

MAUI LAND & PINEAPPLE CO INC  
Form DEF 14A  
April 16, 2010

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**MAUI LAND & PINEAPPLE COMPANY, INC.**

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(Name of Registrant as Specified In Its Charter)

N/A

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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**MAUI LAND & PINEAPPLE COMPANY, INC.**

April 19, 2010

To Our Shareholders:

We are pleased to invite you to our 2010 Annual Meeting of Shareholders, which will be held on Thursday, May 13, 2010 at 8:30 a.m. at the Kapalua Village Center Conference Room in Lahaina, Maui, Hawaii.

At the meeting, we will (1) vote upon an amendment to the Restated Articles of Association to change the minimum and maximum number of members of our Board of Directors to not less than five (5), nor more than nine (9), and to declassify the Board of Directors; (2) if Proposal No. 1 is approved, elect seven (7) members to our Board of Directors for a one-year term; (3) only if Proposal No. 1 is not approved, elect three Class Two directors for a three-year term; (4) vote upon an amendment to the Restated Articles of Association to authorize an additional 20,000,000 shares of the Company's Common Stock; (5) ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm to serve for the 2010 fiscal year, and (6) transact such other business as may properly come before the meeting or any continuation, postponement or adjournment of the meeting. We know of no other matters to be brought up at the meeting.

This meeting is an opportunity to communicate with our shareholders and it is important that your shares be represented and voted whether or not you expect to attend the meeting in person. You may vote your shares by proxy using the Internet, by telephone, or by returning the enclosed proxy card or voting instruction form forwarded by your bank, broker or other holder of record. Please review the instructions on the enclosed proxy card or voting instruction form regarding each of these voting options. If you attend the meeting, you may withdraw your proxy and vote in person, if you wish.

We look forward to seeing you at the meeting should you be able to attend.

Sincerely,

WARREN H. HARUKI  
*Chairman*

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**MAUI LAND & PINEAPPLE COMPANY, INC.**

870 Haliimaile Road  
Makawao, Maui, Hawaii 96768-9768  
(808) 877-3351

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

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TO THE SHAREHOLDERS OF  
MAUI LAND & PINEAPPLE COMPANY, INC.:

Notice is hereby given that the Annual Meeting of Shareholders of Maui Land & Pineapple Company, Inc. will be held on **Thursday, May 13, 2010 at 8:30 a.m., local time, at the Kapalua Village Center Conference Room in Lahaina, Maui, Hawaii** for the following purposes:

1. To consider and vote upon an amendment to our Restated Articles of Association to change the number of members of our Board of Directors to not less than five (5) nor more than nine (9), and to declassify our Board of Directors;
2. If Proposal No. 1 is approved, to elect Stephen M. Case, Warren H. Haruki, David A. Heenan, Kent T. Lucien, Duncan MacNaughton, Arthur C. Tokin, and Fred E. Trotter III as directors to serve for a one-year term or until their successors are elected and qualified;
3. If Proposal No. 1 is not approved, to elect David A. Heenan, Kent T. Lucien and Arthur C. Tokin as Class Two Directors to serve for a three-year term or until their successors are elected and qualified;
4. To consider and vote upon an amendment to our Restated Articles of Association to authorize an additional 20,000,000 shares of Common Stock;
5. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2010; and
6. To transact such other business as may be properly brought before the meeting or any postponement or adjournment thereof.

Our Board of Directors recommends that you vote in favor of the foregoing items of business, which are more fully described in the Proxy Statement accompanying this Notice.

Shareholders of record of Maui Land & Pineapple Company, Inc. (NYSE: MLP) Common Stock at the close of business on March 12, 2010 are entitled to notice of and to vote at the Annual Meeting or any postponements or adjournments thereof.

Your attention is directed to the Proxy Statement enclosed.

BY ORDER OF THE BOARD OF DIRECTORS,

ADELE H. SUMIDA  
*Secretary*

Dated: April 19, 2010

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 13, 2010. This proxy statement, form or proxy and our Annual Report on Form 10-K are available at**

*<http://bnymellon.mobular.net/bnymellon/mlp>*

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IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING. PLEASE VOTE AS PROMPTLY AS POSSIBLE BY USING THE INTERNET, BY TELEPHONE OR BY SIGNING, DATING AND RETURNING THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED. FOR SPECIFIC INSTRUCTIONS ON VOTING, PLEASE REFER TO THE INSTRUCTIONS ON THE PROXY CARD OR THE INFORMATION FORWARDED BY YOUR BANK, BROKER OR OTHER HOLDER OF RECORD. EVEN IF YOU HAVE VOTED YOUR PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BANK, BROKER OR OTHER NOMINEE AND YOU WISH TO VOTE IN PERSON AT THE MEETING, YOU MUST OBTAIN A PROXY ISSUED IN YOUR NAME FROM SUCH BANK, BROKER OR OTHER NOMINEE.

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MAUI LAND & PINEAPPLE COMPANY, INC.  
870 Haliimaile Road  
Makawao, Maui, Hawaii 96768-9768  
(808) 877-3351

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**PROXY STATEMENT**

**General Information Regarding the Annual Meeting**

This proxy is solicited on behalf of the Board of Directors of Maui Land & Pineapple Company, Inc., a Hawaii corporation, for the 2010 Annual Meeting of Shareholders, or the Annual Meeting, to be held on *May 13, 2010, at 8:30 a.m., local time, at the Kapalua Village Center Conference Room in Lahaina, Maui, Hawaii*, or any continuation, postponement or adjournment thereof, for the purposes discussed in this Proxy Statement. Proxies are solicited to give all shareholders of record an opportunity to vote on matters properly presented at the Annual Meeting. This Proxy Statement, the accompanying proxy card and the Annual Report on Form 10-K for the year ended December 31, 2009, including financial statements, are first being mailed on or about April 5, 2010 to all shareholders entitled to vote at the Annual Meeting. As used in this Proxy Statement, the terms the "Company," "we," "our," and "us," refer to Maui Land & Pineapple Company, Inc.

*Who Can Vote*

Holders of record of shares of our Common Stock, no par value, at the close of business on March 12, 2010, the Record Date, will be entitled to notice of, and to vote at, the Annual Meeting. The securities entitled to vote at the Annual Meeting consist of shares of Common Stock, with each share entitling its owner to one vote per share on each matter properly brought before the Annual Meeting. Shareholders will not be entitled to cumulate their votes in the election of directors.

Your shares may be voted at the Annual Meeting only if you are present in person or represented by a valid proxy. You may vote by proxy on the Internet, by telephone or by completing and mailing the enclosed proxy card. For your convenience, a self-addressed envelope is enclosed; it requires no postage if mailed in the United States. Voting by proxy on the Internet or by telephone may not be available to all shareholders. For specific instructions on voting, please refer to the instructions on the proxy card or the information forwarded by your bank, broker or other holder of record. The Internet and telephone voting facilities will close at 11:59 p.m. Eastern Time on May 12, 2010. Shareholders who vote through the Internet should be aware that they may incur costs to access the Internet, such as usage charges from telephone companies or Internet service providers and that these costs must be borne by the shareholder. Shareholders who vote by Internet or telephone need not return a proxy card by mail. If you are the beneficial owner of shares held in "street name" by a broker, bank or other nominee, collectively referred to in this Proxy Statement as a "Nominee", then your Nominee, as the record owner of the shares, must vote those shares in accordance with your instructions. Please refer to the instruction card they provide for voting your shares.

A list of shareholders entitled to vote at the Annual Meeting will be available for examination by any shareholder for any purpose germane to the Annual Meeting during ordinary business hours at our administrative offices at 870 Haliimaile Road, Makawao, Maui, Hawaii 96768-9768 for the ten days prior to the Annual Meeting, and also at the Annual Meeting.

*Shares Outstanding and Quorum*

As of the Record Date, approximately 8,518,033 shares of Common Stock were issued and outstanding. Votes cast by proxy or in person at the Annual Meeting will be tabulated to determine whether or not a quorum is present for the transaction of business at the meeting. A quorum will exist if a majority of shares of Common Stock issued and outstanding as of the Record Date are represented at the meeting, either in person or by proxy.

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### *Proxy Card*

Shares of our Common Stock represented by properly executed proxies received by us at or prior to the Annual Meeting and not subsequently revoked will be voted as directed in those proxies. If a proxy is signed and no directions are given, shares represented thereby will be voted (1) in favor of the amendment to the Restated Articles of Association to change the minimum and maximum size of the Board and to declassify the Board; (2) if Proposal No. 1 is approved, in favor of electing the Board's seven nominees as directors; (3) if Proposal No. 1 is not approved, in favor of electing the Board's three nominees as Class Two directors; (4) in favor of the amendment to the Restated Articles of Association to authorize an additional 20,000,000 shares of common stock; and (5) in favor of the ratification of Deloitte & Touche LLP as our independent registered public accounting firm. The proxy confers discretionary authority on the persons it names as to all other matters that may come before the Annual Meeting and at any continuation, postponement or adjournment thereof. The Board of Directors knows of no other items of business that will be presented for consideration at the Annual Meeting other than those described in this Proxy Statement. In addition, no shareholder proposals or nominations were received on a timely basis, so no such matters may be brought to a vote at the Annual Meeting.

### *Abstentions and Broker Non-Votes*

#### *Abstentions*

When an eligible voter attends the meeting but decides not to vote, his or her decision not to vote is called an "abstention." Properly executed proxy cards that are marked "abstain" or "withhold authority" on any proposal will be treated as abstentions for that proposal. We will treat abstentions as follows:

abstention shares are deemed present and entitled to vote for purposes of establishing a quorum;

abstention shares will be treated as not voting for purposes of determining the outcome on any proposal for which the minimum vote required for approval of the proposal is a plurality (or a majority or some other percentage) of the votes actually cast, and thus will have no effect on the outcome; and

abstention shares will have the same effect as votes against a proposal if the minimum vote required for approval of the proposal is a majority (or some other percentage) of (i) the shares present and entitled to vote, or (ii) all shares outstanding and entitled to vote.

#### *Broker Non-Votes*

If you are the beneficial owner of shares held in "street name" by a Nominee, then your Nominee, as the record owner of the shares, must vote those shares in accordance with your instructions. "Broker non-votes" occur when shares held by a Nominee for a beneficial owner are not voted with respect to a particular proposal because (1) the broker does not receive voting instructions from the beneficial owner, and (2) such proposal is a non-routine proposal for which the Nominee lacks the discretionary authority to vote the shares. Whether a proposal is routine or non-routine is determined under the rules of the New York Stock Exchange, or NYSE. Thus, when no voting instructions are received and a Nominee lacks the discretion to vote on his or her clients' behalf, Nominees are generally required to return the proxy card (or a substitute) marked with an indication that the Nominee lacks voting power over that particular proposal. This type of response is known as a "broker non-vote." We will treat broker non-votes as follows:

broker non-votes are deemed present and entitled to vote for purposes of establishing a quorum;



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broker non-votes will not be treated as shares present and entitled to vote for purposes of any matter requiring the affirmative vote of a majority or other proportion of the shares present and entitled to vote (even though the same shares may be considered present for quorum purposes and may be entitled to vote on other matters). Thus, a broker non-vote will not affect the outcome of the voting on a proposal the passage of which requires the affirmative vote of a plurality (or a majority or some other percentage) of (i) the votes cast or (ii) the voting power present and entitled to vote on that proposal; and

broker non-votes will have the same effect as a vote against a proposal the passage of which requires an affirmative vote of the holders of a majority (or some other percentage) of the outstanding shares entitled to vote on such proposal.

Other than Proposals No. 2 and 3, relating to the election of directors, the proposals to be presented at the Annual Meeting are considered to be discretionary and therefore may be voted upon by your Nominee if you do not give instructions for the shares held by such Nominee.

### *Counting of Votes*

Directors are elected by a plurality of votes cast, so the nominees who receive the most votes will be elected. Abstentions will not be taken into account in determining the election of directors and broker non-votes will result because the election of directors is a non-discretionary matter.

Ratification of the independent registered public accounting firm will require an affirmative vote of a majority of shares present or represented by proxy at the Annual Meeting and entitled to vote on the matter. Abstentions will have the same effect as votes against the ratification and the proposal. Because the ratification of the independent registered public accounting firm is a discretionary matter, broker non-votes will not result for this item.

Pursuant to the Hawaii Business Corporations Act, approval of each of the amendments to the Company's Restated Articles of Association described in Proposals No. 1 and 4 requires the affirmative vote of the holders of two-thirds of the shares entitled to vote thereon. Therefore, at least 5,678,688 shares must be voted in favor of each of Proposals No. 1 and 4 for the amendments contemplated thereby to be approved. Broker non-votes will not result and abstentions will have the same effect as negative votes.

### *Revocation of Proxy*

If you are a shareholder of record and vote by proxy, you may revoke your proxy at any time before it is voted by:

signing and returning another proxy card bearing a later date;

submitting another proxy on the Internet or by telephone (your latest telephone or Internet voting instructions are followed);  
or

giving written notice of revocation to our Secretary prior to or at the Annual Meeting or voting at the annual meeting.

Your attendance at the Annual Meeting will not have the effect of revoking your proxy unless you give written notice of revocation to our Corporate Secretary before the polls are closed. Any written notice revoking a proxy should be sent to the Corporate Secretary at 870 Haliimaile Road, Makawao, Maui, Hawaii 96768-9768, and must be received before the polls are closed.

If your shares are held in the name of a Nominee, you may change your vote by submitting new voting instructions to your Nominee. Please note that if your shares are held of record by a Nominee

and you decide to attend and vote at the Annual Meeting, your vote in person at the Annual Meeting will not be effective unless you present a legal proxy, issued in your name from your Nominee.

*Solicitation of Proxies*

We will bear the entire cost of solicitation of proxies, including preparation, assembly and mailing of this Proxy Statement, the proxy and any additional information furnished to shareholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding shares of Common Stock in their names that are beneficially owned by others to forward to those beneficial owners. We may reimburse persons representing beneficial owners for their costs of forwarding the solicitation materials to the beneficial owners. Original solicitation of proxies by mail may be supplemented by telephone, facsimile, electronic mail or personal solicitation by our directors, officers or employees. No additional compensation will be paid to directors, officers or employees for such services. We have retained BNY Mellon Shareholder Services to help us solicit proxies. We expect to pay BNY a fee of \$6,000 for its services and will reimburse BNY for reasonable out-of-pocket expenses.

*Shareholder Proposals and Nominations*

Under Rule 14a-8 promulgated under the Securities and Exchange Act of 1934, as amended, or the Exchange Act, in order for business to be properly brought by a shareholder before an annual meeting, our Secretary must receive, at our corporate office, written notice of the matter not less than 120 days prior to the first anniversary of the date our proxy statement was released to shareholders in connection with the preceding year's annual meeting. Thus, proposals of shareholders intended to be presented pursuant to Rule 14a-8 under the Exchange Act must be received at our executive offices on or before December 6, 2010 in order to be considered for inclusion in our proxy statement and proxy card for the 2011 Annual Meeting.

Our Bylaws contain additional requirements that must be satisfied for any proposal of shareholders made other than under Rule 14a-8. Compliance with these requirements will entitle the proposing shareholder only to present such proposals or nominations before the meeting, not to have the proposals or nominations included in our proxy statement or proxy card. Such proposals or nominations may not be brought before an annual meeting by a shareholder unless the shareholder has given timely written notice in proper form of such proposal or nomination to the Chairman of the Board, our President or our Secretary. Such proposals or nominations may be made only by persons who are shareholders of record on the date on which such notice is given and on the record date for determination of shareholders entitled to vote at that meeting. Shareholder notices of any proposals or nominations intended to be considered at the 2011 Annual Meeting will be timely under our Bylaws only if received at our executive offices no earlier than January 13, 2011 and no later than February 12, 2011. However, if the 2011 Annual Meeting is called for a date that is not within thirty days before or after May 13, 2011, any such notice will be timely only if it is received no later than the close of business on the tenth day following the date of the first mailing of the notice of our 2011 Annual Meeting or the date of the public disclosure of the date of our 2011 Annual Meeting, whichever is earlier.

To be in proper written form, a shareholder's notice concerning a proposal to be presented at an annual meeting must set forth as to each matter the shareholder proposes to bring before the annual meeting:

a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting;

the name and record address of such shareholder;

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the number of shares of our stock owned by such shareholder beneficially and of record;

a description of all arrangements or understandings between such shareholder and any other person or persons (including their names) in connection with the proposal of such business by such shareholder and any material interest of such shareholder in such business; and

a representation that such shareholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

To be in proper written form, a notice concerning a nomination for election to our Board of Directors must set forth as to each person whom the shareholder proposes to nominate for election as a director:

the name, age, business address and residence address of the person;

the principal occupation or employment of the person;

the number of shares of our stock owned by the person beneficially and of record; and

any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and as to the shareholder giving the notice:

the name and record address of such shareholder;

the number of shares of our stock owned by such shareholder beneficially and of record;

a description of all arrangements or understandings between such shareholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such shareholder;

a representation that such shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; and

any other information relating to such shareholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

In addition, no person will be eligible for election as a director if such election would cause us to have insufficient "independent directors" within the meaning of the listing standards of the NYSE.

Any notice concerning proposals or nominations sought to be considered at an Annual Meeting should be addressed to our Chairman, President or Secretary at 870 Haliimaile Road, Makawao, Maui, Hawaii 96768-9768. The full text of the bylaw provisions referred to above (which also set forth requirements and limitations as to shareholder proposals or nominations to be considered at any special meeting) may be obtained by contacting our Secretary at the foregoing address, by telephone at 808-877-3895, facsimile 808-442-1172 or e-mail at [asumida@mlpmaui.com](mailto:asumida@mlpmaui.com).

*Multiple Shareholders Sharing the Same Address*

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Owners of common stock in street name may receive a notice from their Nominee stating that only one proxy statement will be delivered to multiple security holders sharing an address. This practice, known as "householding," is designed to reduce printing and postage costs. However, if any shareholder residing at such an address wishes to receive a separate proxy statement, or if a household is currently receiving multiple copies of the same items and any shareholder would like in the future to receive only a single copy at his or her address, he or she may contact our Secretary at 870 Haliimaile Road, Makawao, Maui, Hawaii 96768-9768 or by telephone at 808-877-3895 or e-mail at [asumida@mlpmaui.com](mailto:asumida@mlpmaui.com).

**MATTERS TO BE VOTED UPON**

**PROPOSAL 1: Amendment of the Company's Articles of Association (the "Articles") to change the minimum and maximum number of members of our Board of Directors to not less than five (5) nor more than nine (9) and to declassify the Board of Directors.**

The Articles presently state that "the Board of Directors shall consist of such number of persons, not less than nine (9) nor more than twelve (12) as shall be determined in accordance with the Bylaws from time to time. The Board of Directors shall be divided into three classes, with each class consisting of one-third of the total number of directors (or as near to this as possible). Each class shall hold office for a period of three years, with a term of office expiring at the third annual meeting of shareholders following his or her election, and when his or her successor has been duly elected and qualified."

The Hawaii Corporation Business Act requires that the terms of all directors expire at the next annual shareholders' meeting following their election unless their terms are staggered and that a staggered or classified board requires that there be at least nine members of the board. According to the Articles, the number of directors, within the range specified in the Articles, shall be determined in accordance with the Bylaws and directors shall be elected or appointed in the manner specified in the Bylaws.

The effect of approving this Proposal 1 would be to declassify the Board and require that the terms of each Board member expire at the next annual shareholders' meeting. In connection with our efforts over the last year to simplify our operations and reduce over all costs, our Board of Directors believes that reducing the size of the Board will contribute to those efforts. In addition, the Board believes that corporate governance standards have evolved and that many investors now believe that election of directors is the primary means for shareholders to influence corporate governance policies and increase the Board's and management's accountability to shareholders. Annual elections of directors will provide shareholders with the opportunity to register their views on the performance of the entire Board each year. In reaching these conclusions, the Board has considered that removing the classified board structure will have the effect of reducing the time required for a majority shareholder or group of shareholders to replace a majority of the Board. Under our current classified board structure, a majority of the Board may be replaced only after two annual meetings. Under the declassified board structure, the entire Board may be replaced each year.

