

AMENDMENTS

To The October 6, 2009 Agreement

Between

Cruzan VIRIL, Ltd. (a
wholly-owned subsidiary of Beam Inc.)

and the

Government of the United States Virgin Islands

Dated March ²² , 2012



AMENDMENTS

THESE AMENDMENTS, dated March ²², 2012 (the "Amendments"), to the October 6, 2009 AGREEMENT between Cruzan VIRIL, Ltd. ("Cruzan") and the Government of the United States Virgin Islands (the "Government") (the "2009 Agreement"), are made by and between Cruzan and the Government. The Government and Cruzan are sometimes collectively referred to herein as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the Government and Cruzan entered into the 2009 Agreement in order to strengthen the rum industry in the Virgin Islands, promote the development of branded rum products in the Virgin Islands, and maximize the Cover-Over Revenues for the Virgin Islands in an increasingly competitive global market; and

WHEREAS, the rum market in the United States has materially changed since the Government and Cruzan entered into the 2009 Agreement, which material changed conditions include, but are not limited to, the entrance of new rum producers in the U.S. rum market, and recent volatility in the sugar markets; and

WHEREAS, such changed circumstances have been material factors in Cruzan's loss of certain Bulk Rum Sales and lower Aggregate Rum Sales in the United States than were projected in the 2009 Agreement; and



WHEREAS, the 2009 Agreement provided that the Government shall make certain production, molasses subsidy and marketing support payments ("Support Levels") to Cruzan in exchange for Cruzan meeting certain minimum Bulk Rum Sales and Branded Rum Product Sales in the United States, subject to certain limitations and restrictions; and

WHEREAS, pursuant to the terms of the 2009 Agreement, the Support Level for Cruzan's Bulk Rum Sales was 40 percent of Annual Gross Cover-Over Receipts attributable to Cruzan's Bulk Rum Sales (excluding Strategic Third Party Branded Rum Product Sales) during the period October 1, 2009 through September 30, 2010; and whereas, the Support Level for Cruzan's Bulk Rum Sales is currently set at 31.5 percent of Annual Gross Cover-Over Receipts attributable to Cruzan's Bulk Rum Sales (excluding Strategic Third Party Branded Rum Product Sales) for the period commencing October 1, 2010 through March 31, 2012; and whereas, the Support Level for Cruzan Rum's Bulk Rum Sales is scheduled to be reduced to 18 percent of Annual Gross Cover-Over Receipts attributable to Cruzan's Bulk Rum Sales (excluding Strategic Third Party Branded Rum Product Sales) for the period commencing April 1, 2012 and continuing through the Term of the 2009 Agreement (provided, however, that the Support Level for Cruzan's Bulk Rum Sales during this period shall increase to 20 percent of Annual Gross Cover-Over Receipts when Cruzan's Bulk Rum Sales for any Fiscal Year during this period exceed 5 million proof gallons; and provided further, that the Support Level will increase to 22 percent of Annual Gross Cover-Over Receipts when Cruzan's Bulk Rum Sales exceed 7 million proof gallons); and

WHEREAS, pursuant to the terms of the 2009 Agreement, the Support Level for Cruzan's Branded Rum Sales commencing on October 1, 2011 and continuing through the Term of the 2009 Agreement is set at 40 percent of the Annual Gross Cover-Over Receipts attributable to Cruzan's Branded Rum Sales for each such Fiscal Year; provided, however, that the Support Level shall increase to 46 percent of Annual Gross Cover-Over Receipts when Cruzan's Branded Rum Sales for any Fiscal Year exceed 11 million proof gallons; and

WHEREAS, the changed material conditions in the U.S. rum market risk significant lost Bulk Rum Sales and will preclude Cruzan from meeting its Aggregate Rum Sales targets without these Amendments to the 2009 Agreement;

NOW THEREFORE, in consideration of the foregoing recitals, the covenants, representatives, warranties, commitments and agreements hereinafter set forth, and for other good and valuable consideration, receipt and acknowledgment of which are hereby acknowledged, the Parties agree as follows:

1. For purposes of these Amendments, the Defined Terms in the 2009 Agreement shall, unless otherwise specified, have the same meanings herein. In addition, the following terms shall have the meanings set forth below:

"Enhanced Branded Rum Support" shall mean the Support Level for Branded Rum Sales during any Fiscal Year in the Extended Transition Period when Cruzan

meets the Threshold Level for such Fiscal Year specified in Paragraph 3 of these Amendments.

