



Chevron

April 15, 1996

Ms. Jennifer Eberle
Hazardous Materials Specialist
Alameda County Health Care Services Agency
Department of Environmental Health
Environmental Protection Division
1131 Harbor Bay Parkway, Suite 250
Alameda, CA 94502-6577

Chevron Products Company
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2398
P.O. Box 5044
San Ramon, CA 94583-0944

Cynthia A. Young
Legal Analyst
Law Department
phone (510) 842-2869
fax (510) 842-3365

Re: 800 Center Street, Oakland, CA

Dear Ms. Eberle:

In anticipation of your April 24, 1996 meeting with Jon Robbins, enclosed please find a copy of the ~~Final Settlement~~ Agreement (with Agreement Relating To Remediation attached as an exhibit) for the referenced site. The Agreement is currently being circulated for signature in counterparts. Mr. Robbins will bring the fully executed agreement with him to the April 24 meeting.

Please feel free to contact me at (510) 842-2869 if you have any questions with regard to this matter.

Very truly yours,

Cynthia A. Young
Legal Analyst to Jon N. Robbins

CAY:cam
(Y-6-217)

Enclosures

96 APR 17 PM 12:41
ENVIRONMENTAL
PROTECTION

3:15 pm 4-15-96

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To	Gil Jensen	From	J. Eberle
Co.		Co.	
Dept.		Phone #	
Fax #		Fax #	

SETTLEMENT AGREEMENT

This Settlement Agreement and Release ("Agreement") is entered into by and between FIRST INTERSTATE BANK OF CALIFORNIA ^{→ Wells Fargo} (on behalf of itself, its predecessors, affiliates, and as Trustee of the L.B. Hoge Trust) (collectively "the Bank"), SANDRA CANEPA-SWAN, MICHAEL J. CANEPA and CYNTHIA C. BURDICK, as the beneficiaries under the L.B. Hoge Trust dated December 24, 1940 (collectively "the Beneficiaries"), CHEVRON PRODUCTS COMPANY, a Division of CHEVRON U.S.A. INC., (on behalf of itself, its predecessors and affiliates) (collectively "Chevron"), TERRELL A. SADLER and OLIANA SADLER (collectively sometimes referred to as "the Sadlers"), and HOLLIS RODGERS ("Rodgers"). The Bank, the Beneficiaries, Chevron, the Sadlers and Rodgers are sometimes collectively referred to herein as the "Parties."

RECITALS

WHEREAS, the Sadlers are the owners of real property commonly known as 800 Center Street, Oakland, California, and legally described in Exhibit "A" hereto (hereinafter referred to as "the PROPERTY"); and

WHEREAS, the Parties are involved in a dispute concerning soil and groundwater contamination allegedly detected on, under and emanating from the PROPERTY (the "Contamination"), including disputes over the responsibility for its causation, remediation and its consequences; and

WHEREAS, the Alameda County Health Care Services Agency, Department of Environmental Health (the "County") has issued directives and notices requiring the Parties (other than the Beneficiaries) to undertake an investigation and remediation of the Contamination at, under and emanating from the Property;

WHEREAS, the Parties disagree as to who, if anyone, is legally responsible for the Contamination and who, therefore is responsible for the investigation or remediation of the Contamination or any damages alleged to have arisen from the existence of the Contamination;

WHEREAS, the respective Parties' claims relating to the Contamination involve arguable and disputed questions of fact and law; and the Parties desire to resolve all aspects of their claims or potential claims related to or arising from the Contamination and to release each other from all possible liability, known or unknown, in connection therewith and with respect to the PROPERTY, and that it is the Parties' intent that the Bank, the L.B. Hoge Trust, and the Beneficiaries have no further involvement or liability with respect to the PROPERTY or any matter related to the PROPERTY; and

WHEREAS, it is the intention of the Parties not to proceed with any threatened litigation upon the execution of this Agreement, and to settle their disputes with finality and without resort to litigation.

THEREFORE, in consideration of the terms, conditions and covenants herein set forth, and for other valuable consideration, receipt of which is hereby acknowledged, all Parties hereto agree as follows:

TERMS

1. Payments:

(a) A payment of \$10,000.00 (Ten Thousand Dollars) will be made by or on behalf of the Bank, the L.B. Hoge Trust, and the Beneficiaries, to Chevron, Rodgers and the Sadlers. Rodgers and the Sadlers agree to assign their

interest in said settlement payment to Chevron, but agree the settlement check will be made payable to Chevron, the Sadlers and Rodgers.