The Board also decided to maintain a flexible board structure by allowing for a range of directors between five (5) and nine (9). This is consistent with the Board's prior structure. The Board concluded that retaining a range of authorized directors provides greater flexibility than a fixed number of directors and that such flexibility will enable us to appoint additional Board members in the future, as determined in the discretion of the Board, or to reduce the number of directors from time to time, which enables us to be more efficient and fiscally responsive.

In February 2010, our Board of Directors approved amendments to the Bylaws, subject to the shareholders approving this Proposal 1, which sets the number of members of our Board of Directors at seven and requires that each shall hold office until the next annual shareholders meeting and thereafter until his successor is duly elected or appointed and qualified.

In February 2010, our Board of Directors also approved the proposed amendment to the Articles reducing the authorized range of the number of directors and declassifying the Board, subject to shareholder approval. This change to the Articles is included in the Articles of Amendment that are attached to this Proxy Statement as Appendix "A." The Articles of Amendment would become effective upon their filing with the Department of Commerce and Consumer Affairs of the State of Hawaii. We plan to file the Articles of Amendment immediately after the requisite shareholder approval is obtained.

**The Board of Directors recommends a vote "FOR" Proposal 1, to approve the amendment to the Articles to change the minimum and maximum number of members of the Board of Directors to not less than five (5) nor more than nine (9) and to declassify the Board.**

**PROPOSAL 2: Election of Directors (if Proposal No. 1 is Adopted)**

**General Information Election of Directors**

Our Board of Directors currently consist of ten members in three classes, with each class holding office for three years. If Proposal 1 as described above is approved by the shareholders, our Board of Directors will consist of seven members who are elected for a one-year term or until their successors are elected or appointed and qualified.

Based upon the recommendation of the Nominating and Governance Committee, our Board has nominated the following individuals for election to the Board of Directors for the term that ends at the annual shareholders' meeting in 2011: Messrs. Stephen M. Case, Warren H. Haruki, David A. Heenan, Kent T. Lucien, Duncan MacNaughton, Arthur C. Tokin and Fred E. Trotter III. All nominees except Mr. Tokin currently serve on our Board of Directors.

Under our Bylaws, no person is eligible to be elected as a director who has attained his or her 70<sup>th</sup> birthday at the time of election, but the directors may create exceptions to this requirement by resolution. At the meeting of our Board of Directors that occurred on February 8, 2010, our Board of Directors passed a resolution to waive the age restriction with respect to Fred E. Trotter III for the one-year term that begins in 2010.

In the event that any person nominated as a director becomes unavailable or declines to serve as a director at the time of the Annual Meeting, the proxy holders will vote the proxies in their discretion for any nominee who is designated by the current Board of Directors to fill the vacancy. It is not expected that any of the nominees will be unavailable to serve.

Set forth below is biographical information for each nominee for election at the Annual Meeting of Shareholders in 2010. There are no family relationships among any of our directors.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE SEVEN PERSONS NOMINATED BY THE BOARD.**

Stephen M. Case (51)

Mr. Case has served as a director on our Board since December 2008. Mr. Case has served as Chairman and Chief Executive Officer of Revolution LLC, an investment company since April 2005. He is also Chairman of Exclusive Resorts LLC, a membership-based luxury real estate company since November 2004. He was Chairman of the Board of Time Warner, Inc. from January 2001 to May 2003. Mr. Case was Chairman of the Board and Chief Executive Officer of America Online, Inc. from 1995 to January 2001 and Chief Executive Officer from 1993 to 1995.

Mr. Case is an experienced business leader, whose experience leading other public companies further augments his range of knowledge, providing experience on which he can draw while serving as a member of our Board. In addition, Mr. Case also brings to the Board the perspective of a major Company shareholder.

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Warren H. Haruki (57)

Mr. Haruki has been Executive Chairman of our Board since January 2009, Interim Chief Executive Officer since May 2009 and a director on our Board since 2006. Mr. Haruki has served as President and Chief Executive Officer of Grove Farm Company, Inc., a land development company located on Kauai, Hawaii since February 2005, and has been a Trustee of Parker Ranch Foundation Trust since March 2004. He was President of GTE Hawaiian Tel and Verizon Hawaii, communications providers, from 1991 to 2003. Mr. Haruki is on the Boards of the privately held companies, Parker Ranch, Inc., First Hawaiian Bank, Pacific Guardian Life Insurance Company, Hawaii Planing Mill, Ltd. and various non-profit organizations.

Mr. Haruki's experience in leadership roles, some of which were in public companies, give him a deep understanding of the role and strategic priorities of the Board. In addition, his experience with various operational and financial matters in similar industries as ours positions him well to serve as our Chairman and in the role of Interim Chief Executive Officer.

David A. Heenan (70)

Mr. Heenan has served as a director on our Board since 1999. Mr. Heenan has served as a Trustee of The Estate of James Campbell, a private trust in Honolulu, Hawaii since 1995. He was Chairman, President and Chief Executive Officer of Theo. H. Davies & Co., Ltd., the North American holding company for the Hong Kong-based Jardine Matheson from 1982 to 1995. Mr. Heenan is a director of Bank of Hawaii Corporation. He was the Chairman of our Board from May 2003 to March 2004.

Mr. Heenan is an experienced business leader with the skills necessary to be our lead independent director. His former experience leading a public company as well as his current public company board experience provides a great depth of experience on which he can draw while serving on our Board.

Kent T. Lucien (56)

Mr. Lucien has served as a director on our Board since 2004. Mr. Lucien has served as Vice Chairman and Chief Financial Officer of Bank of Hawaii Corporation since April 2008. He served as a Trustee of C. Brewer & Company, Ltd., a privately held company headquartered in Honolulu, Hawaii, with operations in agriculture, distribution and real estate from 2006 through 2007, and as an independent business consultant in Honolulu, Hawaii from 2007 through 2008. He was Chief Executive Officer of Operations of C. Brewer and Co., Ltd. from 2001 to 2006; and Executive Vice President and Chief Financial Officer from 1991 to 2001. From 1991 to August 2001, he also was President and a Director of ML Macadamia Partners, an NYSE- listed master limited partnership. Mr. Lucien serves on the boards of Bank of Hawaii Corporation, and Wailuku Water Company, LLC.

Mr. Lucien is an experienced financial and operational leader in a variety of industries, some of which are similar to ours. He brings a broad understanding of the strategic priorities of diverse industries, coupled with a strong background in financial and tax matters.

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Duncan MacNaughton (66) Mr. MacNaughton has served as a director on our Board since May 2004. Mr. MacNaughton has served as Chairman of The MacNaughton Group/Poseiden Properties, Inc., a group of companies that includes real estate development, consulting and leasing since 1985. Mr. MacNaughton has extensive experience in real estate development as principal developer and/or owner of properties including Ainamalu residential subdivision, Kaanapali Royal resort condominiums, Costco Center at Bougainville Industrial Park, Pali Momi Medical Center, Waikele Center and Maui Marketplace, and the exclusive developer for Kmart Corporation's stores in Hawaii. Mr. MacNaughton serves on the boards of several privately held companies.

Mr. MacNaughton is an experienced business leader with extensive knowledge in real estate development, investments, acquisitions, operations and management.

Arthur C. Tokin (65) Mr. Tokin has not previously served on our Board. There are no agreements or understandings between Mr. Tokin and our management or other members of our Board with regard to his selection as a nominee to our Board. Mr. Tokin has served as a business consultant with Lum Yip Lee Ltd., a real estate consulting firm in Honolulu, Hawaii since 2005. From 1992 through 2004, he was the managing member of the Honolulu, Hawaii office of PricewaterhouseCoopers, a world-wide registered public accounting firm. Mr. Tokin currently serves on the boards of the privately held companies Haleakala Ranch Company, Hawaii National Bank and Parker Ranch, Inc. and numerous community organizations.

Mr. Tokin's experience in a leadership and governance role with PricewaterhouseCoopers providing audit and advisory services to a number of significant companies make him particularly well suited to serve on our Board.

Fred E. Trotter III (79) Mr. Trotter has served as a director on our Board since 1992. Mr. Trotter has served as President of F. E. Trotter Inc., a business consulting firm in Honolulu, Hawaii since 1991. He was a Trustee of The Estate of James Campbell, a private trust in Honolulu, Hawaii, from 1970 to 1991. Mr. Trotter is a director of the privately held companies Waterhouse Inc. and Hawaii Management Alliance Association. He is a member of the Executive Committee of JAIC-Shinrai Venture Capital, Investment, Ltd., a Japanese limited partnership. Mr. Trotter serves on the board of the Aloha Council Boy Scouts of America and various other community organizations.

Mr. Trotter has extensive experience in agribusiness and property management in Hawaii. He is an experienced leader and also has former experience on public boards of other companies, which further augments his range of knowledge.

### **Director Independence**

Both the listing standards of the NYSE and our Bylaws require that a majority of the Board be independent within the meaning of the listing standards of the NYSE. The Nominating and Governance Committee annually evaluates the independence of each director and nominee for director,



based on the rules prescribed by the listing standards of the NYSE and an evaluation of the transactions, if any, between us and the other entities with whom the director has an affiliation. After completing its annual evaluation, the Nominating and Governance Committee concluded that (1) David C. Cole, who is a Class One Director and was our Chairman, President and Chief Executive Officer until December 31, 2008, is not independent under the NYSE standards for independence, and will not be independent for five years following his employment with us; (2) Warren H. Haruki, who is a Class Three director, is not independent because he serves as our Interim Chief Executive Officer, and because of his position as Chief Executive Officer of Grove Farms Company, Inc., an entity that is principally owned by Stephen M. Case, also a Class One director and our largest shareholder; and (3) Stephen M. Case is not independent because of the materiality of his beneficial ownership in the Company. Our Board of Directors has affirmatively determined that Messrs. Agee, Dods, Gilburne, Heenan, Lucien, MacNaughton, Tokin and Trotter are independent pursuant to the NYSE standards for independence.

#### **Board Meetings and Committees**

The Board of Directors has established three standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee. The Board has approved a written charter for each of these committees, and each such charter is posted on our website at <http://mauland.com/>.

In 2009, our Board of Directors held 5 meetings; the Audit Committee held 5 meetings; the Compensation Committee and the Nominating and Governance Committee each held 1 meeting. The Board of the Directors and each committee conduct annual self-evaluations of their effectiveness. In 2009, all directors except Messrs. Heenan and Dods attended at least 75% of the aggregate meetings of the Board and committees on which they serve. The non-management directors met four times in 2009 with Mr. Heenan, the lead independent director, presiding at such meetings. Board members are encouraged, but not required, to attend our Annual Meeting of Shareholders. Our 2009 Annual Meeting of Shareholders was attended by all of our directors serving at that time with the exception of Mr. Heenan.

#### *Audit Committee*

Members of the Audit Committee are Messrs. Lucien (Chairman), Agee and Heenan. All of the Audit Committee members are independent from us and our management, as defined by the listed company standards of the NYSE and by the rules of the Securities and Exchange Commission, or SEC. The Board of Directors has determined that Mr. Lucien is an "audit committee financial expert" as defined in the rules and regulations of the SEC.

The Audit Committee is responsible for, among other things, monitoring the integrity of our consolidated financial statements, our system of internal accounting controls and financial reporting processes, and the overall performance of our internal auditors. The Audit Committee is also responsible for hiring, determining compensation for, and reviewing the independence and performance of, our independent registered public accounting firm. See "Audit Matters Report of the Audit Committee."

#### *Compensation Committee*

The members of the Compensation Committee are Messrs. Dods (Chairman), MacNaughton and Trotter. Each of these directors is independent as defined by the applicable listed company standards of the NYSE.

The Compensation Committee reviews and approves the compensation plans, salary recommendations and other matters relating to compensation of our executive officers and directors.

Compensation recommendations regarding the executive officers (except for the Chief Executive Officer) and directors are generally provided to the Compensation Committee by our Chief Executive Officer, and approved by the Compensation Committee. Our Chief Executive Officer's total compensation is recommended by the Compensation Committee and approved by our Board of Directors. In the absence of a Chief Executive Officer, our Interim Chief Executive Officer serves in the capacity of the Chief Executive Officer. The Compensation Committee has the sole authority over any non-equity compensation recommendations. However, equity compensation recommendations are presented to the full Board for ratification. The Compensation Committee generally retains the services of a compensation consultant to evaluate the compensation of our executive officers and directors. However, in 2009, the Compensation Committee did not retain the services of any outside compensation consultant. The Compensation Committee has the sole authority to retain and terminate outside counsel and other outside experts or consultants, at our expense, as deemed appropriate.

*Nominating and Governance Committee*

The members of the Nominating and Governance Committee are Messrs. Heenan (Chairman), Agee and Dods. All of the Nominating and Governance Committee members are independent as defined by the listed company standards of the NYSE.

The Nominating and Governance Committee identifies, evaluates, and recommends qualified candidates to our Board of Directors for nomination and election. The Nominating and Governance Committee's policy with respect to director candidates recommended by shareholders is that it will consider any such director candidates on the same basis as candidates identified by the Nominating and Governance Committee. Names and resumes of prospective directors should be addressed to Nominating and Governance Committee of Maui Land & Pineapple Company, Inc., c/o Corporate Secretary, 870 Haliimaile Road, Makawao, Hawaii 96768-9768. See "Shareholder Proposals and Nominations" above.

The criteria that will be applied in evaluating any candidate considered by the Nominating and Governance Committee, including those recommended by shareholders, include whether or not the candidate:

is familiar with the communities of Maui and Hawaii in general;

possesses personal and professional integrity, sound judgment and forthrightness;

has sufficient time and energy to devote to our affairs;

is willing to challenge and stimulate management and is able to work as part of a team in an environment of trust;

has an open-minded approach to, and the resolve to independently analyze, matters presented for consideration;

will add specific value by virtue of particular technical expertise, experience or skill relevant to our business; and

understands business and financial affairs and the complexities of a business organization. While a career in business is not essential, a nominee should have a proven record of competence and accomplishment through leadership in industry, non-profit organizations, the professions or government.

The Nominating and Governance Committee has not adopted any formal diversity policy with respect to the nomination of qualified director candidates. However, the Nominating and Governance Committee may consider diversity, broadly defined to include a diversity of opinions, perspectives and backgrounds, such as gender, race and ethnicity differences, as well as other differentiating

characteristics, in the context of the requirements of the Board of Directors at any specific point in time.

The Nominating and Governance Committee identifies nominees for positions on our Board of Directors by requesting names of potential candidates from the other Board members and from our executive officers. The full Board is responsible for final approval of new director candidates, as well as the nomination of existing directors for reelection. With respect to existing directors, prior to making its recommendation to the full Board, the Nominating and Governance Committee, in consultation with the Chairman of the Board, reviews each director's continuation on the Board as a regular part of the nominating process, which has historically occurred every three years, but will occur annually if the amendments discussed in Proposal No. 1 are approved by the stockholders.

The Nominating and Governance Committee is authorized by its charter to retain a third party search firm to identify potential nominees to our Board of Directors. The Nominating and Governance Committee review resumes of the interested candidates and selects those that pass the initial screening for personal interviews. Each member of the Nominating and Governance Committee completes a ranking form that ranks all candidates interviewed and the directors standing for re-election. Based on the scores received by each individual, the nominees are selected for recommendation to our Board of Directors. Mr. Tokin was recommended to the Nominating and Governance Committee for consideration as a director by Warren H. Haruki, Chairman of the Board and Interim Chief Executive Officer.

#### **Shareholder Communications with the Board of Directors**

Shareholders wishing to submit written communications to our Board of Directors should address their communications to: Board of Directors of Maui Land & Pineapple Company, Inc., or to the specified individual director, c/o Corporate Secretary, 870 Haliimaile Road, Makawao, Hawaii 96768-9768. All such correspondence will be forwarded to the specified director or in the absence of such specification, to the Chairman of the Board.

#### **Board Leadership Structure**

Our Board does not have a policy, one way or the other, on whether the same person should serve as both our chief executive officer and chairman of the board or, whether the chairman should be a non-employee director. Our Board believes that it should have the flexibility to make this determination at any given point in time in the way that it believes best to provide appropriate leadership for the Company at that time. Over the past several years, we have had different leadership structures reflecting our circumstances at the time. Our Board believes that the current leadership structure, with Mr. Haruki serving as Chairman of the Board and Interim Chief Executive Officer, is appropriate given Mr. Haruki's experience in serving in both of these roles, his strong leadership capability and the efficiency of having the roles combined. Pursuant to past practice, whenever the chairman is an employee of the Company, the Board selects a "lead independent director." Mr. Heenan is currently the lead independent director.

The Audit Committee oversees our risk management functions the purpose of which is to identify potential events and risks that may affect the entity and its objectives. To fulfill this duty the Committee works with management to highlight significant enterprise-wide risks, to establish operational plans to control and mitigate risks and to monitor and review the risk management function. The Audit Committee discusses its findings with the Board and will concur with the Board on all major decisions.

**Director Compensation****DIRECTOR COMPENSATION**  
**Year Ended December 31, 2009**

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Stock Awards(1) (\$)</b>	<b>All Other Compensation (\$)</b>	<b>Total (\$)</b>	<b>Number of Stock Awards Outstanding at FY End(2)</b>
John H. Agee	\$ 27,000			\$ 27,000	1,250
Stephen M. Case	\$ 27,000	\$ 20,940		\$ 47,940	2,250
David C. Cole(3)	\$ 27,000	\$ 24,218	\$ 20,513	\$ 71,731	2,250
Walter A. Dods Jr.	\$ 27,000	\$ 20,940		\$ 47,940	2,250
Miles R. Gilburne	\$ 27,000			\$ 27,000	250
David A. Heenan	\$ 27,000			\$ 27,000	250
Kent T. Lucien	\$ 27,000			\$ 27,000	250
Duncan MacNaughton	\$ 27,000			\$ 27,000	1,250
Fred E. Trotter III	\$ 27,000	\$ 20,940		\$ 47,940	2,250

- (1) Aggregate grant date fair value (computed in accordance with FASB ASC topic 718) of stock awards granted in 2009.
- (2) Unvested awards as of December 31, 2009.
- (3) Amount under "All Other Compensation" represents retirement payments to Mr. Cole under our Pension Plan for Non-Bargaining Unit Employees and the Supplemental Executive Retirement Plan that were earned during his employment with the Company from 2003 through 2008.
- (4) Compensation for Chairman and Interim CEO, Warren H. Haruki are included in the Executive Compensation Tables beginning on page 22 of this report.

*Narrative to Director Compensation Table*

In 2009, all non-employee directors received an annual cash retainer fee of \$27,000. The cash retainer fee reflects a 10% reduction from 2008 consistent with the employee salary reductions that were implemented in March 2009. Non-employee directors are also granted restricted Common Stock, or Restricted Shares, 250 shares of which vest each quarter covering the term of the director's current membership. The Restricted Shares are granted under the Maui Land & Pineapple Company, Inc. 2006 Equity and Incentive Award Plan (the "2006 Plan") to the director at the time he or she is elected, re-elected or appointed to the Board. The number of shares granted to each director is equal to the number of calendar quarters in his term multiplied by 250 shares. The directors have voting and regular dividend rights with respect to the unvested Restricted Shares, but have no right to dispose of them until such time as they are vested. Each unvested Restricted Share is forfeited upon the director's termination of his position as a member of the Board of Directors for any reason.

In 2009, Messrs. Case, Cole, Dods and Trotter were each granted 3,000 Restricted Shares under the 2006 Plan, upon their election as Class One Directors for the three-year term that was to end in 2012 (fair value on May 4, 2009 of \$6.98 per share). Mr. Cole was also granted 250 Restricted Shares under the 2006 Plan upon his change of status to a non-employee Class One Director on January 1, 2009 (fair value on January 2, 2009 of \$13.11 per share).

**PROPOSAL 3: Election of Directors (if Proposal No. 1 is Not Adopted)**

**Proposal No. 3 will NOT be adopted if shareholders approve Proposal No. 1**

Our Articles currently provide for a Board of Directors of not less than nine nor more than twelve directors as shall be determined in accordance with our Bylaws from time to time. The number of authorized directors is currently set by the Board at ten. Our Articles and the Bylaws also divide our Board of Directors into three classes of directors consisting currently of four members in Class One and three members in Classes Two and Three, with each class holding office for three years in staggered terms. Class Two consists of three directors whose term of office expires in 2010. Class One consists of four directors whose term expires in 2012. Class Three consists of three directors whose term of office expires in 2011.

