowledging and delivering the said Indenture was first duly authorized by the said partnership.

GIVEN under my hand and seal of office, the day and year aforesaid.

Notary Public
Notary Name: _____
My Commission Expires: _____

STATE OF DELAWARE :
:
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this ____ day of _____, personally appeared before me, the subscriber a Notary Public for the State of Delaware and County aforesaid, Kenneth A. Simpler, Partner of SALT POND ASSOCIATES, a General Partnership of the State of Delaware, party of this indenture to be his act and deed, and that the signature is his own proper handwriting.

GIVEN under my hand and seal of office, the day and year aforesaid.

Notary Public
Notary Name: _____
My Commission Expires: _____

STATE OF DELAWARE :
:
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this ____ day of _____, personally appeared before me, the subscriber a Notary Public for the State of Delaware and County aforesaid, C. E. Rupert Smith, Partner of SALT POND ASSOCIATES, a General Partnership of the State of Delaware, party of this indenture to be his act and deed, and that the signature is his own proper handwriting.

GIVEN under my hand and seal of office, the day and year aforesaid.

Notary Public
Notary Name: _____
My Commission Expires: _____

STATE OF DELAWARE :
:
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this ____ day of _____, personally appeared before me, the subscriber a Notary Public for the State of Delaware and County aforesaid, _____, _____ Member of SALT POND GOLF ASSOCIATES, L.L.C., a limited liability corporation of the State of Delaware, party of this indenture to be their act and deed, and the act and deed of the said limited liability corporation, that the signatures are their own proper handwriting; that the seal affixed is the common and corporate seal of the said limited liability corporation; and that the act of signing, sealing, acknowledging and delivering the said Indenture was first duly authorized by the said limited liability corporation.

GIVEN under my hand and seal of office, the day and year aforesaid.

Notary Public
Notary Name: _____
My Commission Expires: _____

STATE OF DELAWARE :
:
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this ____ day of _____, personally appeared before me, the subscriber a Notary Public for the State of Delaware and County aforesaid, _____, _____ President of THE SALT POND HOMEOWNERS ASSOCIATION, INC., a corporation of the State of Delaware, party of this indenture to be their act and deed, and the act and deed of the said corporation, that the signatures are their own proper handwriting; that the seal affixed is the common and corporate seal of the said corporation; and that the act of signing, sealing, acknowledging and delivering the said Indenture was first duly authorized by the said corporation.

GIVEN under my hand and seal of office, the day and year aforesaid.

Notary Public
Notary Name: _____
My Commission Expires: _____