"Enhanced Bulk Rum Support" shall mean the Support Level for Bulk Rum Sales, after March 31, 2012, during any Fiscal Year in the Extended Transition Period when Cruzan meets the Threshold Level for such Fiscal Year specified in Paragraph 2 of these Amendments.

"Extended Transition Period" shall mean the period commencing October 1, 2011 and continuing through September 30, 2018.

"Minimum Qualified Marketing Expenditures" shall mean the minimum amount of expenditures for Marketing Activities that Beam and/or any of its Affiliates is required to make to promote the growth and development of Cruzan Rum, or Branded Rum Products containing Cruzan Rum that qualify as "rums" under applicable TTB Standards of Identity, in any Fiscal Year during the Extended Transition Period.

"Support Level" shall mean the total amount of Rum Promotion Support Payments, Marketing Support Payments, Strategic Third Party Marketing Support Payments, Molasses Support Payments and Production Incentive Payments expressed as a percentage of Cover-Over Revenues attributable to Rum produced at the Facilities and sold in the United States in any Fiscal Year.

2. Paragraph 6.1.6(b)(ii)(C) of the 2009 Agreement is amended by striking the text therein and substituting the following:

"(C) commencing on April 1, 2012, and continuing through September 30, 2018, an amount equal to 75% of the Annual Gross Cover-Over Receipts attributable to Bulk Rum Sales (excluding Strategic Third Party Branded Rum Product Sales) for each such Fiscal Year, provided that Aggregate Annual Rum Sales exceed the following threshold levels (the "Threshold Levels"):

October 1, 2011 through September 30, 2012: 7.435 million proof gallons
October 1, 2012 through September 30, 2013: 7.635 million proof gallons
October 1, 2013 through September 30, 2014: 7.91 million proof gallons
October 1, 2014 through September 30, 2015: 8.1 million proof gallons
October 1, 2015 through September 30, 2016: 8.5 million proof gallons
October 1, 2016 through September 30, 2017: 9.0 million proof gallons
October 1, 2017 through September 30, 2018: 9.5 million proof gallons

If Aggregate Annual Rum Sales do not meet the Threshold Level in any Fiscal Year during the Extended Transition Period, the Support Levels for Bulk Rum Sales set forth in the Agreement, prior to the effective date of these Amendments, shall apply for such Fiscal Year. Commencing on October 1, 2018, and continuing through the Term, the Support Levels for Bulk Rum Sales in any Fiscal Year shall revert to the Support Levels set forth in the Agreement, prior to the effective date of these Amendments."

3. Paragraph 6.1.6(b)(ii)(H) is amended by striking the text therein and substituting the following:

"(H) commencing October 1, 2011, and continuing through the Term, an amount equal to 60% of the Annual Gross Cover-Over Receipts attributable to Branded Rum Sales for each such Fiscal Year; provided, however, that this amount shall decrease to 54% when Aggregate Annual Rum Sales exceed the following Threshold Levels:

October 1, 2011 through September 30, 2012	9.185 million proof gallons
October 1, 2012 through September 30, 2013	9.185 million proof gallons
October 1, 2013 through September 30, 2014	9.185 million proof gallons
October 1, 2014 through September 30, 2015	9.6 million proof gallons
October 1, 2015 through September 30, 2016	10.0 million proof gallons
October 1, 2016 through September 30, 2017	10.4 million proof gallons
October 1, 2017 through September 30, 2018	11.0 million proof gallons

If Aggregate Annual Rum Sales do not meet the Threshold Level in any Fiscal Year during the Extended Transition Period, the Support Levels for Branded Rum Sales set forth in the Agreement, prior to the effective date of these Amendments, shall apply for such Fiscal Year. Commencing on October 1, 2018, and continuing through the Term, the Support Levels for Branded Rum Sales shall revert to the Support Levels set forth in the Agreement, prior to the effective date of these Amendments."