Based upon the recommendation of the Nominating and Governance Committee, our Board has nominated the following individuals for election to Class Two positions with their term in office to expire in 2013: Messrs. David A. Heenan, Kent T. Lucien and Arthur C. Tokin. Messrs. Heenan and Lucien currently serve as Class Two directors.

In the event that any person nominated as a director becomes unavailable or declines to serve as a director at the time of the Annual Meeting, the proxy holders will vote the proxies in their discretion for any nominee who is designated by the current Board of Directors to fill the vacancy. It is not expected that any of the nominees will be unavailable to serve.

Set forth below is biographical information for each Class Two director nominees for election at the Annual Meeting of Shareholders in 2010 and our continuing Class One and Class Three directors. Directors Agee, Cole, Dods and Gilburne intend to tender their resignation effective on the date of the 2010 Annual Meeting if Proposal No. 1 is not adopted. There are no family relationships among any of our directors.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE THREE PERSONS NOMINATED BY THE BOARD AS CLASS TWO DIRECTORS.**

**Class Two Directors:**

David A. Heenan (70)

Mr. Heenan has served as a director on our Board since 1999. Mr. Heenan has served as a Trustee of The Estate of James Campbell, a private trust in Honolulu, Hawaii since 1995. He was Chairman, President and Chief Executive Officer of Theo. H. Davies & Co., Ltd., the North American holding company for the Hong Kong-based Jardine Matheson from 1982 to 1995. Mr. Heenan is a director of Bank of Hawaii Corporation. He was the Chairman of our Board from May 2003 to March 2004.

Mr. Heenan is an experienced business leader with the skills necessary to be our lead independent director. His former experience leading a public company as well as his current public company board experience provides a great depth of experience on which he can draw while serving on our Board.

Kent T. Lucien (56)

Mr. Lucien has served as a director on our Board since 2004. Mr. Lucien has served as Vice Chairman and Chief Financial Officer of Bank of Hawaii Corporation since April 2008. He served as a Trustee of C. Brewer & Company, Ltd., a privately held company headquartered in Honolulu, Hawaii, with operations in agriculture, distribution and real estate from 2006 through 2007, and as an independent business consultant in Honolulu, Hawaii from 2007 through 2008. He was Chief Executive Officer of Operations of C. Brewer and Co., Ltd. from 2001 to 2006; and Executive Vice President and Chief Financial Officer from 1991 to 2001. From 1991 to August 2001, he also was President and a Director of ML Macadamia Partners, an NYSE- listed master limited partnership. Mr. Lucien serves on the boards of Bank of Hawaii Corporation, and Wailuku Water Company, LLC.

Mr. Lucien is an experienced financial and operational leader in a variety of industries, some of which are similar to ours. He brings a broad understanding of the strategic priorities of diverse industries, coupled with a strong background in financial and tax matters.

Arthur C. Tokin (65)

Mr. Tokin has not previously served on our Board. There are no agreements or understandings between Mr. Tokin and our management or other members of our Board with regard to his selection as a nominee to our Board. Mr. Tokin has served as a business consultant with Lum Yip Lee Ltd., a real estate consulting firm in Honolulu, Hawaii since 2005. From 1992 through 2004, he was the managing member of the Honolulu, Hawaii office of PricewaterhouseCoopers, a world-wide registered public accounting firm. Mr. Tokin currently serves on the boards of the privately held companies Haleakala Ranch Company, Hawaii National Bank and Parker Ranch, Inc. and numerous community organizations.

Mr. Tokin's experience in a leadership and governance role with PricewaterhouseCoopers providing audit and advisory services to a number of significant companies make him particularly well suited to serve on our Board.

**Continuing Directors:**

**Class One Directors**

Stephen M. Case (51)

Mr. Case has served as a director on our Board since December 2008. Mr. Case has served as Chairman and Chief Executive Officer of Revolution LLC, an investment company since April 2005. He is also Chairman of Exclusive Resorts LLC, a membership-based luxury real estate company since November 2004. He was Chairman of the Board of Time Warner, Inc. from January 2001 to May 2003. Mr. Case was Chairman of the Board and Chief Executive Officer of America Online, Inc. from 1995 to January 2001 and Chief Executive Officer from 1993 to 1995.

Mr. Case is an experienced business leader, whose experience leading other public companies further augments his range of knowledge, providing experience on which he can draw while serving as a member of our Board. In addition, Mr. Case also brings to the Board the perspective of a major Company shareholder.

Fred E. Trotter III (79)

Mr. Trotter has served as a director on our Board since 1992. Mr. Trotter has served as President of F. E. Trotter Inc., a business consulting firm in Honolulu, Hawaii since 1991. He was a Trustee of The Estate of James Campbell, a private trust in Honolulu, Hawaii, from 1970 to 1991. Mr. Trotter is a director of the privately held companies Waterhouse Inc. and Hawaii Management Alliance Association. He is a member of the Executive Committee of JAIC-Shinrai Venture Capital, Investment, Ltd., a Japanese limited partnership. Mr. Trotter serves on the board of the Aloha Council Boy Scouts of America and various other community organizations.

Mr. Trotter has extensive experience in agribusiness and property management in Hawaii. He is an experienced leader and also has former experience on public boards of other companies, which further augments his range of knowledge.

### **Class Three Directors**

Warren H. Haruki (57)

Mr. Haruki has been Executive Chairman of our Board since January 2009, Interim Chief Executive Officer since May 2009 and a director on our Board since 2006. Mr. Haruki has served as President and Chief Executive Officer of Grove Farm Company, Inc., a land development company located on Kauai, Hawaii since February 2005, and has been a Trustee of Parker Ranch Foundation Trust since March 2004. He was President of GTE Hawaiian Tel and Verizon Hawaii, communications providers, from 1991 to 2003. Mr. Haruki is on the Boards of the privately held companies, Parker Ranch, Inc., First Hawaiian Bank, Pacific Guardian Life Insurance Company, Hawaii Planing Mill, Ltd. and various non-profit organizations.

Mr. Haruki's experience in leadership roles, some of which were in public companies, give him a deep understanding of the role and strategic priorities of the Board. In addition, his experience with various operational and financial matters in similar industries as ours positions him well to serve as our Chairman and in the role of Interim Chief Executive Officer.

Duncan MacNaughton (66)

Mr. MacNaughton has served as a director on our Board since May 2004. Mr. MacNaughton has served as Chairman of The MacNaughton Group/Poseiden Properties, Inc., a group of companies that includes real estate development, consulting and leasing since 1985. Mr. MacNaughton has extensive experience in real estate development as principal developer and/or owner of properties including Ainamalu residential subdivision, Kaanapali Royal resort condominiums, Costco Center at Bougainville Industrial Park, Pali Momi Medical Center, Waialeale Center and Maui Marketplace, and the exclusive developer for Kmart Corporation's stores in Hawaii. Mr. MacNaughton serves on the boards of several privately held companies.

Mr. MacNaughton is an experienced business leader with extensive knowledge in real estate development, investments, acquisitions, operations and management.

**PROPOSAL 4: Amendment of the Company's Articles to authorize an additional 20,000,000 shares of Common Stock.**

The Articles presently state that "the amount of the authorized capital stock of the corporation is 23,000,000 shares of Common Stock without par value." The amendment to the Articles would increase the authorized capital stock by 20,000,000 shares to 43,000,000 shares.

As of the Record Date, of the 23,000,000 currently authorized shares of Common Stock, there were (i) 8,522,233 shares outstanding, of which 4,200 shares were held by Honolua Plantation Land Company, Inc., a wholly-owned subsidiary, (ii) 714,801 shares subject to outstanding and unexercised options to acquire Common Stock and (iii) 257,190 shares reserved for issuance under the Maui Land & Pineapple Company, Inc. 2006 Equity and Incentive Compensation Plan. The remaining authorized shares are currently available for issuance.

On February 8, 2010, our Board of Directors approved an amendment to our Articles to increase our authorized shares of Common Stock by 20,000,000 shares, subject to approval by our shareholders. Our Board of Directors believes that it is advisable and in the best interests of the Company and its shareholders to amend the Articles in order to have available additional authorized but unissued shares of Common Stock in an amount adequate to provide for our future needs.

*Purpose of the change in authorized shares*

Although we currently have no definite plans, intentions, agreements or understandings with regard to the newly authorized shares, the purpose of this proposed increase in authorized shares is to make available additional shares of Common Stock for issuance for general corporate purposes, including financing activities, without the requirement of further action by our shareholders. Our Board of Directors has considered potential uses of the additional authorized shares of Common Stock, which may include seeking additional equity financing through public or private offerings, establishing additional employee or director equity compensation plans or arrangements, using our Common Stock for business acquisitions, or for other general corporate purposes. Increasing the authorized number of shares of Common Stock will provide us with greater flexibility and allow the issuance of additional shares of Common Stock in most cases without the expense or delay of seeking further approval from the shareholders. We are at all times investigating additional sources of financing which the Board of Directors believes will be in our best interests and in the best interests of our shareholders.

At December 31, 2009, we reported in our Annual Report on Form 10-K that our total debt, including capital leases, was \$97.0 million, and that we had \$1.9 million in cash and \$13.5 million in available lines of credit. We also reported that our cash outlook for the next twelve months and ability to continue to meet our financial covenants under our credit facilities is highly dependent on generating additional capital, including through the sale of equity. Included in our total debt is \$40.0 million owed to the holders of our convertible notes, which become redeemable in July 2011. In order to facilitate meeting our current obligations as well as our ability to redeem the convertible notes, we may be required to sell shares of our Common Stock in excess of our current authorized shares.

In addition, on January 11, 2010, we received notification from the NYSE that we are no longer in compliance with the NYSE's continued listing standards because our average market capitalization was less than \$50 million over a 30 trading-day period and our most recently reported shareholders' equity was less than \$50 million. We have submitted a plan of compliance to the NYSE to demonstrate our ability to achieve compliance with the continued listing standards within 18 months of the date of notice from the NYSE. Our plan includes the possibility of raising additional equity capital. By increasing our number of authorized shares of Common Stock, we will have more flexibility to raise equity capital in an effort to meet our debt obligations as they become due and, if necessary, to comply with the NYSE continued listing standards, without the delay of shareholder approval.



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The proposed additional shares of Common Stock would be a part of the existing class of the Company's Common Stock and, if and when issued, would have the same rights and privileges as the shares of Common Stock presently issued and outstanding. No additional action or authorization by the shareholders would be necessary prior to the issuance of the additional shares unless required by applicable law or regulation, our Articles or the rules of the NYSE, if applicable.

### *Effect of Having Authorized but Unissued Shares*

The issuance of additional shares of Common Stock in the future may, among other things, dilute earnings per share, stockholders' equity, and voting rights. The issuance of additional shares, or the perception that additional shares may be issued, may also adversely affect the market price of our Common Stock. The availability for issuance of additional shares of Common Stock also has the effect of rendering more difficult or discouraging any attempts by other parties to obtain control of the Company. For example, the issuance of shares of Common Stock in a public or private sale, merger, or similar transaction would increase the number of outstanding shares, thereby diluting the interest of a party attempting to obtain control of the Company. We are not aware of any existing or planned effort on the part of any party to accumulate material amounts of voting stock, or to acquire the Company by means of a merger, tender offer, solicitation of proxies in opposition to management or otherwise, or to change our management, nor are we aware of any person having made any offer to acquire the voting stock or assets of the Company.

The Board of Directors has approved the amendment of the Company's Articles to increase the number of shares of authorized Common Stock by 20,000,000 shares. This change to the Articles is included in the Articles of Amendment that are attached to this Proxy Statement as Appendix "A." The Articles of Amendment would become effective upon their filing with the Department of Commerce and Consumer Affairs of the State of Hawaii.

**The Board of Directors recommends a vote "FOR" Proposal No. 4 to approve the amendment to the Articles to increase our authorized Common Stock from 23,000,000 to 43,000,000 shares of Common Stock.**

### **PROPOSAL 5: Ratification of Independent Registered Public Accounting Firm**

Deloitte & Touche LLP, an independent registered public accounting firm, has been our independent auditor for many years, and is considered by management to be well qualified. The Audit Committee of the Board of Directors has appointed Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2010. A representative of Deloitte & Touche LLP is expected to be present at the Annual Meeting and will be given an opportunity to make a statement. The representative also will be available to respond to appropriate questions.

Shareholder ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm is required by our Restated Articles of Association. If the shareholders fail to ratify the selection, the Audit Committee may select a different firm until the next annual meeting of shareholders or may submit the new firm to our shareholders for ratification.

**The Board of Directors recommends a vote "FOR" ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for fiscal 2010.**

**Report of the Audit Committee**

The Audit Committee reviewed and discussed with management, and the independent registered public accounting firm, the Company's quarterly and annual audited financial statements, and Forms 10-Q for 2009, and Form 10-K for the year ended December 31, 2009, prior to their filing.

The Committee discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards, or SAS, No. 61, "Communications with Audit Committees," as amended by SAS Nos. 89 and 90, and as adopted by the Public Company Accounting Oversight Board Rule 3600T.

The Committee has received the written disclosures and the letter from the independent public accounting firm required by Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees," as amended and as adopted by the Public Company Accounting Oversight Board Rule 3600T, and has discussed with the independent registered public accounting firm their independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the Company's audited consolidated financial statements be included in the Form 10-K for the year ended December 31, 2009.

Audit Committee:

Kent T. Lucien (Chairman)  
 John H. Agee  
 David A. Heenan

*The above Report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Company filing, whether under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made on, before or after the date of this Proxy Statement and irrespective of any general incorporation language in such filing, except to the extent the Company specifically incorporates this Report by reference therein.*

**Independent Registered Public Accounting Firm**

Fees for services performed for us by Deloitte & Touche LLP for 2009 and 2008, including expenses incurred in connection with these services, are as follows:

	2009	2008
Audit Fees	\$ 856,000	\$ 908,000
Audit-Related Fees	77,000	158,000
Tax Fees	53,000	31,000
Total Fees	\$ 986,000	\$ 1,097,000

*Audit Fees*

The audit fees are primarily attributable to professional services rendered for the audits of our annual consolidated financial statements for the fiscal years ended December 31, 2009 and 2008, respectively, the reviews of our condensed financial statements included in our Quarterly Reports on Form 10-Q, and the audit of the effectiveness of our internal control over financial reporting.

*Audit-Related Fees*

The audit-related fees for 2009 and 2008 includes services for the audits of our defined benefit and defined contribution pension plans and for various audit related consultations.

*Tax Fees*

The fees for tax services relate to professional services rendered for tax compliance and various tax consultations.

The Audit Committee has considered whether the provision of these services by Deloitte & Touche LLP is compatible with maintaining the independence of Deloitte & Touche LLP, and has determined that the provision of such services by Deloitte & Touche LLP has not adversely affected the independent registered public accounting firm's independence.

*Audit Committee Policy Approval of Fees*

It is the policy of the Audit Committee of the Board of Directors that all audit and permissible non-audit services provided by our independent registered public accounting firm and related fees paid to our independent registered public accounting firm must be approved in advance by the Audit Committee. All of the services provided by Deloitte & Touche LLP described in the table above were approved by the Audit Committee.

**OTHER MATTERS**

The Board knows of no other matters that may be brought before the meeting. However, if any other matters are properly brought before the meeting, the persons named in the enclosed proxy or their substitutes will vote in accordance with their best judgment on such matters, and discretionary authority to do so is included in the proxy.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth the beneficial ownership of our Common Stock as of March 1, 2010, by (i) each director and nominee for director and (ii) our Interim Chief Executive Officer and our other executive officers, which we collectively refer to in this Proxy Statement as the Named Executive Officers, and (iii) all of our directors and Named Executive Officers as a group. Unless otherwise indicated and subject to applicable community property and similar statutes, all persons listed below have sole voting and investment power over all shares of Common Stock beneficially owned. Other

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than the directors and Named Executive Officers, there are no other person or entity who is known by us to own beneficially more than 5% of the outstanding shares of common stock.

Name and Address of Beneficial Owner(1)	Number of shares of Common Stock Beneficially Owned(2)	Approximate Percent Owned(2)
<b>DIRECTORS AND NAMED EXECUTIVE OFFICERS</b>		
Stephen M. Case(3)	3,475,280	40.8%
David C. Cole(4)	204,065	2.4%
Miles R. Gilburne(5)	175,414	2.1%
Warren H. Haruki	82,990	*
Ryan L. Churchill	76,734	*
John P. Durkin	65,214	*
David A. Heenan	6,000	*
Kent T. Lucien	6,000	*
Duncan MacNaughton	7,000	*
John H. Agee	7,000	*
Walter A. Dods, Jr.	7,500	*
Fred E Trotter III	8,000	*
All Executive Officers and Directors as a group (12)(6)	4,121,197	

\*  
Less than 1%

(1) Except as set forth in the footnotes to this table, the business address of each director and executive officer listed is c/o Maui Land & Pineapple Company, Inc., 870 Haliimaile Road, Makawao, Hawaii 96768-9768.

(2) This table is based upon information supplied by officers and directors. Beneficial ownership is determined in accordance with the rules of the SEC. Applicable percentage ownership is based on 8,522,233 shares of Common Stock outstanding as of March 1, 2010. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of Common Stock subject to options currently exercisable, or exercisable within 60 days of March 1, 2010, are deemed outstanding.

(3) Substantially all shares beneficially owned by Stephen M. Case are actually owned by the Stephen M. Case Revocable Trust. Mr. Case is the sole trustee of the Stephen M. Case Revocable Trust and has the sole power to vote the stock and to sell or otherwise make investment decisions with respect to the shares. Mr. Case has pledged substantially all of his shares to Bank of Hawaii, as collateral security for certain obligations.

(4) Includes 3,400 shares of Common Stock held by the Cole Family Foundation, of which Mr. Cole is Vice President and Secretary.

(5) Includes 172,414 shares of Common Stock owned by ZG Ventures LLC of which Mr. Gilburne is the managing member.

(6) Includes (i) 25,000 Restricted Shares of which vesting is performance based through 2013; (ii) 161,300 shares that vest quarterly through 2013; and (iii) 31,000 shares subject to options. The beneficial owner of the Restricted Shares have voting and regular dividend rights with respect to the Restricted Shares, but no right to dispose of such shares.

## EXECUTIVE COMPENSATION

## Executive Compensation Tables

## Summary Compensation Table

The following table sets forth for our Named Executive Officers for the years ended December 31, 2009 and 2008 (i) the dollar value of base salary and bonus earned; (ii) the aggregate grant date fair value of stock and option awards granted in accordance with FASB ASC Topic 718; (iii) all other compensation; and (iv) the dollar value of total compensation.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards(1) (\$)	All Other Compensation (\$)(2)	Total (\$)
Warren H. Haruki(3) Chairman & Interim Chief Executive Officer (Principal Executive Officer)	2009	206,942		510,000	62,000		778,942
Ryan L. Churchill President & Chief Operating Officer	2009	191,539		348,000		24,444	563,983
	2008	200,000				22,257	222,257
John P. Durkin(4) Chief Financial Officer (Principal Financial Officer)	2009	168,923		464,700	77,800	35,012	746,435
Robert I. Webber(5)	2009	227,277				126,653	353,930
	2008	389,423	50,000	655,500	300,750	78,194	1,473,867

- (1) Option and stock awards reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 and include awards granted in the respective year shown. Assumptions used in calculation of these amounts are included in note 11 to our audited financial statements for the fiscal year ended December 31, 2009 included in our Annual Report on Form 10-K filed with the SEC.
- (2) See Narrative below for description of "All Other Compensation."
- (3) Mr. Haruki was appointed as Executive Chairman as of January 1, 2009 and Interim Chief Executive Officer as of May 14, 2009. The table above includes compensation earned by Mr. Haruki in all positions with the Company in 2009.
- (4) Mr. Durkin was hired as Chief Financial Officer as of April 15, 2009.
- (5) Mr. Webber served as our Chief Executive Officer from January 1, 2009 until May 14, 2009. In 2008, Mr. Webber held various positions, including Chief Operating Officer and Chief Financial Officer.