The settlement funds paid to Chevron, Rodgers and the Sadlers represent monies paid by and on behalf of the Bank, the L.B. Hoge Trust, and the Beneficiaries for non-remediation issues, including the cost of preparing an application to the California Underground Storage Tank Cleanup Fund ("USTCF"), and the deductible applicable to applications for reimbursement from the USTCF.

(b) Chevron agrees to reimburse Rodgers' reasonable attorney's fees, up to the sum of \$3,000 (Three Thousand Dollars), incurred in connection with this settlement and Rodgers' activities relating to the preparation and submission of an application for reimbursement to the USTCF, pursuant to the terms and conditions of the Agreement Relating to Site Remediation, which is attached hereto and incorporated herein by reference.

2. Investigation and Remediation of the Property: Chevron, the Sadlers, and Rodgers will enter into the Agreement Relating to Site Remediation. It is agreed and understood that the Bank, the L.B. Hoge Trust, and the Beneficiaries have no obligations under the Agreement Relating to Site Remediation. Chevron agrees that it shall perform the investigation, remediation and cleanup of the PROPERTY and any contamination emanating from the PROPERTY pursuant to the terms of the Agreement Relating to Site Remediation. Said remediation (including any necessary further investigatory activities) shall be consistent with applicable oral and written local agency orders, directives, approvals or notifications and consistent with any applicable waste discharge requirements, or other oral or written orders or directives issued pursuant to the California Water Code and the California Health and Safety Code.

3. Underground Storage Tank Clean-Up Fund: The Bank, the L.B. Hoge Trust, and the Beneficiaries agree that they have not and will not file an application with the USTCF for reimbursement of the settlement funds paid to Chevron, the Sadlers, and Rodgers as referenced in Paragraph 1(a) above; or (b) any other purpose whatsoever with respect to the PROPERTY. The parties expressly agree and acknowledge that recovery of reimbursement, in whole or in part, by Rodgers, the Sadlers, or Chevron, from the USTCF, is not a condition precedent, condition subsequent or concurrent condition of the effectiveness and enforceability of this settlement agreement.

4. Chevron's Financial Ability: Chevron warrants, and the Parties expressly rely upon such warranty in entering into this Agreement, that Chevron is financially able to bear the cost of all future Corrective Actions to be performed by it pursuant to the Agreement Relating to Site Remediation. Chevron's financial ability to pay for all future costs of Corrective Action is a material condition of this Agreement.

5. Chevron Oversight of USTCF Application: Except as otherwise provided in Paragraph 1(b) hereof relating to Rodgers' attorney's fees, Chevron agrees to pay any future costs of overseeing the application to the USTCF, including all reasonable environmental consultants' costs for services requested by Chevron which are associated with the USTCF application. ~~It is the intent of the~~ Resources Control Board determines for any reason that Rodgers, who will be identified as the USTCF "claimant" on the USTCF application, is not eligible for funds from the USTCF, Chevron agrees, pursuant to the terms of the Agreement Relating to Site Remediation, to undertake full responsibility for the payment for all Corrective Actions relating to the PROPERTY.

6. USTCF Reimbursement: When reimbursement is received from the USTCF with respect to the PROPERTY, such sums will be distributed according to the terms of the Agreement Relating to Site Remediation.

7. Indemnity: Chevron, the Sadlers, and Rodgers jointly and severally agree to indemnify, defend and save harmless the Bank, the L.B. Hoge Trust, and the Beneficiaries, and their heirs, executors, administrators, affiliates and successors, from any and all past, present or future claims, demands, obligations, actions, causes of action, rights, damages, costs, attorneys' fees, losses of services, expenses and compensation of any nature whatever, whether based in tort, contract, federal statutory law, or in any other theory of recovery, and whether for damages or equitable relief, which either they or any other party or entity now has or may hereafter accrue or otherwise acquire on account of, or in any way growing out of, or which is the subject of:

- (a) the PROPERTY; or
- (b) any claims arising from the PROPERTY or environmental conditions on, under, or emanating from the PROPERTY.

This indemnity includes but is not limited to claims or demands made:

- (a) by third party(ies);
- (b) pursuant to the Notice of Requirement to Reimburse issued by the County, the directives for further investigation or remediation issued or to be issued by the County, any other regulatory action or claim made or taken by the County or the Regional Water Quality Control Board for the San Francisco Bay Region, or any other local, county, state or federal agency or entity; or
- (c) claims made by anyone else.