4. The Extended Transition Period for Enhanced Bulk Rum Support will remain in effect, provided that Beam expends the amount of Minimum Qualified Marketing Expenditures in each Fiscal Year of the Extended Transition Period. The sub-heading in Exhibit B to the 2009 Agreement is amended to read "Qualified Marketing Expenditures" rather than "Potential Marketing Activities," and the term "Coupons and Consumer Rebates" is added to the list of Qualified Marketing Expenditures. Branded Rum Products that qualify as "rums" under

applicable TTB Standards of Identity shall include on the label of such products either the Cruzan brand name or a prominently displayed phrase similar to "Made with Cruzan Rum, St. Croix". The amount of Minimum Qualified Marketing Expenditures for each Fiscal Year in the Extended Transition Period is set forth in new Exhibit B-1 to the 2009 Agreement, as added by these Amendments and included as Attachment 1 hereto. To the extent that Beam fails to meet the Minimum Qualified Marketing Expenditures in any given Fiscal Year during the Extended Transition Period, the Government shall have the right to deduct the difference from the total amount of Cover-Over Revenues otherwise payable to Beam for such Fiscal Year. In addition to the rights set forth in Paragraph 5.1(c) of the Agreement, Beam shall provide an accounting of its Qualified Marketing Expenditures within 60 days after the end of each Fiscal Year during the Extended Transition Period.

5. The additional Cover-Over Revenues provided to Beam as a result of these Amendments to the Agreement shall be repaid to the Government if the Cruzan brand or the Cruzan Distillery on St. Croix is sold during the Extended Transition Period.

6. Miscellaneous.

(a) Full Force and Effect. The Agreement, as modified by these Amendments, shall be and remain in full force and effect.

(b) Binding Effect. The provisions of these Amendments shall be binding upon and inure to the benefit of the Parties hereto and their respective personal representatives, heirs, successors and permitted assigns.



(c) Counterparts. These Amendments may be executed in counterparts and by facsimile or electronic signature, each of which shall be deemed an original and all of which shall be deemed one and the same instrument.

(d) Authority. Each Party represents and warrants to the other that (i) such Party has full power and authority to enter into these Amendments, (ii) such Party's execution, delivery, and performance of these Amendments has been fully authorized and approved, (iii) that no further approvals or consents are required to bind such Party, and (iv) that these Amendments, when executed by such Party, will be the binding and enforceable obligation of such Party.


's '99 '99 '99 20

[Signature Page Follows]


A handwritten signature in dark ink, appearing to be a stylized 'M' or 'W' followed by a flourish.

IN WITNESS WHEREOF, the parties have executed and delivered these Amendments as of the date first above written.

CRUZAN VIRIL, LTD.

By: 
Name: Matthew I. Shattock
Title: President and CEO, Beam Inc.
Date: March 22, 2012

GOVERNMENT OF THE UNITED STATES
VIRGIN ISLANDS

By: 
Name: John P. deJongh, Jr.
Title: Governor
Date: 3/23/12

Attachment 1

New Exhibit B-1 to the 2009 Agreement is attached hereto;

21

Exhibit B-1

MINIMUM QUALIFIED MARKETING EXPENDITURES*

Fiscal Year 2012	\$16,500,000
Fiscal Year 2013	\$19,750,000
Fiscal Year 2014	\$20,250,000
Fiscal Year 2015	\$21,000,000
Fiscal Year 2016	\$22,000,000
Fiscal Year 2017	\$23,000,000
Fiscal Year 2018	\$24,000,000

The minimum amount of expenditures for qualified marketing activities that Beam and/or its Affiliates is required to make to promote the growth and development of Cruzan Rum or branded rum products containing Cruzan Rum, including, but not limited to:

Cruzan Light, Dark, Estate Diamond, Spiced and Single Barrell Rums
Cruzan Flavored Rums
Skinny Girl RTS explicitly co-branded with Cruzan Rum (e.g., Pifia Colada, Mojito)"