## Narrative to Summary Compensation Table

Mr. Haruki was appointed as Executive Chairman as of January 2009 and effective with such appointment he received \$180,000 annual compensation in addition to the annual cash retainer for directors of \$27,000. In connection with such appointment, on March 9, 2009, Mr. Haruki was granted 20,000 Restricted Shares (aggregate grant date fair value of \$104,000 based on \$5.20 per share) and 25,000 stock options (aggregate grant date fair value in accordance with FASB ASC 718 of \$62,000). The stock options have an exercise price of \$5.20 and vest annually over five years; the Restricted Shares vest quarterly over five years and both the stock options and Restricted Shares will fully vest if there is a change-in-control of the Company as defined by the 2006 Plan. As of May 14, 2009, our Board of Directors approved the appointment of Mr. Haruki as Interim Chief Executive Officer and suggested that he receive an additional \$60,000 of annual cash compensation for his additional responsibilities. Mr. Haruki subsequently informed the Compensation Committee that he has chosen to not receive the additional compensation at this time as offered by the Board because of the poor financial and cash situation of the Company. On August 3,

2009, Mr. Haruki was granted 56,000 Restricted Shares (aggregate grant date fair value of \$406,000 based on \$7.25 per share) under the

2006 Plan that vest quarterly over five years and will fully vest if there is a change-in-control of the Company (as defined in the 2006 Plan).

Mr. Churchill was appointed as President and Chief Operating Officer on February 8, 2010. In 2009 and 2008, he was Senior Vice President/Business Development. "All Other Compensation" for Mr. Churchill includes automobile allowance, the value of life insurance benefits, and the change in value of his participation in the Company's defined benefit pension plan (see *Additional Narrative Disclosure*, below). The auto allowance was abolished as of November 1, 2009 and the defined benefit pension plan was frozen as of December 31, 2009. In March 2009, most all employees, including Mr. Churchill took a 10% salary cut. On August 3, 2009, Mr. Churchill was granted 48,000 Restricted Shares (aggregate grant date fair value of \$348,000 based on \$7.25 per share) under the 2006 Plan that vest quarterly over five years and will fully vest if there is a change-in-control (as defined in the 2006 Plan).

Mr. Durkin was hired by us effective April 14, 2009 as our Chief Financial Officer. He was granted 20,000 stock options (aggregate grant date fair value in accordance with FASB ASC Topic 718 of \$77,800) and 15,000 Restricted Shares. The stock options have an exercise price of \$7.78 and vest annually over five years; the Restricted Shares vest ratably over five years based on performance criteria set by the Compensation Committee; and both the stock options and Restricted shares will fully vest if there is a change-in-control of the Company as defined by the 2006 Plan. In 2009, performance criteria were not set for vesting of 3,000 Restricted Shares and the shares will carry over to future periods for vesting. The aggregate grant date fair value assuming that the highest level of performance will be achieved is \$116,700 (stock price on April 15, 2009 of \$7.78 per share). On August 3, 2009, Mr. Durkin was granted 48,000 Restricted Shares (aggregate grant date fair value of \$348,000 based on \$7.25 per share) under the 2006 Plan that vest quarterly over five years and will fully vest if there is a change-in-control (as defined in the 2006 Plan). "All Other Compensation" for Mr. Durkin includes the value of life insurance benefits and reimbursement for moving expenses incurred.

Mr. Webber was our President and Chief Executive Officer from January 1, 2009 until his departure in May 2009. In 2008, he was Senior Vice President and Chief Financial Officer until March 2008 when he was promoted to Executive Vice President and Chief Operating Officer, and he continued to serve as Chief Financial Officer. Upon Mr. Webber's termination in May 2009, his stock option agreements for 102,000 stock options were modified to fully vest immediately and his restricted stock agreements were modified to fully vest immediately without attaining pre-set performance criteria. The fair value of the modified stock compensation grants as of May 14, 2009 in accordance with FASB ASC 718 was \$543,000. The original grant date fair value of the Restricted Shares and stock options was \$1,548,000. The stock options were not exercised and expired in November 2009. Mr. Webber's severance package also included cash payments of \$150,000 over approximately six months, which is included in "All Other Compensation" for 2009. "All Other Compensation" for Mr. Webber for 2009 also includes the value of life insurance benefits, automobile allowance, living expense, and the change in value of his participation in the Company's defined benefit pension plan. Mr. Webber forfeited all pension benefits upon his departure in 2009 because he did not meet the vesting requirements.

#### *Additional Narrative Disclosure*

Our Pension Plan for Non-Bargaining Unit Employees, or the Pension Plan, is a defined benefit pension plan covering all of our non-bargaining salaried employees including executive officers. We also have a Supplemental Executive Retirement Plan, or SERP, covering Pension Plan benefits of an employee that were reduced because of (i) the maximum annual benefit limitation or (ii) the maximum compensation limitation. Effective November 1, 2008, by amendment to the Pension Plan and the SERP employees hired after October 31, 2008 were no longer eligible to participate in the benefit

plans; and effective December 31, 2009, the Pension Plan and the SERP were frozen such that there are no further benefits accruing to the participants.

Compensation covered by the Pension Plan or SERP, was generally only base salary. Retirement benefits are computed based on each participant's years of credited service with us, age, earnings and retirement date, and are not subject to any deduction for social security or other offset amounts. Normal retirement age for participants is 65 with provisions for retirement as early as 55. Benefits are payable as a qualified joint and survivor annuity with options for benefits in other annuity forms. Vesting is 100% after five years of service.

Mr. Churchill is a participant in the Pension Plan and the SERP. He had 8.2 years of credited benefit service as of December 31, 2009 and the present value of his accumulated benefit was approximately \$48,673. Messrs. Haruki and Durkin were not eligible to participate in the Pension Plan or the SERP because of the plan amendment disallowing participation for employees hired after October 31, 2008. Mr. Webber does not have any accrued benefits from the Pension Plan or the SERP because he did not have sufficient years of service for vesting.

#### *Incentive Based Compensation*

In 2009, there were no annual incentive plans in place for the executive officers or for any other employees. In addition, as mentioned above, the Compensation Committee did not set performance criteria for the vesting of restricted shares for Mr. Durkin or for Mr. Churchill, who has restricted shares granted in a previous year that vest at a rate of 3,000 shares per year based on performance criteria. Therefore, no performance based restricted shares vested in 2009. Incentives based on performance criteria were not deemed appropriate by the Compensation Committee in 2009 because of the numerous changes taking place in our operations, management and financial outlook. The time vesting restricted shares granted to the executive officers and to other management employees in 2009 was intended to partially compensate them for salary and benefit reductions.

In 2008, the annual bonus incentive objective for the CEO and CFO included (a) achieving net income of \$5.3 million in combination with (b) "pre-allocation operating income" (POI) of \$19.6 million. Pre-allocation operating income is income before taxes, interest, corporate service cost, and non-routine land transactions. These financial targets were not met and no annual stock-based incentive was awarded to the CEO or the CFO. There was no annual cash incentive plan established for the CEO and CFO for 2008, but based on Mr. Webber's employment agreement, he received a cash bonus of \$50,000 for 2008.

The 2008 annual bonus incentive objectives for Mr. Churchill included (a) the achievement of certain real estate sales thresholds and other specified revenue increases over 2007; (b) complete construction of various facilities for the Company's operations; and (c) achieve planned profit level for the Community Development operating segment. The objectives were partially met, but due to the poor overall financial performance of the Company, the Compensation Committee chose to not approve an annual bonus for Mr. Churchill.



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### *Outstanding Equity Awards at Fiscal Year-End*

The following table sets forth information regarding each unexercised option and unvested stock award held by each of our Named Executive Officers as of December 31, 2009.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other rights That Have Not Vested (\$)(4)
Warren H. Haruki		25,000	\$ 5.20	3/9/2019	67,650(1) \$	375,458
Ryan L. Churchill	5,000		\$ 37.99	3/30/2014	43,200(1) \$	239,760
	5,000		\$ 33.09	5/3/2014	10,000(2) \$	55,500
	8,000	2,000	\$ 27.25	11/4/2015		
	4,000	6,000	\$ 27.60	11/5/2017		
John P. Durkin		20,000	\$ 7.78	4/15/2019	43,200(1) \$	239,760
					15,000(3) \$	83,250

- (1) Restricted Shares vest quarterly through June 2013.
- (2) Restricted shares vesting through 2012 based on performance criteria to be set by the Compensation Committee.
- (3) Restricted shares vesting through 2013 based on performance criteria to be set by the Compensation Committee.
- (4) Based on December 31, 2009 closing price of MLP of \$5.55 per share.
- (5) Stock options vest at a rate of 20% annually over a five year period.

### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We have a 51% ownership interest in Kapalua Bay Holdings, LLC, or Bay Holdings, the owner and developer of The Residences at Kapalua Bay. The other members of Bay Holdings, through wholly owned affiliates, are Marriott International Inc., which owns a 34% interest in Bay Holdings, and Exclusive Resorts LLC, which owns the remaining 15% interest in Bay Holdings. Stephen M. Case, a director and our largest shareholder, is the Chairman, Chief Executive Officer, and indirect beneficial owner of Revolution LLC, which is the indirect majority owner of Exclusive Resorts LLC, and thus Mr. Case may be deemed to have a beneficial interest in Bay Holdings.

#### *Review, Approval or Ratification of Transactions with Related Persons*

Our policy with regard to related party transactions is that all material transactions are to be reviewed by the Audit Committee for any possible conflicts of interest. A "related party transaction" is defined to include any transaction or series of transactions exceeding \$120,000 in which we are a participant and any related person has a material interest. Related persons would include our directors, executive officers (and immediate family members of our directors and executive officers), and persons controlling over five percent of our outstanding common stock. The Audit Committee will generally evaluate the transaction in terms of: (i) the benefits to us; (ii) the terms of the transaction; and (iii) the terms

available to unrelated third parties or to employees generally. The Audit Committee will

generally seek consensus of the transaction from the independent directors. In the event a transaction relates to a member of our Audit Committee, that member will not participate in the Audit Committee's deliberations.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act requires our officers and directors and beneficial owners of more than 10% of our Common Stock to file reports of ownership and changes in ownership with the Securities and Exchange Commission and to furnish us with copies of such reports. To our knowledge, based solely upon a review of such reports and amendments thereto received by us during or with respect to its most recent fiscal year and upon written representations regarding all reportable transactions, we did not identify any such required report that was not timely filed.

BY ORDER OF THE BOARD OF DIRECTORS

ADELE H. SUMIDA  
Secretary

Kahului, Maui, Hawaii  
April 19, 2010

Articles of Amendment

**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
STATE OF HAWAII  
ARTICLES OF AMENDMENT**

**ARTICLE I  
NAME**

The name of the Corporation is MAUI LAND & PINEAPPLE COMPANY, INC.

**ARTICLE II  
AMENDMENTS**

Paragraph (a) of Article IV of the Corporation's Restated Articles of Association is amended and restated in its entirety as follows:

The amount of the authorized capital stock of the Corporation is Forty Three Million (43,000,000) shares of common stock without par value.

Paragraph (b) of Article V of the Corporation's Restated Articles of Association is amended and restated in its entirety as follows:

The Board of Directors shall consist of such number of persons, not less than five (5) nor more than nine (9) as shall be determined in accordance with the Bylaws from time to time. The directors (and alternate directors and/or substitute directors, if any) shall be elected or appointed in the manner provided in the By-laws and may be removed from office in the manner provided in the By-laws and all vacancies in the office of director shall be filled in the manner provided for in the By-laws.

**ARTICLE III  
OUTSTANDING SHARES**

The total number of shares outstanding is .

**ARTICLE IV  
ADOPTION OF AMENDMENTS**

The amendment to paragraph (a) of Article IV was adopted at a meeting of the shareholders held on May 13, 2010. Of the outstanding shares of common stock of the Corporation, constituting the sole voting group, votes were entitled to be cast, shares were voted for the amendment and shares were voted against the amendment.

The amendment to paragraph (b) of Article V was adopted at a meeting of the shareholders held on May 13, 2010. Of the outstanding shares of common stock of the Corporation, constituting the sole voting group, votes were entitled to be cast, shares were voted for the amendment and shares were voted against the amendment.

The undersigned certifies under the penalties of Section 414-20, Hawaii Revised Statutes, that the undersigned has read the above statements and that the same are true and correct.

Signed this day of May 2010.

---

Warren H. Haruki  
*Chairman & Interim Chief Executive Officer*  
A-1

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**YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.**

**We encourage you to take advantage of Internet or telephone voting.  
Both are available 24 hours a day, 7 days a week.**

Internet and telephone voting is available through 11:59 PM Eastern Time the day prior to the shareholder meeting date.

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**INTERNET**

**<http://www.proxyvoting.com/mlp>**

Use the Internet to vote your proxy. Have your proxy card in hand when you access the web site.

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**OR**

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**TELEPHONE**

**1-866-540-5760**

Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call.

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If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card.

To vote by mail, mark, sign and date your proxy card and return it in the enclosed postage-paid envelope.

**Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.**

â FOLD AND DETACH HERE â

**THIS PROXY WILL BE VOTED AS DIRECTED. IF THE PROXY IS PROPERLY SIGNED AND RETURNED AND NO DIRECTIONS ARE GIVEN, THE VOTE WILL BE IN FAVOR OF ALL PROPOSALS BELOW. DISCRETIONARY AUTHORITY IS HEREBY CONFERRED AS TO ALL OTHER MATTERS THAT MAY COME BEFORE THE MEETING.**

Please mark your votes as indicated in this example



2. Election of Directors if Proposal No.1 approved:	3. Election of Directors if Proposal No.1 not approved:	<b>FOR ALL</b>	<b>WITHHOLD FOR ALL</b>	<b>*EXCEPTIONS</b>	1. To amend the Company's Restated Articles of Association to change the number of members of the Board of Directors to not less than five (5) nor more than nine (9) and to declassify the Board of Directors.	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
01 Stephen M. Case	08 David A. Heenan**					<b>0</b>	<b>0</b>	<b>0</b>
02 Warren H. Haruki	09 Kent T. Lucien**	<b>0</b>	<b>0</b>	<b>0</b>				
03 David A. Heenan	10 Arthur C. Tokin**							
04 Kent T. Lucien								

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05 Duncan  
 MacNaughton  
 06 Arthur C. Tokin  
 07 Fred E. Trotter III

4. To amend the Company's Articles of Association to authorize an additional 20,000,000 shares of Common Stock. **0 0 0**

\*\*This nominee will stand for election as a Class Two director only if the amendment to the Company's Restated Articles of Association to declassify the Board of Directors (Proposal No.1) is not approved.

5. To ratify the selection of Deloitte & Touche LLP as the Independent Registered Public Accounting Firm of the Company for the fiscal year 2010. **0 0 0**

(INSTRUCTIONS: To withhold authority to vote for any individual nominee, mark the "Exceptions" box above and write that nominee's number and name in the space provided below.)

The undersigned hereby acknowledges receipt of the Notice of Annual Meeting and accompanying Proxy Statement.

\*Exceptions

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Mark Here for  
 Address Change  
 or Comments

**SEE  
 REVERSE 0**

Signature \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

NOTE: Please sign as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

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**You can now access your Maui Land & Pineapple Company, Inc. account online.**

Access your Maui Land & Pineapple Company, Inc. account online via Investor ServiceDirect® (ISD).

BNY Mellon Shareowner Services, the transfer agent for Maui Land & Pineapple Company, Inc., now makes it easy and convenient to get current information on your shareholder account.

View account status  
View certificate history  
View book-entry information

View payment history for dividends  
Make address changes  
Obtain a duplicate 1099 tax form

**Visit us on the web at <http://www.bnymellon.com/shareowner/isd>  
For Technical Assistance Call 1-877-978-7778 between 9am-7pm  
Monday-Friday Eastern Time**

**Investor ServiceDirect®  
Available 24 hours per day, 7 days per week  
TOLL FREE NUMBER: 1-877-265-2648**

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Choose **MLink<sup>SM</sup>** for fast, easy and secure 24/7 online access to your future proxy materials, investment plan statements, tax documents and more. Simply log on to **Investor ServiceDirect®** at [www.bnymellon.com/shareowner/isd](http://www.bnymellon.com/shareowner/isd) where step-by-step instructions will prompt you through enrollment.

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**Important notice regarding the Internet availability of proxy materials for the Annual Meeting of shareholders.** The Proxy Statement and the 2009 Annual Report to Stockholders are available at: <http://bnymellon.mobular.net/bnymellon/mlp>

â FOLD AND DETACH HERE â

**PROXY**

**MAUI LAND & PINEAPPLE COMPANY, INC.  
870 HALIIMAILE ROAD  
MAKAWAO, MAUI, HAWAII 96768-9768**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS FOR THE  
ANNUAL MEETING TO BE HELD MAY 13, 2010**

The undersigned hereby makes, constitutes and appoints JOHN P. DURKIN and ADELE H. SUMIDA and each of them as attorneys and proxies of the undersigned, with full power of substitution, for and in the name of the undersigned to represent the undersigned at the Annual Meeting of Shareholders of Maui Land & Pineapple Company, Inc. (the "Company") to be held at 8:30 a.m. on Thursday, May 13, 2010, at the Kapalua Village Center Conference Room in Lahaina, Maui, Hawaii, and any postponements or adjournments thereof, and to vote all shares of the stock of the Company standing in the name of the undersigned with all the powers the undersigned would possess if personally present at such meeting. This Proxy may be revoked by the undersigned at any time. The undersigned directs that this Proxy be voted as follows:

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**Address Change/Comments  
(Mark the corresponding box on the  
reverse side)**

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**BNY MELLON SHAREOWNER SERVICES**

P.O. Bss of whether cash attributable to this income is received. A U.S. holder may make an election to include in gross income all interest that accrues on any note (including stated interest, acquisition discount, original issue discount, DE MINIMIS original issue discount, market discount, DE MINIMIS market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) in accordance with a constant yield method based on the compounding of interest (a "constant yield election"). We may have an unconditional option to redeem, or holders may have an unconditional option to require us to redeem, a note prior to its stated maturity date. Under applicable regulations, if we have an unconditional option to redeem a note prior to its stated maturity date, this option will be presumed to be exercised if the exercise of the option will lower the yield on the note. Conversely, if holders have an unconditional option to require us to redeem a note prior to its stated maturity date, this option will be presumed to be exercised if the exercise of the option will increase the yield on the note. If an option discussed above is "deemed" exercised, but is not in fact exercised, the note will be treated solely for purposes of calculating original issue discount as if it were redeemed, and a new note were issued, on



the presumed exercise date for an amount equal to the note's adjusted issue price on that date. The adjusted issue price of an original issue discount note is defined as the sum of the issue price of the note and the aggregate amount of previously accrued original issue discount, less any prior payments other than payments of qualified stated interest. S-27 SALE, EXCHANGE OR RETIREMENT OF THE NOTES Upon the sale, exchange or retirement of a note, a U.S. holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the holder's adjusted tax basis in the note. Gain or loss, if any, will generally be U.S. source income for purposes of computing a U.S. holder's foreign tax credit limitation. Amounts attributable to accrued interest or discount are treated as interest as described under "-- Payment of Interest," "--Interest on Short-Term Notes" and "--Original Issue Discount" above. Except as described below, gain or loss realized on the sale, exchange or retirement of a note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the note has been held for more than one year. Exception to this general rule applies to the extent of any accrued discount not previously included in the holder's taxable income. See "--Interest on Short-Term Notes" and "--Original Issue Discount" above. In addition, other exceptions to this general rule apply in the case of contingent payment debt instruments, optionally exchangeable notes and mandatorily exchangeable notes. See "--Contingent Payment Debt Instruments," "--Optionally Exchangeable Notes" and "--Mandatorily Exchangeable Notes--Reverse Exchangeable Securities and Knock-In Reverse Exchangeable Securities" below. CONTINGENT PAYMENT DEBT INSTRUMENTS We may issue notes or securities that will be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. If a note or a security is treated as a contingent payment debt instrument, no payment on such instrument qualifies as qualified stated interest. Rather, a U.S. holder must account for interest for U.S. federal income tax purposes based on a "comparable yield" and the differences between actual payments on the contingent payment debt instrument and the instrument's "projected payment schedule" as described below. The comparable yield is determined by us at the time of issuance of the contingent payment debt instrument and takes into account the yield at which we could issue a fixed rate debt instrument with no contingent payments, but with terms and conditions otherwise similar to those of the contingent payment debt instrument. The comparable yield may be greater than or less than the stated interest, if any, with respect to the instrument. Solely for the purpose of determining the amount of interest income that a U.S. holder will be required to accrue on a contingent payment debt instrument, we will be required to construct a "projected payment schedule" that represents a series of payments the amount and timing of which would produce a yield to maturity on the instrument equal to the comparable yield used. NEITHER THE COMPARABLE YIELD NOR THE PROJECTED PAYMENT SCHEDULE CONSTITUTES A REPRESENTATION BY US OR HOLDING REGARDING THE ACTUAL AMOUNT, IF ANY, THAT THE CONTINGENT PAYMENT DEBT INSTRUMENT WILL PAY. For U.S. federal income tax purposes, a U.S. holder will be required to use the comparable yield and projected payment schedule established by us in determining interest accruals and adjustments in respect of a contingent payment debt instrument, unless the holder timely discloses and justifies the use of a different comparable yield and projected payment schedule to the Internal Revenue Service ("IRS"). A U.S. holder, regardless of the holder's method of accounting for U.S. federal income tax purposes, will be required to accrue interest income on a contingent payment debt instrument at the comparable yield, adjusted upward or downward to reflect the difference, if any, between the actual and the projected amount of any contingent payments on the instrument (as set forth below). A U.S. holder will be required to recognize interest income equal to the amount of any net positive adjustment, I.E., the excess of actual payments over projected payments, in respect of a contingent payment debt instrument for a taxable year. A net negative adjustment, I.E., the excess of projected payments over actual payments, in respect of a contingent payment debt instrument for a taxable year: o will first reduce the amount of interest in respect of the contingent payment debt instrument that a holder would otherwise be required to include in income in the taxable year; and S-28 o any excess will give rise to an ordinary loss to the extent that the amount of all previous interest inclusions under the contingent payment debt instrument exceeds the total amount of the U.S. holder's net negative adjustments treated as ordinary loss on the contingent payment debt instrument in prior taxable years. A net negative adjustment is not subject to the two percent floor limitation imposed on miscellaneous deductions. Any net negative adjustment in excess of the amounts described above will be carried forward to offset future interest income in respect of the contingent payment debt instrument or to reduce the amount realized on a sale, exchange or retirement of the instrument. Upon a sale, exchange or retirement of a contingent payment debt instrument (including a delivery of property pursuant to the terms of the instrument), a U.S. holder will generally recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the holder's adjusted basis in the contingent payment debt instrument. If we deliver property, other than cash, to a U.S. holder in retirement of a contingent payment debt instrument, the amount realized will equal the fair market value of the property, determined at the time of retirement, plus the amount of cash, if any, received in lieu of property. A U.S. holder generally will treat any gain as interest income, and any loss as ordinary loss to the extent of the excess of previous interest inclusions in excess of the total net negative adjustments previously taken into account as ordinary losses, and the balance as capital loss. The deductibility of capital losses is subject to limitations. In addition, if a holder recognizes loss above certain thresholds, the holder may be required to file a disclosure statement with the IRS. A U.S. holder will have a tax basis in any property, other than cash, received upon the retirement of a contingent payment debt instrument, including in satisfaction of a conversion right or a call right, equal to the fair market value of the property determined at the time of retirement. The holder's holding period for the property will commence on the day immediately following its receipt. Special rules will apply if one or more contingent payments on a contingent payment debt instrument become fixed. For purposes of the preceding sentence, a payment (including an amount payable at maturity) will be treated as fixed if (and when) all remaining contingencies with respect to it are remote or incidental within the meaning of the applicable Treasury regulations. If one or more contingent payments on a contingent payment debt instrument become fixed more than six months prior to the date the payment is due, a U.S. holder would be required to make a positive or

negative adjustment, as appropriate, equal to the difference between the present value of the amounts that are fixed, using the comparable yield as the discount rate, and the projected amounts of the contingent payments relevant as provided in the projected payment schedule. If all remaining scheduled contingent payments on a contingent payment debt instrument become fixed substantially contemporaneously, a U.S. holder would be required to make adjustments to account for the difference between the amounts so treated as fixed and the projected payments in a reasonable manner over the remaining term of the contingent payment debt instrument. A U.S. holder's tax basis in the contingent payment debt instrument and the character of any gain or loss on the sale of the instrument would also be affected. U.S. holders are urged to consult their tax advisers concerning the application of these special rules.

**CPI RATE NOTES** Depending on the terms of each CPI Rate Note, a CPI Rate Note will be treated as either a "variable rate debt instrument," or a "contingent payment debt instrument." For a description of the contingent payment debt instrument rules, see the discussion under "--Contingent Payment Debt Instruments" above. Unless otherwise provided in the applicable pricing supplement, a CPI Rate Note will be treated as a variable rate debt instrument for U.S. federal income tax purposes. The discussion below assumes that the CPI Rate Notes will qualify as a variable rate debt instruments. If a CPI Rate Note qualifies as a variable rate debt instrument, the tax consequences to a U.S. holder will generally be the same as the tax consequences to a U.S. holder holding a fixed rate note and are summarized below under this section "--CPI Rate Notes".

**PAYMENT OF INTEREST.** Each interest payment will be taxable to a U.S. holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. holder's method of accounting for U.S. federal income tax purposes. See "--Payment of Interest." If the CPI Rate Note qualifies as a short-term note (as defined above), S-29 interest payment on the CPI Rate Note will be taxable to a U.S. holder as described in "--Interest on Short-Term Notes" above. If a CPI Rate Note is issued with original issue discount (i.e., the issue price of the CPI Rate Note is less than its stated principal amount, and the difference between the issue price and the stated principal amount exceeds the DE MINIMIS amount described in "--Original Issue Discount" above), the amount of qualified stated interest and the amount of original issue discount that accrues during an accrual period on such CPI Rate Note would be determined by applying the rules described in "--Original Issue Discount" above, assuming that the stated variable interest rate for which the CPI Rate Note provide is a fixed rate that reflects the yield that is reasonably expected for the CPI Rate Note.

**SALE OR EXCHANGE OF THE NOTES.** Upon a sale or exchange of CPI Rate Notes, a U.S. holder will recognize capital gain or loss equal to the difference between the amount realized on the sale or exchange and the U.S. holder's tax basis in the notes. This gain or loss will generally be long-term capital gain or loss if the U.S. holder held the CPI Rate Note for more than one year at the time of disposition. Amounts attributable to accrued but unpaid interest will be treated as interest as described under "--Payment of Interest," or under "--Interest on Short-Term Notes" above if the CPI Rate Note is a short-term note (as defined above).

**OPTIONALLY EXCHANGEABLE NOTES** Unless otherwise noted in the applicable pricing supplement, optionally exchangeable notes will be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. See "--Contingent Payment Debt Instruments" above.

**MANDATORILY EXCHANGEABLE NOTES--REVERSE EXCHANGEABLE AND KNOCK-IN REVERSE EXCHANGEABLE SECURITIES** Unless otherwise provided in the applicable pricing supplement, we and every holder of Reverse Exchangeable Securities, which we refer to as "REXs", or Knock-In Reverse Exchangeable Securities, which we refer to as "Knock-In REXs", will agree (in the absence of an administrative determination or judicial ruling to the contrary) to characterize each such security for U.S. federal income tax purposes as consisting of the following components (the "Components"): o a put option (the "Put Option") that requires the holder of the REXs or the Knock-In REXs to buy the underlying shares from us for an amount equal to the Deposit (as defined below); and o a deposit with us of cash, in an amount equal to the principal amount of the REXs or the Knock-In REXs (the "Deposit"), to secure the holder's potential obligation to purchase the underlying shares. In the case of REXs, under this characterization the Put Option would be treated as exercised if the closing price of the underlying share on the determination date was lower than its closing price on the pricing date. In the case of Knock-In REXs, under this characterization the Put Option would be treated as exercised if the closing price of the underlying share on the determination date is lower than its closing price on the pricing date and in addition, the closing price of the underlying shares falls to or below the knock-in level at any time from the pricing date to and including the determination date. Under this characterization, a portion of the stated interest payments on REXs or Knock-In REXs is treated as interest on the Deposit, and the remainder is treated as attributable to the holder's sale of the Put Option to us (the "Put Premium"). Based on our judgment as to, among other things, our normal borrowing cost and the value of the Put Option, we will specify in the pricing supplement for each REXs and Knock-In REXs the portion of the stated payments on such security that we will treat as constituting interest on the Deposit. We will treat the remaining portion as the Put Premium.

**NOTWITHSTANDING OUR AGREEMENT TO TREAT THE REXS AND KNOCK-IN REXS AS DESCRIBED ABOVE, THE U.S. FEDERAL INCOME TAX TREATMENT OF THE REXS AND KNOCK-IN REXS IS UNCERTAIN. DUE TO THE ABSENCE OF STATUTORY, JUDICIAL OR ADMINISTRATIVE AUTHORITIES THAT DIRECTLY ADDRESS INSTRUMENTS SIMILAR TO THE REXS AND KNOCK-IN REXS, TAX COUNSEL IS UNABLE TO RENDER AN OPINION AS TO WHETHER THE TREATMENT DESCRIBED ABOVE WILL BE RESPECTED. THE U.S. FEDERAL INCOME TAX TREATMENT OF THE REXS AND KNOCK-IN REXS DESCRIBED ABOVE AND OUR S-30 ALLOCATION OF INTEREST AND PUT PREMIUM ARE NOT BINDING ON THE IRS OR THE COURTS, AND NO RULING IS BEING REQUESTED FROM THE IRS WITH RESPECT TO THESE SECURITIES. ACCORDINGLY, NO ASSURANCE CAN BE GIVEN THAT THE IRS OR A COURT WILL AGREE WITH THE TAX TREATMENT DESCRIBED ABOVE AND SIGNIFICANT ASPECTS OF THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF AN INVESTMENT IN REXS OR KNOCK-IN REXS ARE UNCERTAIN. PROSPECTIVE PURCHASERS OF REXS OR KNOCK-IN REXS ARE URGED TO CONSULT THEIR TAX ADVISERS REGARDING THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF AN INVESTMENT IN SUCH SECURITIES (INCLUDING ALTERNATIVE CHARACTERIZATIONS OF THE SECURITIES)**

AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION. THE DISCUSSION BELOW DOES NOT ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OWNERSHIP OR DISPOSITION OF THE STOCK UNDERLYING REXS OR KNOCK-IN REXS SHOULD A HOLDER RECEIVE SUCH UNDERLYING STOCK AT MATURITY. PROSPECTIVE PURCHASERS OF REXS OR KNOCK-IN REXS ARE URGED TO CONSULT THEIR TAX ADVISERS REGARDING THE POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OWNERSHIP OR DISPOSITION OF THE UNDERLYING STOCK. Assuming the treatment of the REXs and Knock-In REXs as set forth above, the following U.S. federal income tax consequences should result to a U.S. holder: STATED INTEREST PAYMENTS ON REXS OR KNOCK-IN REXS. Yield attributable to the Deposit will be treated as interest. Accordingly, if a REXs or a Knock-In REXs matures (after taking into account the last possible date that the security could be outstanding under the terms of the security) one year or less from its date of issuance (a "short-term REX"), the Deposit will be treated as a short-term obligation for U.S. federal income tax purposes. Interest on the Deposit component of a short-term REX will be treated as described in "--Interest on Short Term Notes" above. If a REXs or a Knock-In REXs is not a short-term REX, interest on the Deposit will be treated as described in "--Payments of Interest" above. Receipt of the Put Premium will not be taxable to a U.S. holder upon receipt. EXERCISE OR EXPIRATION OF THE PUT OPTION. If the Put Option expires unexercised (I.E., a cash payment of the principal amount of the REXs or Knock-In REXs is made to a U.S. holder at maturity), the U.S. holder will recognize in respect of the Put Option short term capital gain equal to the total Put Premium received. In the event that the Put Option is exercised (I.E., the final payment on the REXs or the Knock-In REXs is paid in underlying shares), a U.S. holder will not recognize any gain or loss in respect of the Put Option (other than in respect of cash received in lieu of fractional shares), and the holder will have an aggregate adjusted tax basis in the underlying shares (including any fractional shares) received equal to: o the Deposit minus o the total Put Premium received. The holding period for any underlying shares a U.S. holder receives will start on the day after the delivery of the underlying shares. In the event that we deliver cash in lieu of fractional underlying shares, a U.S. holder will generally recognize a short-term capital gain or loss in an amount equal to the difference between: o the amount of cash received in respect of the fractional shares; and o the basis in such shares, as determined above. SALE OR EXCHANGE OF REXS OR KNOCK-IN REXS. Upon a sale of REXs or Knock-In REXs for cash, a U.S. holder will be required to apportion the amount received between the Deposit and the Put Option on the basis of their S-31 respective values on the date of sale. The U.S. holder will generally recognize gain or loss with respect to the Deposit in an amount equal to the difference between: o the amount received that is apportioned to the Deposit; and o the holder's adjusted basis in the Deposit, which will generally be equal to the principal amount of the holder's REXs or Knock-In REXs (and in the case of a short-term REX increased by the amount of any income the holder has recognized in connection with the Deposit and decreased by the amount of any payments made to the holder with respect to the Deposit). Except to the extent attributable to accrued discount on the Deposit (in the case of a short-term REX), or to accrued interest on the Deposit (if the REXs or the Knock-In REXs is not a short-term REX), which will be taxed as described above under "Stated Interest Payments on REXs or Knock-In REXs," such gain or loss will be capital gain or loss (and will be short-term capital gain or loss in the case of a short-term REX, or if the REXs or the Knock-In REXs has been held by the disposing holder for one year or less). The amount of cash that a U.S. holder receives that is apportioned to the Put Option (together with the total Put Premium previously received) will be treated as short-term capital gain. If the value of the Deposit on the date of the sale is in excess of the amount the holder receives upon such sale, the holder will be treated as having made a payment to the purchaser equal to the amount of such excess in exchange for the purchaser's assumption of the holder's rights and obligations under the Put Option. In such a case, the selling holder will recognize short-term capital gain or loss in an amount equal to the difference between the total Put Premium the holder previously received in respect of the Put Option and the amount of the deemed payment made by the holder with respect to the assumption of the Put Option. The amount of the deemed payment will also be treated as an amount received in connection with the Deposit in determining the U.S. holder's gain or loss in respect of the Deposit. POSSIBLE ALTERNATIVE TAX TREATMENTS OF AN INVESTMENT IN REXS OR KNOCK-IN REXS. Due to the absence of authorities that directly address the proper tax treatment of the REXs and Knock-In REXs, no assurance can be given that the IRS will accept, or that a court will uphold, the characterization and treatment described above. A successful assertion of an alternative characterization of the REXs or Knock-In REXs by the IRS could affect the timing and the character of any income or loss with respect to such securities. It is possible, for instance, that the entire coupon on the securities could be treated as giving rise to ordinary income. Alternatively, if a REXs or a Knock-In REXs is not a short-term REX, the IRS could seek to treat the REXs and Knock-In REXs as contingent payment debt instruments. See "--Contingent Payment Debt Instruments" above. Even if the Contingent Payment Regulations do not apply to the securities, other alternative U.S. federal income tax characterizations or treatments of the securities are also possible, which if applied could significantly affect the timing and character of the income or loss with respect to the securities. U.S. holders are urged to consult their own tax advisers regarding the U.S. federal income tax consequences of an investment in a REXs or a Knock-In REXs. BACKUP WITHHOLDING AND INFORMATION REPORTING Information returns may be filed with the IRS in connection with payments on the notes and the proceeds from a sale or other disposition of the notes. A U.S. holder may be subject to U.S. backup withholding on these payments if it fails to provide its tax identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is furnished to the IRS. TAX CONSEQUENCES FOR NON-U.S. HOLDERS Unless otherwise noted in the applicable pricing supplement, a holder that is not a U.S. holder will not be subject to U.S. withholding tax with respect to payments on notes or securities, but may be subject to generally applicable information reporting, and may also

be subject to backup withholding requirements with respect to such payments unless the holder complies with certain certification and identification requirements as to the holder's foreign status or an exception to the information reporting and backup withholding rules otherwise applies. S-32 THE FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE NOTES AND THE UNDERLYING STOCK, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS. S-33 PLAN OF DISTRIBUTION We and Holding are offering the ABN Notes(SM) and related guarantees on a continuing basis exclusively through ABN AMRO Incorporated and LaSalle Financial Services, Inc. to the extent either or both of them are named in the applicable pricing supplement. In addition, we and Holding may offer the notes and related guarantees through certain other agents to be named in the applicable pricing supplement. The agents have agreed to use reasonable efforts to solicit offers to purchase these securities. We will have the sole right to accept offers to purchase these securities and may reject any offer in whole or in part. Each agent may reject, in whole or in part, any offer it solicited to purchase securities. Unless otherwise specified in the applicable pricing supplement, we will pay an agent, in connection with sales of these securities resulting from a solicitation that agent made or an offer to purchase the agent received, a commission ranging from 0.5% to 4% of the initial offering price of the securities to be sold, depending upon the maturity of the securities. We and the agent will negotiate commissions for securities with a maturity of 30 years or greater at the time of sale. We and Holding may also sell these securities to an agent as principal for its own account at discounts to be agreed upon at the time of sale. That agent may resell these securities to investors and other purchasers at a fixed offering price or at prevailing market prices, or prices related thereto at the time of resale or otherwise, as that agent determines and as we will specify in the applicable pricing supplement. An agent may offer the securities it has purchased as principal to other dealers. That agent may sell the securities to any dealer at a discount and, unless otherwise specified in the applicable pricing supplement, the discount allowed to any dealer will not be in excess of the discount that agent will receive from us. After the initial public offering of securities that the agent is to resell on a fixed public offering price basis, the agent may change the public offering price, concession and discount. Each of the agents may be deemed to be an "underwriter" within the meaning of the Securities Act of 1933, as amended. We and Holding have agreed to indemnify the agents against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments made in respect of those liabilities. To the extent the total aggregate principal amount of securities offered pursuant to a pricing supplement is not purchased by investors, one or more of our affiliates may agree to purchase the unsold portion and hold such securities for its own investment. We estimate that we will spend approximately \$350,000 for printing, rating agency, trustee and legal fees and other expenses allocable to the offering. Unless otherwise provided in the applicable pricing supplement, we do not intend to apply for the listing of these securities on a national securities exchange. We have been advised by certain agents that they intend to make a market in these securities, as applicable laws and regulations permit. The agents are not obligated to make a market in these securities, however, and the agents may discontinue making a market at any time without notice. No assurance can be given as to the liquidity of any trading market for these securities. LFS and AAI are wholly owned indirect subsidiaries of the Bank. To the extent either or both are named in the applicable pricing supplement, LFS and AAI will conduct each offering of these securities in compliance with the requirements of Rule 2720 of the NASD regarding an NASD member firm's distributing the securities of an affiliate. Following the initial distribution of these securities, LFS and AAI may offer and sell those securities in the course of their businesses as broker-dealers. LFS and AAI may act as principal or agent in those transactions and will make any sales at varying prices related to prevailing market prices at the time of sale or otherwise. LFS and AAI may use this prospectus supplement in connection with any of those transactions. Neither LFS or AAI is obligated to make a market in any of these securities and each may discontinue any market-making activities at any time without notice. In addition, we may, at our sole option, extend the offering period for securities offered pursuant to a pricing supplement. One or more of our or Holding's affiliates may agree to purchase, for its own investment, any securities that are not sold during the extended offering period. During an extended offering period, securities will be offered at prevailing market prices which may be above or below the initial issue price set forth in the applicable pricing S-34 supplement. Our affiliates will not make a market in those securities during that period, and are not obligated to do so after the distribution is complete. Neither of the agents nor any dealer utilized in the initial offering of these securities will confirm sales to accounts over which it exercises discretionary authority without the prior specific written approval of its customer. In order to facilitate the offering of these securities, the agents may engage in transactions that stabilize, maintain or otherwise affect the price of these securities or of any other securities the prices of which may be used to determine payments on these securities. Specifically, the agents may sell more securities than they are obligated to purchase in connection with the offering, creating a short position in these securities for its own accounts. A short sale is covered if the short position is no greater than the number or amount of securities available for purchase by the agent under any over-allotment option. The agents can close out a covered short sale by exercising an over-allotment option or purchasing these securities in the open market. In determining the source of securities to close out a covered short sale, the agents will consider, among other things, the open market price of these securities compared to the price available under the over-allotment option. The agents may also sell these securities or any other securities in excess of the over-allotment option, creating a naked short position. The agents must close out any naked short position by purchasing securities in the open market. A naked short position is more likely to be created if the agents are concerned that there may be downward pressure on the price of these securities in the open market after pricing that could adversely affect investors who purchase in the offering. As an additional means of facilitating the offering, the agents may bid for, and purchase, these securities or any other securities in the open market to stabilize the price of these

securities or of any other securities. Finally, in any offering of the securities through a syndicate of underwriters, the underwriting syndicate may also reclaim selling concessions allowed to an underwriter or a dealer for distributing these securities in the offering if the syndicate repurchases previously distributed securities to cover syndicate short positions or to stabilize the price of these securities. Any of these activities may raise or maintain the market price of these securities above independent market levels or prevent or retard a decline in the market price of these securities. The agents are not required to engage in these activities, and may end any of these activities at any time. Other selling group members include broker-dealers and other securities firms that have executed dealer agreements with LFS and/or AAI. In the dealer agreements, the selling group members have agreed to market and sell notes in accordance with the terms of those agreements and all applicable laws and regulations. S-35 LEGAL MATTERS Davis Polk & Wardwell will pass upon the validity of the offered securities with respect to United States Federal and New York law. Clifford Chance Limited Liability Partnership will pass upon the validity of the offered securities with respect to Dutch law. Davis Polk & Wardwell has in the past represented ABN AMRO Holding N.V. and its affiliates, including us, and continues to represent ABN AMRO Holding N.V. and its affiliates on a regular basis and in a variety of matters. S-36 PROSPECTUS DEBT SECURITIES ABN AMRO BANK N.V. FULLY AND UNCONDITIONALLY GUARANTEED BY ABN AMRO HOLDING N.V. We, ABN AMRO Bank N.V., may offer from time to time debt securities that are fully and unconditionally guaranteed by ABN AMRO Holding N.V. This prospectus describes the general terms of these securities and the general manner in which we will offer these securities. The specific terms of any securities we offer will be included in a supplement to this prospectus. The prospectus supplement will also describe the specific manner in which we will offer the securities. THE SECURITIES AND EXCHANGE COMMISSION AND STATE SECURITIES REGULATORS HAVE NOT APPROVED OR DISAPPROVED THESE SECURITIES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. The securities are not insured by the Federal Deposit Insurance Corporation or any other federal agency. SEPTEMBER 29, 2006 TABLE OF CONTENTS ----- Page About This Prospectus.....1 Where You Can Find Additional Information.....2 Cautionary Statement on Forward-Looking Statements.....3 Consolidated Ratios of Earnings to Fixed Charges.....4 ABN AMRO Bank N.V.....5 ABN AMRO Holding N.V.....6 Use of Proceeds.....7 Description of Debt Securities.....8 Forms of Securities.....19 The Depository.....20 Plan of Distribution.....22 Legal Matters.....25 Experts.....26 Benefit Plan Investor Considerations.....27 Enforcement of Civil Liabilities.....28

ABOUT THIS PROSPECTUS This prospectus is part of a Registration Statement that we, ABN AMRO Holding N.V. and LaSalle Funding LLC filed with the Securities and Exchange Commission (the "Commission") utilizing a "shelf" registration process. Under this shelf process, we and Holding may, from time to time, sell the debt securities and related guarantees described in the prospectus in one or more offerings in U.S. dollars, foreign currencies or foreign currency units. This prospectus provides you with a general description of the debt securities and the related guarantees. Each time we and Holding sell securities, we will provide a prospectus supplement that will contain specific information about the terms of the offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading "Where You Can Find Additional Information" beginning on page 2 of this prospectus. Following the initial distribution of an offering of securities, certain affiliates of ours and Holding may offer and sell those securities in the course of their businesses as broker-dealers. Such affiliates may act as principal or agent in these transactions. This prospectus and the applicable prospectus supplement will also be used in connection with those transactions. Sales in any of those transactions will be made at varying prices related to prevailing market prices and other circumstances at the time of sale. The debt securities may not be offered or sold anywhere in the world except in compliance with the requirements of the Dutch Securities Market Supervision Act 1995 (WET TOEZICHT EFFECTENVERKEER). As used in this prospectus, the "Bank," "we," "us," and "our" refer to ABN AMRO Bank N.V. and "Holding" refers to ABN AMRO Holding N.V. 1 WHERE YOU CAN FIND ADDITIONAL INFORMATION Holding is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith, Holding files reports and other information with the Commission. You may read and copy these documents at the SEC Headquarters Public Reference Room at 100 F Street, NE, Washington, D.C. 20549 (tel: 202-551-8090). Copies of this material can also be obtained from the Public Reference Room of the SEC at 100 F Street, NE, Washington, D.C. 20549 at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information about the Public Reference Room. The SEC also maintains an Internet website that contains reports and other information regarding Holding that are filed through the SEC's Electronic Data Gathering, Analysis and Retrieval (EDGAR) System. This website can be accessed at www.sec.gov. You can find information Holding has filed with the SEC by reference to file number 1-14624. This prospectus is part of a registration statement we, Holding and LaSalle Funding LLC filed with the SEC. This prospectus omits some information contained in the registration statement in accordance with SEC rules and regulations. You should review the information and exhibits in the registration statement for further information on us and Holding and the securities we and Holding are offering. Statements in this prospectus concerning any document we and Holding filed as an exhibit to the registration statement or that Holding otherwise filed with the SEC are not intended to be comprehensive and are qualified by reference to these filings. You should review the complete document to evaluate these statements. The SEC allows us to incorporate by reference much of the information Holding files with it, which means that we and Holding can disclose important information to you by referring you to those publicly available documents. The information that we and Holding incorporate by

reference in this prospectus is considered to be part of this prospectus. Because we and Holding are incorporating by reference future filings with the SEC, this prospectus is continually updated and those future filings may modify or supersede some of the information included or incorporated in this prospectus. This means that you must look at all of the SEC filings that we and Holding incorporate by reference to determine if any of the statements in this prospectus or in any document previously incorporated by reference have been modified or superseded. This prospectus incorporates by reference the documents listed below, all subsequent Annual Reports filed on Form 20-F and any future filings we or Holding make with the SEC (including any Form 6-Ks Holding subsequently files with the SEC and specifically incorporates by reference into this prospectus) under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act that are identified in such filing as being specifically incorporated by reference into the Registration Statement of which this prospectus is a part until we and Holding complete our offering of the securities to be issued under the registration statement or, if later, the date on which any of our affiliates cease offering and selling these securities: (a) Annual Report on Form 20-F of ABN AMRO Holding N.V. for the year ended December 31, 2005, filed on April 3, 2006; and (b) Reports on Form 6-K of ABN AMRO Holding N.V. dated April 26, 2006 (2 filings: (i) ABN AMRO first quarter results and consolidated ratio of earnings to fixed charges, and (ii) ABN AMRO pro-forma 2005 results under new structure), June 12, 2006, June 30, 2006, August 2, 2006, August 9, 2006 (ABN AMRO first half-year results and consolidated ratio of earnings to fixed charges), August 15, 2006 (ABN AMRO to start buying back its own shares in line with earlier announcement), September 13, 2006 and September 14, 2006. You may request, at no cost to you, a copy of these documents (other than exhibits not specifically incorporated by reference) by writing or telephoning us at: ABN AMRO Bank N.V. ABN AMRO Investor Relations Department Gustav Mahlerlaan 10 P.O. Box 283 1000 EA Amsterdam, The Netherlands (31-20) 6 28 78 35 2 CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS Certain statements included in this prospectus are forward-looking statements. We also may make forward-looking statements in other documents filed with the SEC that are incorporated by reference into this prospectus. Forward-looking statements can be identified by the use of forward-looking terminology such as "believe", "expect", "may", "intend", "will", "should", "anticipate", "Value-at-Risk", or by the use of similar expressions or variations on such expressions, or by the discussion of strategy or objectives. Forward-looking statements are based on current plans, estimates and projections, and are subject to inherent risks, uncertainties and other factors which could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements. In particular, this prospectus and certain documents incorporated by reference into this prospectus include forward-looking statements relating but not limited to management objectives, implementation of our strategic initiatives, trends in results of operations, margins, costs, return on equity, and risk management, including our potential exposure to various types of risk including market risk, such as interest rate risk, currency risk and equity risk. For example, certain of the market risk disclosures are dependent on choices about key model characteristics, assumptions and estimates, and are subject to various limitations. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Some of the risks inherent in forward-looking statements are identified in "Item 3. Key Information - D. Risk factors" in Holding's annual report on Form 20-F for the year ended December 31, 2005. Other factors that could cause actual results to differ materially from those estimated by the forward-looking statements in this prospectus include, but are not limited to: o general economic and business conditions in the Netherlands, Italy, the European Union, the United States, Brazil and other countries or territories in which we operate; o changes in applicable laws and regulations, including taxes; o regulations and monetary, interest rate and other policies of central banks, particularly the Dutch Central Bank, the Bank of Italy, the European Central Bank, the US Federal Reserve Board and the Brazilian Central Bank; o changes or volatility in interest rates, foreign exchange rates (including the Euro-US dollar rate), asset prices, equity markets, commodity prices, inflation or deflation; o the effects of competition and consolidation in the markets in which we operate, which may be influenced by regulation, deregulation or enforcement policies; o changes in consumer spending and savings habits, including changes in government policies which may influence investment decisions; o our ability to hedge certain risks economically; o our success in managing the risks involved in the foregoing, which depends, among other things, on our ability to anticipate events that cannot be captured by the statistical models we use; and o force majeure and other events beyond our control. Other factors could also adversely affect our results or the accuracy of forward-looking statements in this prospectus, and you should not consider the factors discussed here or in Item 3 of Holding's annual report on Form 20-F for the year ended December 31, 2005 to be a complete set of all potential risks or uncertainties. We have economic, financial market, credit, legal and other specialists who monitor economic and market conditions and government policies and actions. However, because it is difficult to predict with accuracy any changes in economic or market conditions or in governmental policies and actions, it is difficult for us to anticipate the effects that such changes could have on our financial performance and business operations. The forward-looking statements made in this prospectus speak only as of the date of this prospectus. We do not intend to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this prospectus, and we do not assume any responsibility to do so. You should, however, consult any further disclosures of a forward-looking nature we made in other documents filed with the SEC that are incorporated by reference into this prospectus. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995. 3 CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES The following table sets forth Holding's consolidated ratios of earnings to fixed charges for the periods indicated under U.S. GAAP. YEAR ENDED DECEMBER 31, ----- 2005 2004 2003 2002 2001 ----- Excluding Interest on Deposits(1) 1.49 1.46 2.66 1.89 1.45 Including Interest on Deposits(1) 1.15 1.13 1.36 1.21 1.08 ----- (1) Deposits include bank and total customer accounts. See the consolidated financial statements incorporated by reference herein. 4 ABN AMRO BANK N.V. We are a prominent international banking group offering a wide range of banking products and financial services on a global basis through our network of 3,557 offices and branches in 58 countries and territories as of year-end

2005. We are one of the largest banking groups in the world, with total consolidated assets of (euro) 880.8 billion at December 31, 2005. We are the largest banking group in the Netherlands and we have a substantial presence in Brazil and the Midwestern United States. We are one of the largest foreign banking groups in the United States, based on total assets held as of December 31, 2005. Our principal executive offices are at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, and our telephone number is (31-20) 628 9393. 5 ABN AMRO HOLDING N.V. ABN AMRO Holding N.V. is incorporated under the laws of The Netherlands by deed of May 30, 1990 as the holding company of the Bank. The Articles of Association of Holding were last amended by a notarial deed executed by Mr. van Helden, civil law notary in Amsterdam, on June 9, 2005. Holding's main purpose is to own the Bank and its subsidiaries. Holding owns 100 percent of the shares of the Bank and is jointly and severally liable for all liabilities of the Bank. Holding is listed on Euronext and the New York Stock Exchange. All of the securities issued by the Bank hereunder after the date hereof will be fully and unconditionally guaranteed by Holding. Holding's principal executive offices are at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands, and Holding's telephone number is (31-20) 628 9393. 6 USE OF PROCEEDS Unless the applicable prospectus supplement states otherwise, we will use the net proceeds from the sale of the securities we offer by this prospectus for general corporate purposes. General corporate purposes may include additions to working capital, investments in or extensions of credit to our subsidiaries and the repayment of indebtedness. 7 DESCRIPTION OF DEBT SECURITIES The following description of debt securities sets forth the material terms and provisions of the debt securities to which any prospectus supplement may relate. Our senior debt securities would be issued under a senior indenture dated September 15, 2006 among us, Wilmington Trust Company, as trustee, Citibank, N.A., as securities administrator, and Holding, as guarantor, a copy of which has been filed as an exhibit to the registration statement of which this prospectus is a part. Our subordinated debt securities would be issued under a subordinated indenture between us, a trustee and a securities administrator, each to be named in the applicable prospectus supplement. The subordinated indenture, a form of which has been filed as an exhibit to the registration statement of which this prospectus is a part, will be executed at the time we issue any debt securities thereunder. Any supplemental indentures will be filed with the SEC on a Form 6-K or by a post-effective amendment to the registration statement of which this prospectus is a part. All of the indentures are sometimes referred to in this prospectus collectively as the "indentures" and each, individually, as an "indenture." The senior indenture is sometimes referred to in this prospectus as the "senior indenture." The subordinated indenture is sometimes referred to in this prospectus as the "subordinated indenture." The particular terms of the debt securities offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered debt securities, will be described in the applicable prospectus supplement. The indentures will be qualified under the Trust Indenture Act of 1939, as amended. The terms of the debt securities will include those stated in the indentures and those made part of the indentures by reference to the Trust Indenture Act. Because the following summaries of the material terms and provisions of the indentures and the related debt securities are not complete, you should refer to the forms of the indentures and the debt securities for complete information on some of the terms and provisions of the indentures, including definitions of some of the terms used below, and the debt securities. The senior indenture and subordinated indenture are substantially identical to one another, except for specific provisions relating to subordination contained in the subordinated indenture. GENERAL The senior debt securities will be our direct, unsecured and unsubordinated general obligations and will have the same rank in liquidation as all of our other unsecured and unsubordinated debt. The subordinated debt securities will be our unsecured obligations, subordinated in right of payment to the prior payment in full of all our senior indebtedness with respect to such series, as described below under "Subordination of the Subordinated Debt Securities" and in the applicable prospectus supplement. GUARANTEE Holding will fully and unconditionally guarantee payment in full to the holders of our debt securities. The guarantee is set forth in, and forms part of, the indenture under which our debt securities will be issued. If, for any reason, we do not make any required payment in respect of our debt securities when due, the guarantor will cause the payment to be made to or to the order of the applicable trustee. The guarantee will be on a senior basis when the guaranteed debt securities are issued under the senior indenture, and on a subordinated basis to the extent the guaranteed debt securities are issued under the subordinated indenture. The extent to which the guarantee is subordinated to other indebtedness of Holding will be substantially the same as the extent to which our subordinated debt is subordinated to our other indebtedness as described below under "--Subordination of the Subordinated Debt Securities." Holders of our debt securities may sue Holding to enforce its rights under the guarantee without first suing us or any other person or entity. Holding may, without the consent of the holders of the debt securities, assume all of our rights and obligations under the debt securities and upon such assumption, we will be released from our liabilities under the Indenture and the debt securities. PAYMENTS We may issue debt securities from time to time in one or more series. The provisions of the indentures allow us to "reopen" a previous issue of a series of debt securities and issue additional debt securities of that series. The debt securities may be denominated and payable in U.S. dollars or foreign currencies. We may also issue debt securities from time to time with the principal amount or interest payable on any relevant payment date to be determined by reference to one or more currency exchange rates, securities or baskets of securities, commodity prices or indices. Holders of these types of debt securities will receive payments of principal or interest that depend upon the value of the applicable currency, security or basket of securities, commodity or index on the relevant payment dates. Debt securities may bear interest at a fixed rate, which may be zero, a floating rate, or a rate which varies during the lifetime of the debt security. Debt securities bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate may be sold at a discount below their stated principal amount. TERMS SPECIFIED IN THE APPLICABLE PROSPECTUS SUPPLEMENT The applicable prospectus supplement will contain, where applicable, the following terms of and other information relating to any offered debt securities: o the specific designation; o the aggregate principal amount, purchase price and denomination; o the currency in which the debt securities are denominated and/or in which principal, premium, if any, and/or interest, if any, is payable; o the date of maturity; o the interest rate or

rates or the method by which the calculation agent will determine the interest rate or rates, if any; o the interest payment dates, if any; o the place or places for payment of the principal of and any premium and/or interest on the debt securities; o any repayment, redemption, prepayment or sinking fund provisions, including any redemption notice provisions; o whether we will issue the debt securities in definitive form and under what terms and conditions; o the terms on which holders of the debt securities may convert or exchange these securities into or for stock or other securities of an entity unaffiliated with us, any specific terms relating to the adjustment of the conversion or exchange feature and the period during which the holders may make the conversion or exchange; o information as to the methods for determining the amount of principal or interest payable on any date and/or the currencies, securities or baskets of securities, commodities or indices to which the amount payable on that date is linked; o any agents for the debt securities, including applicable trustees, depositories, authenticating or paying agents, transfer agents or registrars; o certain United States federal income tax consequences and Netherlands income tax consequences; o whether certain payments on the debt securities will be guaranteed under a financial insurance guaranty policy and the terms of that guaranty; o any applicable selling restrictions; and o any other specific terms of the debt securities, including any modifications to or additional events of default, covenants or modified or eliminated acceleration rights, and any terms required by or advisable 9 under applicable laws or regulations, including laws and regulations relating to attributes required for the debt securities to be afforded certain capital treatment for bank regulatory or other purposes. Some of the debt securities may be issued as original issue discount debt securities. Original issue discount securities bear no interest or are issued at a price which represents a discount to their principal amount. The applicable prospectus supplement will contain information relating to federal income tax, accounting, and other special considerations applicable to original issue discount securities.

**REGISTRATION AND TRANSFER OF DEBT SECURITIES** Holders may present debt securities for exchange, and holders of registered debt securities may present these securities for transfer, in the manner, at the places and subject to the restrictions stated in the debt securities and described in the applicable prospectus supplement. We will provide these services without charge except for any tax or other governmental charge payable in connection with these services and subject to any limitations or requirements provided in the applicable indenture or the supplemental indenture or issuer order under which that series of debt securities is issued. If any of the securities are held in global form, the procedures for transfer of interests in those securities will depend upon the procedures of the depository for those global securities. See "Forms of Securities."

**COVENANT RESTRICTING MERGERS AND OTHER SIGNIFICANT CORPORATE ACTIONS** The indentures provide that neither we nor Holding will merge or consolidate with any other person and will not sell, lease or convey all or substantially all of its assets to any other person, unless: o we or Holding, as applicable, will be the continuing legal entity; or o the successor legal entity or person that acquires all or substantially all of our or Holding's assets, as applicable (i) will expressly assume all of our or Holding's obligations, as applicable, under the applicable indenture and the debt securities issued under such indenture, and (ii) will be incorporated and existing under the laws of the Netherlands, or a member state of the European Union or the Organization for Economic Co-Operation and Development, or, provided no adverse U.S. tax consequences to U.S. holders result therefrom, any other jurisdiction; and o immediately after the merger, consolidation, sale, lease or conveyance, that person or that successor legal entity will not be in default in the performance of the applicable covenants and conditions of the applicable indenture.

**ABSENCE OF PROTECTIONS AGAINST ALL POTENTIAL ACTIONS OF THE BANK OR HOLDING** There are no covenants or other provisions in the indentures that would afford holders of debt securities additional protection in the event of a recapitalization transaction, a change of control of us or Holding or a highly leveraged transaction. The merger covenant described above would only apply if the recapitalization transaction, change of control or highly leveraged transaction were structured to include a merger or consolidation of us or Holding or a sale, lease or conveyance of all or substantially all of our or Holding's, as the case may be, assets. However, we may provide specific protections, such as a put right or increased interest, for particular debt securities, which we would describe in the applicable prospectus supplement.

**EVENTS OF DEFAULT** Each indenture provides holders of debt securities with remedies if we or Holding, as the case may be, fail to perform specific obligations, such as making payments on our debt securities, or if we or Holding, as the case may be, become bankrupt. Holders should review these provisions and understand which of our or Holding's actions trigger an event of default and which actions do not. Each indenture permits the issuance of debt securities in one or more series, and, in many cases, whether an event of default has occurred is determined on a series-by-series basis. An event of default is defined under each indenture, with respect to any series of debt securities issued under that indenture, as any one or more of the following events, subject to modification in a supplemental indenture, each of which we refer to in this prospectus as an event of default, having occurred and be continuing: 10 o default is made for more than 30 days in the payment of interest, premium or principal in respect of the securities; o we or Holding, as the case may be, fail to perform or observe any other obligations applicable to us or Holding, respectively, under the securities, and such failure has continued for a period of 60 days next following the service on us and Holding of notice requiring the same to be remedied except that the failure to file with the applicable Trustee certain information required to be filed with such Trustee pursuant to the Trust Indenture Act of 1939, as amended, shall not constitute an event of default and does not give a right under the applicable indenture to accelerate or declare any security issued under such indenture due and payable. Although the Trustee may bring suit to enforce such filing obligation, the applicable indenture would not provide for a remedy of acceleration in that circumstance. o we or Holding, as the case may be, are declared bankrupt, or a declaration in respect of us or Holding is made under Chapter X of the Act on the Supervision of the Credit System (WET TOEZICHT KREDIETWEZEN 1992) of The Netherlands; o an order is made or an effective resolution is passed for our or Holding's winding up or liquidation, as the case may be, unless this is done in compliance with the "Covenant Restricting Mergers and Other Significant Corporate Actions" described above; or o any other event of default provided in the supplemental indenture or issuer order, if any, under which that series of debt securities is issued.

**ACCELERATION OF DEBT SECURITIES UPON AN EVENT OF DEFAULT** Each indenture



provides that, unless otherwise set forth in a supplemental indenture: o if an event of default occurs due to the default in payment of principal of, or any premium or interest on, any series of debt securities issued under such indenture, or due to the default in the performance or breach of any other covenant or warranty of us or Holding, as the case may be, applicable to that series of debt securities but not applicable to all outstanding debt securities issued under that indenture, other than a covenant for which the applicable indenture specifies that violation thereof does not give a right to accelerate or declare due and payable any security issued under such indenture, occurs and is continuing, either the applicable trustee or the holders of not less than 25% in aggregate principal amount of the outstanding debt securities of each affected series issued under that indenture, voting as one class, by notice in writing to us, may declare the principal of and accrued interest on the debt securities of such affected series (but not any other debt securities issued under that indenture) to be due and payable immediately; and o if an event of default occurs due to specified events of bankruptcy of us or Holding or due to an order or effective resolution for our or Holding's liquidation or winding up, as the case may be, or due to a default in the performance of any other of the covenants or agreements in such indenture applicable to all outstanding debt securities issued under that indenture, other than a covenant or agreement for which the applicable indenture specifies that violation thereof does not give a right to accelerate or declare due and payable any security issued under such indenture, occurs and is continuing, either the applicable trustee or the holders of not less than 25% in aggregate principal amount of all outstanding debt securities issued under that indenture for which any applicable supplemental indenture does not prevent acceleration under the relevant circumstances, voting as one class, by notice in writing to us, may declare the principal of all debt securities issued under that indenture and interest accrued on those debt securities to be due and payable immediately.

**ANNULMENT OF ACCELERATION AND WAIVER OF DEFAULTS** In some circumstances, if any and all events of default under the applicable indenture, other than the non-payment of the principal of the securities that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then the holders of a majority in aggregate principal amount of all series of affected outstanding 11 debt securities issued under that indenture, voting as one class, may annul past declarations of acceleration or waive past defaults of the debt securities.

**INDEMNIFICATION OF TRUSTEE FOR ACTIONS TAKEN ON YOUR BEHALF** Each indenture provides that the applicable trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of debt securities issued under that indenture relating to the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred upon the trustee. In addition, each indenture contains a provision entitling the applicable trustee, subject to the duty of the trustee to act with the required standard of care during a default, to be indemnified by the holders of debt securities issued under the indenture before proceeding to exercise any right or power at the request of holders. Subject to these provisions and specified other limitations, the holders of a majority in aggregate principal amount of each series of outstanding debt securities of each affected series, voting as one class, may direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee.

**LIMITATION ON ACTIONS BY YOU AS AN INDIVIDUAL HOLDER** Each indenture provides that no individual holder of debt securities may institute any action against us or Holding under that indenture, except actions for payment of overdue principal and interest, unless the following actions have occurred: o the holder must have previously given written notice to the applicable trustee of the continuing default; o the holders of not less than 25% in aggregate principal amount of the outstanding debt securities of each affected series issued under that indenture, treated as one class, must have: o requested the applicable trustee to institute that action, and o offered the applicable trustee reasonable indemnity; o the applicable trustee must have failed to institute that action within 60 days after receipt of the request referred to above; and o the holders of a majority in principal amount of the outstanding debt securities of each affected series issued under that indenture, voting as one class, must not have given directions to the applicable trustee inconsistent with those of the holders referred to above. Each indenture contains a covenant that we will file annually with the applicable trustee a certificate of no default or a certificate specifying any default that exists.

**DISCHARGE, DEFEASANCE AND COVENANT DEFEASANCE** We and Holding each have the ability to eliminate most or all of our obligations on any series of debt securities prior to maturity if we or Holding, as applicable, comply with the following provisions: **DISCHARGE OF INDENTURE.** We or Holding may discharge all of our obligations, other than as to transfer and exchanges, under the applicable indenture after we have or it has, as applicable: o paid or caused to be paid the principal of and interest on all of the outstanding debt securities issued under that indenture in accordance with their terms; o delivered to the applicable securities administrator or applicable trustee for cancellation all of the outstanding debt securities issued under that indenture; or o irrevocably deposited with the applicable securities administrator or applicable trustee cash or, in the case of a series of debt securities payable only in U.S. dollars, U.S. government obligations in trust for the benefit of the holders of any series of debt securities issued under the applicable indenture that have either 12 become due and payable, or are by their terms due and payable, or are scheduled for redemption, within one year, in an amount certified to be sufficient to pay on each date that they become due and payable, the principal of and interest on, and any mandatory sinking fund payments for, those debt securities. However, the deposit of cash or U.S. government obligations for the benefit of holders of a series of debt securities that are due and payable, or are scheduled for redemption, within one year will discharge obligations under the applicable indenture relating only to that series of debt securities.

**DEFEASANCE OF A SERIES OF SECURITIES AT ANY TIME.** We or Holding may also discharge all of our obligations, other than as to transfers and exchanges, under any series of debt securities at any time, which we refer to as defeasance in this prospectus. We and Holding may be released with respect to any outstanding series of debt securities from the obligations imposed by the covenants described above limiting consolidations, mergers, asset sales and leases, and elect not to comply with those sections without creating an event of default. Discharge under those procedures is called covenant defeasance. Defeasance or covenant defeasance may be effected only if, among other things: o we or Holding irrevocably deposit with the relevant applicable trustee or securities administrator

cash or, in the case of debt securities payable only in U.S. dollars, U.S. government obligations, as trust funds in an amount certified to be sufficient to pay on each date that they become due and payable, the principal of and interest on, and any mandatory sinking fund payments for, all outstanding debt securities of the series being defeased; and o we or Holding deliver to the relevant applicable trustee an opinion of counsel to the effect that: o the holders of the series of debt securities being defeased will not recognize income, gain or loss for United States federal income tax purposes as a result of the defeasance or covenant defeasance; and o the defeasance or covenant defeasance will not otherwise alter those holders' United States federal income tax treatment of principal and interest payments on the series of debt securities being defeased; in the case of a defeasance, this opinion must be based on a ruling of the Internal Revenue Service or a change in United States federal income tax law occurring after the date of this prospectus, since that result would not occur under current tax law.

**REDEMPTIONS AND REPURCHASES OF DEBT SECURITIES** **OPTIONAL REDEMPTION.** The prospectus supplement will indicate the terms of our option to redeem the debt securities, if any. Unless otherwise provided in the applicable prospectus supplement, we will mail a notice of redemption by first-class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption, or within the redemption notice period designated in the applicable prospectus supplement, to the depository, as holder of the global debt securities. The debt securities will not be subject to any sinking fund.

**REPAYMENT AT OPTION OF HOLDER.** If applicable, the prospectus supplement relating to a debt security will indicate that the holder has the option to have us repay that debt security on a date or dates specified prior to its maturity date. Unless otherwise specified in the applicable prospectus supplement, the repayment price will be equal to 100% of the principal amount of the debt security, together with accrued interest to the date of repayment. For debt securities issued with original issue discount, the prospectus supplement will specify the amount payable upon repayment. Unless otherwise provided in the applicable prospectus supplement, for us to repay a debt security, the paying agent must receive the following at least 15 days but not more than 30 days prior to the repayment date: o the debt security with the form entitled "Option to Elect Repayment" on the reverse of the debt security duly completed; or o a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth the name of the holder of the debt security, the principal amount of the debt security, the principal amount of the debt security to be repaid, the certificate number or a description of the tenor and 13 terms of the debt security, a statement that the option to elect repayment is being exercised and a guarantee that the debt security to be repaid, together with the duly completed form entitled "Option to Elect Repayment" on the reverse of the debt security, will be received by the paying agent not later than the fifth business day after the date of that telegram, telex, facsimile transmission or letter. However, the telegram, telex, facsimile transmission or letter will only be effective if that debt security and form duly completed are received by the paying agent by the fifth business day after the date of that telegram, telex, facsimile transmission or letter. Exercise of the repayment option by the holder of a debt security will be irrevocable. Unless otherwise specified in the applicable prospectus supplement, the holder may exercise the repayment option for less than the entire principal amount of the debt security but, in that event, the principal amount of the debt security remaining outstanding after repayment must be an authorized denomination.

**SPECIAL REQUIREMENTS FOR OPTIONAL REPAYMENT OF GLOBAL DEBT SECURITIES.** If a debt security is represented by a global debt security, the depository or the depository's nominee will be the holder of the debt security and therefore will be the only entity that can exercise a right to repayment. In order to ensure that the depository's nominee will timely exercise a right to repayment of a particular debt security, the beneficial owner of the debt security must instruct the broker or other direct or indirect participant through which it holds an interest in the debt security to notify the depository of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers and, accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a debt security in order to ascertain the cut-off time by which an instruction must be given in order for timely notice to be delivered to the depository.

**OPEN MARKET PURCHASES.** We may purchase debt securities at any price in the open market or otherwise. Debt securities so purchased by us may, at our discretion, be held or resold or surrendered to the relevant applicable trustee for cancellation.

**MODIFICATION OF THE INDENTURES** **MODIFICATION WITHOUT CONSENT OF HOLDERS.** We, Holding and the relevant applicable trustee may enter into supplemental indentures without the consent of the holders of debt securities issued under the applicable indenture to: o secure any debt securities issued under that indenture; o evidence the assumption by a successor corporation of our or Holding's, as the case may be, obligations under that indenture; o add covenants for the protection of the holders of debt securities issued under that indenture; o cure any ambiguity or correct any inconsistency; o establish the forms or terms of debt securities of any series to be issued under that indenture; or o evidence the acceptance of appointment by a successor applicable trustee.

**MODIFICATION WITH CONSENT OF HOLDERS.** We, Holding and the applicable trustee, with the consent of the holders of not less than a majority in aggregate principal amount of each affected series of outstanding debt securities issued under the applicable indenture, voting as one class, may add any provisions to, or change in any manner or eliminate any of the provisions of, that indenture or modify in any manner the rights of the holders of those debt securities. However, we, Holding and the applicable trustee may not make any of the following changes to any outstanding debt security issued under the applicable indenture without the consent of each holder of debt securities issued under that indenture that would be affected by the change: o extend the final maturity of the security; o reduce the principal amount; 14 o reduce the rate or extend the time of payment of interest; o reduce any amount payable on redemption; o change the currency in which the principal, including any amount of original issue discount, premium, or interest on the security is payable; o modify or amend the provisions for conversion of any currency into another currency; o reduce the amount of any original issue discount security payable upon acceleration or provable in bankruptcy; o alter the terms on which holders of the debt securities issued under that indenture may convert or exchange those debt securities for stock or other securities or for other property or the cash value of the property, other than in

accordance with the antidilution provisions or other similar adjustment provisions included in the terms of those debt securities; o impair the right of any holder of debt securities issued under that indenture to institute suit for the enforcement of any payment on any such debt security or the guarantee when due; or o reduce the percentage of debt securities issued under that indenture the consent of whose holders is required for modification of that Indenture. **SUBORDINATION OF THE SUBORDINATED DEBT SECURITIES** Our subordinated debt securities will, to the extent set forth in the applicable subordinated indenture, be subordinate in right of payment to the prior payment in full of all our senior indebtedness, whether outstanding at the date of the subordinated indenture or incurred after that date. In the event of: o our insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, or relative to our creditors, as such, or to our assets; or o our voluntary or involuntary liquidation, dissolution or other winding up, whether or not involving insolvency or bankruptcy; or o any assignment for the benefit of creditors or any other marshalling of our assets and liabilities, then the holders of our senior indebtedness will be entitled to receive payment in full of all amounts due or to become due on or in respect of all our senior indebtedness, or provision will be made for the payment in cash, before the holders of our subordinated debt securities are entitled to receive or retain any payment on account of principal of, or any premium or interest on, or any additional amounts with respect to, the subordinated debt securities. The holders of our senior indebtedness will be entitled to receive, for application to the payment of the senior indebtedness, any payment or distribution of any kind or character, whether in cash, property or securities, including any payment or distribution which may be payable or deliverable by reason of the payment of any of our other indebtedness being subordinated to the payment of our subordinated debt securities. This payment may be payable or deliverable in respect of our subordinated debt securities in any case, proceeding, dissolution, liquidation or other winding up event. By reason of subordination, in the event of our liquidation or insolvency, holders of our senior indebtedness and holders of our other obligations that are not subordinated to our senior indebtedness may recover more ratably than the holders of our subordinated debt securities. Subject to the payment in full of all our senior indebtedness, the rights of the holders of our subordinated debt securities will be subrogated to the rights of the holders of our senior indebtedness to receive payments or distributions of cash, our property or securities applicable to our senior indebtedness until the principal of, any premium and interest on, and any additional amounts with respect to, our subordinated debt securities have been paid in full. **16** No payment of principal, including redemption and sinking fund payments, of, or any premium or interest on, or any additional amounts with respect to our subordinated debt securities, or payments to acquire these securities, other than pursuant to their conversion, may be made: o if any of our senior indebtedness is not paid when due and any applicable grace period with respect to the default has ended and the default has not been cured or waived or ceased to exist, or o if the maturity of any of our senior indebtedness has been accelerated because of a default. The subordinated indentures do not limit or prohibit us from incurring additional senior indebtedness, which may include indebtedness that is senior to our subordinated debt securities, but subordinate to our other obligations. The subordinated indentures provide that these subordination provisions, insofar as they relate to any particular issue of our subordinated debt securities, may be changed prior to the issuance. Any change would be described in the applicable prospectus supplement. **REPLACEMENT OF DEBT SECURITIES** At the expense of the holder, we will replace any debt securities that become mutilated, destroyed, lost or stolen or are apparently destroyed, lost or stolen. The mutilated debt securities must be delivered to the applicable securities administrator or agent or satisfactory evidence of the destruction, loss or theft of the debt securities must be delivered to us, Holding, the applicable securities administrator and trustee and any agent. At the expense of the holder, an indemnity that is satisfactory to us and our agents, Holding, the applicable securities administrator and trustee and any agent may be required before a replacement note will be issued. **NOTICES** Notices to holders of the securities will be given by mailing such notices to each holder by first class mail, postage prepaid, or by overnight delivery, courier or facsimile, at the respective address of each holder as that address appears upon our books. Notices given to the Depository, as holder of the registered debt securities, will be passed on to the beneficial owners of the securities in accordance with the standard rules and procedures of the Depository and its direct and indirect participants. **TAX REDEMPTION** Unless otherwise specified in the applicable prospectus supplement, if we are obligated to pay additional amounts under the applicable indenture as set forth below, we may redeem, in whole but not in part, any of our debt securities issued under that indenture at our option at any time prior to maturity, upon the giving of a notice of redemption as described below, at a redemption price equal to 100% of the principal amount of those debt securities (or if the debt securities are issued with original issue discount, a portion of the principal, as specified in the applicable prospectus supplement) together with accrued interest to the date fixed for redemption and any additional amounts (as defined below), or at any redemption price otherwise specified in the applicable prospectus supplement, if we determine that, as a result of any change in or amendment to the laws affecting taxation after the date of the relevant prospectus supplement or, if applicable, pricing supplement relating thereto (or any regulations or rulings promulgated thereunder) of The Netherlands or of any political subdivision or taxing authority thereof or therein (or the jurisdiction of residence or incorporation of any successor corporation), or any change in official position regarding the application or interpretation of those laws, regulations or rulings, which change or amendment becomes effective on or after the date of the applicable prospectus supplement or, if applicable, pricing supplement relating thereto, we have or will become obligated to pay additional amounts (as described below under "-- Payment of Additional Amounts") with respect to any of those debt securities as described below under "-- Payment of Additional Amounts." Prior to the giving of any notice of redemption pursuant to this paragraph, we shall deliver to the applicable trustee and the applicable securities administrator: o a certificate stating that we are entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to our right to so redeem have occurred; and **16** o an opinion of independent counsel reasonably satisfactory to the applicable trustee and the applicable securities administrator to the effect that we are entitled to effect the redemption based on the statement of facts set forth in the certificate. Notice of redemption will be given not less than 30 nor more than 60 days prior to the date fixed for redemption, which

date and the applicable redemption price will be specified in the notice; PROVIDED that no notice of redemption shall be given earlier than 60 days prior to the earliest date on which we would be obligated to pay the additional amounts if a payment in respect of those debt securities were then due. Notice will be given in accordance with "-- Notices" above. PAYMENT OF ADDITIONAL AMOUNTS Except to the extent otherwise specified in the applicable prospectus supplement, we will, with respect to any of our debt securities and subject to certain exceptions and limitations set forth below, pay such additional amounts (the "additional amounts") to holders of the debt securities as may be necessary in order that the net payment of the principal of the securities and any other amounts payable on the debt securities, after withholding for or on account of any present or future tax, assessment or governmental charge imposed upon or as a result of such payment by The Netherlands, or the jurisdiction of residence or incorporation of any successor corporation, or any political subdivision or taxing authority thereof or therein (a "relevant jurisdiction"), will not be less than the amount provided for in the debt securities to be then due and payable. We will not, however, be required to make any payment of additional amounts for or on account of: o any such tax, assessment or other governmental charge that would not have been so imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder, if such holder is an estate, a trust, a partnership or a corporation) and The Netherlands and its possessions or any other relevant jurisdiction, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof, being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, or (ii) the presentation, where presentation is required, by the holder of a debt security for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; o any capital gain, estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or governmental charge; o any tax, assessment or other governmental charge that is payable otherwise than by withholding from payments on or in respect of the debt securities; o any tax, assessment or other governmental charge that is imposed on a payment to an individual and that is required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directives; o any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or other amounts payable, or interest on the debt securities, to the extent that such payment can be made without such withholding by presentation of the debt securities to any other paying agent; o any tax, assessment or other governmental charge that would not have been imposed but for a holder's failure to comply with a request addressed to the holder or, if different, the direct nominee of a beneficiary of the payment, to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of securities, if such compliance is required by statute or by regulation of the relevant jurisdiction, as a precondition to relief or exemption from such tax, assessment or other governmental charge; or 17 o any combination of the items listed above; nor shall we pay additional amounts with respect to any payment on the debt securities to a holder who is a fiduciary, an entity treated as a partnership or any other person that is not the sole beneficial owner of such debt security to the extent such payment would be required by the laws of the relevant jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of the debt securities. NEW YORK LAW TO GOVERN The indentures and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York. INFORMATION CONCERNING THE APPLICABLE TRUSTEE Information about the applicable indenture trustee for the subordinated indenture will be set forth in the applicable prospectus supplement. The trustee under one indenture may also serve as trustee under the other indenture. We and our subsidiaries maintain ordinary banking relationships and custodial facilities with the trustee under the senior indenture and affiliates of the trustee. 18 FORMS OF SECURITIES Each debt security will be represented either by a certificate issued in definitive form to a particular investor or by one or more global securities representing the entire issuance of securities. Both certificated securities in definitive form and global securities may be issued in registered form, where our and Holding's obligation runs to the holder of the security named on the face of the security. Definitive securities name you or your nominee as the owner of the security and, in order to transfer or exchange these securities or to receive payments other than interest or other interim payments, you or your nominee must physically deliver the securities to the applicable trustee, registrar, paying agent or other agent, as applicable. Global securities name a depositary or its nominee as the owner of the debt securities represented by these global securities. The depositary maintains a computerized system that will reflect each investor's beneficial ownership of the securities through an account maintained by the investor with its broker/dealer, bank, trust company or other representative, as we explain more fully below under "--Global Securities." Our obligations, as well as the obligations of the applicable trustee under any indenture and the obligations, if any, of any agents of ours or any agents of such trustee run only to the persons or entities named as holders of the securities in the relevant security register. Neither we nor any applicable trustee, other agent of ours or agent of such trustee have obligations to investors who hold beneficial interest in global securities, in street name or by any other indirect means. Upon making a payment or giving a notice to the holder as required by the terms of that security, we will have no further responsibility for that payment or notice even if that holder is required, under agreements with depositary participants or customers or by law, to pass it along to the indirect owners of beneficial interests in that security but does not do so. Similarly, if we want to obtain the approval or consent of the holders of any securities for any purpose, we would seek the approval only from the holders, and not the indirect owners, of the relevant securities. Whether and how the holders contact the indirect owners would be governed by the agreements between such holders and the indirect owners. References to "you" in this prospectus refer to those who invest in the securities being offered by this prospectus, whether they are the direct

holders or only indirect owners of beneficial interests in those securities. REGISTERED GLOBAL SECURITIES We may issue the registered debt securities in the form of one or more fully registered global securities that will be deposited with a depository or its nominee identified in the applicable prospectus supplement and registered in the name of that depository or its nominee. In those cases, one or more registered global securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal or face amount of the securities to be represented by registered global securities. Unless and until it is exchanged in whole for securities in definitive registered form, a registered global security may not be transferred except as a whole by and among the depository for the registered global security, the nominees of the depository or any successors of the depository or those nominees. We anticipate that the provisions described under "The Depository" below will apply to all depository arrangements, unless otherwise described in the prospectus supplement relating to those securities.

19 THE DEPOSITORY The Depository Trust Company, New York, New York will be designated as the depository for any registered global security. Each registered global security will be registered in the name of Cede & Co., the depository's nominee. The depository is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. The depository holds securities deposited with it by its direct participants, and it facilitates the settlement of transactions among its direct participants in those securities through electronic computerized book-entry changes in participants' accounts, eliminating the need for physical movement of securities certificates. The depository's direct participants include both U.S. and non-U.S. securities brokers and dealers, including the agents, banks, trust companies, clearing corporations and other organizations, some of whom and/or their representatives own the depository. Access to the depository's book-entry system is also available to others, such as both U.S. and non-U.S. brokers and dealers, banks, trust companies and clearing corporations, such as the Euroclear operator and Clearstream, Luxembourg, that clear through or maintain a custodial relationship with a participant, either directly or indirectly. The rules applicable to the depository and its participants are on file with the SEC. Purchases of the securities under the depository's system must be made by or through its direct participants, which will receive a credit for the securities on the depository's records. The ownership interest of each actual purchaser of each security (the "beneficial owner") is in turn to be recorded on the records of direct and indirect participants. Beneficial owners will not receive written confirmation from the depository of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participants through which the beneficial owner entered into the transaction. Transfers of ownership interests in the securities are to be made by entries on the books of direct and indirect participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in securities, except in the event that use of the book-entry system for the securities is discontinued. To facilitate subsequent transfers, all securities deposited with the depository are registered in the name of the depository's partnership nominee, Cede & Co, or such other name as may be requested by the depository. The deposit of securities with the depository and their registration in the name of Cede & Co. or such other nominee of the depository do not effect any change in beneficial ownership. The depository has no knowledge of the actual beneficial owners of the securities; the depository's records reflect only the identity of the direct participants to whose accounts the securities are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the depository to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Neither the depository nor Cede & Co. (nor such other nominee of the depository) will consent or vote with respect to the securities unless authorized by a direct participant in accordance with the depository's procedures. Under its usual procedures, the depository mails an omnibus proxy to us as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants identified in a listing attached to the omnibus proxy to whose accounts the securities are credited on the record date. Redemption proceeds, distributions, and dividend payments on the securities will be made to Cede & Co or such other nominee as may be requested by the depository. The depository's practice is to credit direct participants' accounts upon the depository's receipt of funds and corresponding detail information from us or any agent of ours, on the date payable in accordance with their respective holdings shown on the depository's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of the depository or its nominee, the applicable trustee, any agent of ours, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of 20 redemption proceeds, distributions, and dividend payments to Cede & Co. or such other nominee as may be requested by the depository is the responsibility of us or of any paying agent of ours, disbursement of such payments to direct participants will be the responsibility of the depository, and disbursement of such payments to the beneficial owners will be the responsibility of direct and indirect participants. The depository may discontinue providing its services as depository with respect to the securities at any time by giving reasonable notice to us or our agent. Under such circumstances, in the event that a successor depository is not obtained by us within 90 days, security certificates are required to be printed and delivered. In addition, under the terms of the indentures, we may at any time and in our sole discretion decide not to have any of the securities represented by one or more registered global securities. We understand, however, that, under current industry practices, the depository would notify its participants of our request, but will only withdraw beneficial interests from a global security at the request of each participant. We would issue definitive certificates in exchange for any such interests withdrawn. Any securities issued in definitive form in exchange for a

registered global security will be registered in the name or names that the depositary gives to the relevant trustee, warrant agent, unit agent or other relevant agent of ours or theirs. It is expected that the depositary's instructions will be based upon directions received by the depositary from participants with respect to ownership of beneficial interests in the registered global security that had been held by the depositary. According to the depositary, the foregoing information relating to the depositary has been provided to the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind. The information in this section concerning the depositary and depositary's book-entry system has been obtained from sources we believe to be reliable, but we take no responsibility for the accuracy thereof. The depositary may change or discontinue the foregoing procedures at any time. 21 PLAN OF DISTRIBUTION We and Holding may sell the securities being offered by this prospectus in four ways: (1) through selling agents, (2) through underwriters, (3) through dealers and/or (4) directly to purchasers. Any of these selling agents, underwriters or dealers in the United States or outside the United States may include affiliates of ours. We and Holding are offering the securities through LaSalle Financial Services, Inc. and ABN AMRO Incorporated to the extent either or both of them are named in the applicable prospectus supplement. We may designate selling agents from time to time to solicit offers to purchase these securities. We will name any such agent, who may be deemed to be an underwriter as that term is defined in the Securities Act, and state any commissions we are to pay to that agent in the applicable prospectus supplement. That agent will be acting on a reasonable efforts basis for the period of its appointment or, if indicated in the applicable prospectus supplement, on a firm commitment basis. If we use any underwriters to offer and sell these securities, we and Holding will enter into an underwriting agreement with those underwriters when we and they determine the offering price of the securities, and we will include the names of the underwriters and the terms of the transaction in the applicable prospectus supplement. If we use a dealer to offer and sell these securities, we will sell the securities to the dealer, as principal, and will name the dealer in the applicable prospectus supplement. The dealer may then resell the securities to the public at varying prices to be determined by that dealer at the time of resale. Our net proceeds will be the purchase price in the case of sales to a dealer, the public offering price less discount in the case of sales to an underwriter or the purchase price less commission in the case of sales through a selling agent -- in each case, less other expenses attributable to issuance and distribution. Offers to purchase securities may be solicited directly by us and the sale of those securities may be made by us directly to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act of 1933 with respect to any resale of those securities. The terms of any sales of this type will be described in the related prospectus supplement. One or more firms, referred to as "remarketing firms," may also offer or sell the securities, if the prospectus supplement so indicates, in connection with a remarketing arrangement upon their purchase. Remarketing firms will act as principals for their own accounts or as agents for Holding, us or any of our subsidiaries. These remarketing firms will offer or sell the securities in accordance with a redemption or repayment pursuant to the terms of the securities. The prospectus supplement will identify any remarketing firm and the terms of its agreement, if any, with Holding, us or any of our subsidiaries and will describe the remarketing firm's compensation. Remarketing firms may be deemed to be underwriters in connection with the securities they remarket. In order to facilitate the offering of these securities, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of these securities or any other securities the prices of which may be used to determine payments on these securities. Specifically, the underwriters may sell more securities than they are obligated to purchase in connection with the offering, creating a short position for their own accounts. A short sale is covered if the short position is no greater than the number or amount of securities available for purchase by the underwriters under any over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing these securities in the open market. In determining the source of securities to close out a covered short sale, the underwriters will consider, among other things, the open market price of these securities compared to the price available under the over-allotment option. The underwriters may also sell these securities or any other securities in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing securities in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of these securities in the open market after pricing that could adversely affect investors who purchase in the offering. As an additional means of facilitating the offering, the underwriters may bid for, and purchase, these securities or any other securities in the open market to stabilize the price of these securities or of any other securities. Finally, in any offering of the securities through a syndicate of underwriters, the underwriting syndicate may also reclaim selling concessions allowed to an underwriter or a dealer for distributing these securities in the offering, if 22 the syndicate repurchases previously distributed securities to cover syndicate short positions or to stabilize the price of these securities. Any of these activities may raise or maintain the market price of these securities above independent market levels or prevent or retard a decline in the market price of these securities. The underwriters are not required to engage in these activities, and may end any of these activities at any time. Selling agents, underwriters, dealers and remarketing firms may be entitled under agreements with us to indemnification by us against some civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for us in the ordinary course of business. If so indicated in the prospectus supplement, we will authorize selling agents, underwriters or dealers to solicit offers by some purchasers to purchase debt securities from us at the public offering price stated in the prospectus supplement under delayed delivery contracts providing for payment and delivery on a specified date in the future. These contracts will be subject only to those conditions described in the prospectus supplement, and the prospectus supplement will state the commission payable for solicitation of these offers. Any underwriter, selling agent or dealer utilized in the initial offering of securities will not confirm sales to accounts over which it exercises discretionary authority without the prior specific written approval of its customer. To the extent an initial offering of the securities will be distributed by an affiliate of ours each such offering of securities will be conducted in compliance with the requirements of Rule 2720 of the National

Association of Securities Dealers, Inc., which is commonly referred to as the NASD, regarding a NASD member firm's distribution of securities of an affiliate. Following the initial distribution of any of these securities, affiliates of ours may offer and sell these securities in the course of their businesses as broker-dealers. Such affiliates may act as principals or agents in these transactions and may make any sales at varying prices related to prevailing market prices at the time of sale or otherwise. Such affiliates may also use this prospectus in connection with these transactions. None of our affiliates is obligated to make a market in any of these securities and may discontinue any market-making activities at any time without notice. Underwriting discounts and commissions on securities sold in the initial distribution will not exceed 8% of the offering proceeds. SELLING RESTRICTIONS EUROPEAN ECONOMIC AREA SECURITIES THAT QUALIFY AS SECURITIES WITHIN THE MEANING OF THE PROSPECTUS DIRECTIVE. To the extent that the debt securities qualify as securities within the meaning of the Prospectus Directive, the following selling restriction shall apply: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") the debt securities will be offered to the public in that Relevant Member State of the European Economic Area, except that the debt securities may, with effect from and including the Relevant Implementation Date, be offered to the public in that Relevant Member State: (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those debt securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication; (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; 23 (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than (euro)43,000,000 and (3) an annual net turnover of more than (euro)50,000,000, as shown in its last annual or consolidated accounts; or (d) at any time in any other circumstances which do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expression "an offer of debt securities to the public" in relation to any debt securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the debt securities to be offered so as to enable an investor to decide to purchase or subscribe the debt securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State. SECURITIES THAT DO NOT QUALIFY AS SECURITIES WITHIN THE MEANING OF THE PROSPECTUS DIRECTIVE. To the extent that the debt securities do not qualify as securities within the meaning of the Prospectus Directive, the following selling restriction shall apply: The debt securities are offered exclusively to individuals and legal entities who or which: (1) are professional investors (which includes, without limitation, banks, securities firms, insurance companies, pension funds, investment institutions, central governments, large international and supranational organisations, other institutional investors and other parties, including treasury departments of commercial enterprises, which as an ancillary activity regularly trade or invest in securities, hereafter "Professional Investors") situated in The Netherlands; or (2) are established, domiciled or have their residence (collectively, "are resident") outside the Netherlands; provided that (A) the offer, the applicable prospectus supplement and pricing supplement and each announcement of the offer states that the offer is and will only be made to persons or entities who are professional investors situated in The Netherlands or who are not resident in The Netherlands, (B) the offer, the prospectus, the applicable prospectus supplement and pricing supplement and each announcement of the offer comply with the laws and regulations of any state where persons to whom the offer is made are resident and (C) a statement by us that those laws and regulations are complied with is submitted to the Netherlands Authority for the Financial Markets (STICHTING AUTORITEIT FINANCIËLE MARKTEN; the "AFM") before the offer is made and is included in the applicable prospectus supplement and pricing supplement and each such announcement. 24 LEGAL MATTERS Davis Polk & Wardwell will pass upon the validity of the offered securities with respect to United States Federal and New York law. Clifford Chance Limited Liability Partnership will pass upon the validity of the offered securities with respect to Dutch law. Davis Polk & Wardwell has in the past represented Holding and its affiliates, including us, and continues to represent Holding and its affiliates on a regular basis and in a variety of matters. 25 EXPERTS The consolidated financial statements and the related financial statement schedules of Holding incorporated in this prospectus by reference to the Annual Report on Form 20-F for the year ended December 31, 2005 have been so incorporated in reliance on the report of Ernst & Young, independent registered public accounting firm, given on the authority of the firm as experts in accounting and auditing. 26 BENEFIT PLAN INVESTOR CONSIDERATIONS A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") should consider the fiduciary standards of ERISA in the context of the ERISA Plans' particular circumstances before authorizing an investment in the debt securities. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan. Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans, as well as individual retirement accounts and Keogh plans subject to Section 4975 of the Code (together with ERISA Plans, "Plans"), from engaging in certain transactions involving the "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code ("Parties in Interest") with respect to such Plans. As a result of our business, we and/or certain of our affiliates are each a Party in Interest with respect to many Plans. Where we

are a Party in Interest with respect to a Plan (either directly or by reason of ownership of our subsidiaries), the purchase and holding of the debt securities by or on behalf of the Plan would be a prohibited transaction under Section 406(a)(1) of ERISA and Section 4975(c)(1) of the Code, unless exemptive relief were available under an applicable administrative exemption (as described below). Accordingly, the debt securities may not be purchased or held by any Plan, any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a "Plan Asset Entity") or any person investing "plan assets" of any Plan, unless such purchaser or holder is eligible for the exemptive relief available under Prohibited Transaction Class Exemption ("PTCE") 96-23, 95-60, 91-38, 90-1 or 84-14 issued by the U.S. Department of Labor or the service provider exemption provided by new Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code. Unless the applicable prospectus supplement explicitly provides otherwise, each purchaser or holder of the debt securities or any interest therein will be deemed to have represented by its purchase of the debt securities that (a) its purchase and holding of the debt securities is not made on behalf of or with "plan assets" of any Plan or (b) its purchase and holding of the debt securities will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to these "prohibited transaction" rules of ERISA or Section 4975 of the Code, but may be subject to similar rules under other applicable laws or documents ("Similar Laws"). Accordingly, each purchaser or holder of the debt securities shall be required to represent (and deemed to constitute a representation) that such purchase and holding is not prohibited under applicable Similar Laws. Due to the complexity of the applicable rules, it is particularly important that fiduciaries or other persons considering purchasing the debt securities on behalf of or with "plan assets" of any Plan consult with their counsel regarding the relevant provisions of ERISA, the Code or any Similar Laws and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service provider exemption under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code. Each purchaser and holder of the debt securities has exclusive responsibility for ensuring that its purchase and holding of the debt securities does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any Similar Laws. The sale of any debt securities to any Plan is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan. 27 ENFORCEMENT OF CIVIL LIABILITIES We and Holding are organized under the laws of The Netherlands and the members of our and Holding's Supervisory Board, with two exceptions, and our and Holding's Managing Board are residents of The Netherlands or other countries outside the United States. Although we and some of our affiliates, including LaSalle Bank, have substantial assets in the United States, substantially all of our and Holding's assets and the assets of the members of the respective Supervisory Boards and Managing Boards are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon us, Holding or these persons or to enforce against us, Holding or these persons judgments of U.S. courts predicated upon the civil liability provisions of U.S. securities laws. The United States and The Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not be enforceable in The Netherlands. However, if the party in whose favor such judgment is rendered brings a new suit in a competent court in The Netherlands, that party may submit to a Dutch court the final judgment which has been rendered in the United States, in which case the Dutch court may give such effect to this judgment as it deems appropriate. If the Dutch court finds that the jurisdiction of the federal or state court in the United States has been based on grounds that are internationally acceptable and that the final judgment concerned results from proceedings compatible with Dutch concepts of due process, to the extent that the Dutch court is of the opinion that reasonableness and fairness so require, the Dutch court would, in principle, under current practice, recognize the final judgment that has been rendered in the United States and generally grant the same claim without relitigation on the merits, unless the consequences of the recognition of such judgment contravene public policy in The Netherlands or conflicts with an existing Dutch judgment. 28

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YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PRICING SUPPLEMENT, THE PROSPECTUS SUPPLEMENT AND THE PROSPECTUS. WE HAVE NOT AUTHORIZED ANYONE ELSE TO PROVIDE YOU WITH DIFFERENT OR ADDITIONAL INFORMATION. WE ARE OFFERING TO SELL THESE SECURITIES AND SEEKING OFFERS TO BUY THESE SECURITIES ONLY IN JURISDICTIONS WHERE OFFERS AND SALES ARE PERMITTED. NEITHER THE DELIVERY OF THIS PRICING SUPPLEMENT OR THE ACCOMPANYING PROSPECTUS SUPPLEMENT AND PROSPECTUS, NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF ABN AMRO BANK N.V. OR ABN AMRO HOLDING N.V. SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF SUCH INFORMATION. ----- PRICING SUPPLEMENT

PAGE ---- Summary of General Terms..... PS-3 Risk Factors..... PS-8 The Underlying Stocks..... PS-13 Hypothetical Return Analysis..... PS-18 Incorporation of Documents by Reference..... PS-20 Description of Securities..... PS-21 Use of Proceeds..... PS-31 Taxation..... PS-31 Plan of Distribution..... PS-32 PROSPECTUS SUPPLEMENT PAGE ---- About This Prospectus Supplement..... S-1 Risk Factors..... S-2 Description of Notes..... S-4 Taxation in the Netherlands..... S-24 United States Federal Taxation..... S-25 Plan of



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Distribution..... S-34 Legal Matters..... S-36 PROSPECTUS PAGE ----  
About This Prospectus..... 1 Where You Can Find Additional Information..... 2 Cautionary  
Statement on Forward-Looking Statements.. 3 Consolidated Ratios of Earnings to Fixed Charges.... 4 ABN  
AMRO Bank N.V... .. 5 ABN AMRO Holding N.V. .... 6 Use of  
Proceeds..... 7 Description of Debt Securities..... 8 Forms of  
Securities..... 19 The Depository..... 20 Plan of  
Distribution..... 22 Legal Matters..... 25 Experts.....  
26 Benefit Plan Investor Considerations..... 27 Enforcement of Civil Liabilities..... 28

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ABN AMRO BANK N.V. FULLY AND UNCONDITIONALLY GUARANTEED BY ABN AMRO  
HOLDING N.V. FOUR (4) OFFERINGS OF KNOCK-IN REVERSE EXCHANGEABLE SECURITIES DUE  
SEPTEMBER 30, 2009 PRICING SUPPLEMENT (TO PROSPECTUS DATED SEPTEMBER 29, 2006 AND  
PROSPECTUS SUPPLEMENT DATED SEPTEMBER 29, 2006) ABN AMRO INCORPORATED

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