8. Release of Known Claims: Except as provided in Paragraph 7, above, and in the Agreement Relating to Site Remediation, the Parties, in consideration for the covenants and payments made by and between the Parties for themselves and for their

beneficiaries, heirs, executors, administrators, affiliates and successors, hereby completely release and forever discharge each other and their past, present and future officers, directors, shareholders, insurers, attorneys, agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors in interest and assigns, and all other persons, firms or corporations with whom or which any of them have been, are now, or may hereafter be affiliated, of and from any and all past, present or future claims, demands, obligations, actions, causes of action, rights, damages, costs, losses of services, expenses and compensation of any nature whatever, including, without limitation, expenses paid or incurred for investigation and remediation of contamination on or under the PROPERTY, whether based in tort, contract, federal statutory law, or in any other theory of recovery, and whether for compensatory or punitive damages or equitable relief, which either party hereto now has or which either party hereto may hereafter accrue or otherwise acquire on account of, or in any way growing out of, or which is the subject of:

(a) the PROPERTY; or

(b) any claims arising from the PROPERTY or environmental conditions on, under, or emanating from the PROPERTY.

This Release, on the part of the Parties hereto, shall be a fully binding and complete settlement of all claims between the Parties hereto.

9. Release of Unknown Claims: All rights under section 1542 of the Civil Code of the State of California are hereby expressly waived by the Parties. Said section of the Civil Code provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF

KNOWN BY HIM MUST HAVE MATERIALLY
AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

10. Warranty as to Sole Ownership of Claims: Each party hereto warrants that it is the sole owner of the claims released herein and agrees to indemnify and hold harmless each of the other parties from any and all claims, demands, expense, liability, damage, loss, obligations or causes of action, of any kind or character, including court costs and attorneys' fees, arising from or connected with the subject matter of this Agreement which is asserted by anyone who is not a party to this Agreement who is or claims to be an assignee or successor in interest to a party to this Agreement, or from any loss incurred by reason of the falsity or inaccuracy of any representation made by the party in it.

11. Stipulation of Non-Liability: All parties recognize, acknowledge and agree that entering into this Agreement is in no way to be interpreted as an admission of liability or a concession of any wrongdoing whatsoever or an admission that any party paying any sum of money or agreeing to indemnify any other party hereunder is in any way responsible or liable for any contamination of the PROPERTY.

12. Attorneys' Fees: In the event that any action is brought by any party hereto to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, in addition to all other relief which that party may be entitled.

13. Continuing Effect: This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective beneficiaries, heirs, executors, estates, administrators, employees, officers, directors, shareholders,

agents, attorneys, insurers, representatives, successors, assigns, and any subsequent owners of the PROPERTY.

14. Choice of Law: This Agreement shall be interpreted in accordance with and governed in all respects by the laws of the State of California.

15. Severability of Provisions: If any provision or any part of any provision of this Agreement is for any reason held to be invalid, unenforceable or contrary to public policy, law or statute, then the remainder of this Agreement shall not be affected thereby and shall remain valid and fully enforceable.

16. Construction of Agreement: This Agreement is the product of arms-length negotiations between the Parties and their respective attorneys. Each of the Parties hereto expressly acknowledges and agrees that this Agreement shall be deemed to have been mutually prepared so that the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

17. Warranty of Disclosure to Subsequent Purchasers: The Sadlers agree and warrant that in the event of a partial or total sale or transfer of their right, title or interest in and to the PROPERTY, including any real property leases, they will disclose to prospective purchasers and lessees all facts concerning the past or current presence of hydrocarbons or hazardous materials on, under or emanating under the PROPERTY as required by law, including California Health and Safety Code Section 25359.7.

18. Confidentiality: All Parties hereto covenant and agree not to distribute copies of this Agreement or disclose the sums of money paid pursuant to this Agreement to any third party without the prior written approval and consent of other parties save and except for acts necessary to comply with the terms or

provisions herein, and disclosures required by law. Disclosures to bona fide potential or actual purchasers or potential lessees of all or any part of the PROPERTY shall be permitted without prior written approval so long as the settlement amounts paid or to be paid and all indemnification provisions are redacted.

19. Limitation on Assignment of Rights: No party shall assign, transfer, convey or otherwise dispose of his rights or obligations under, or interest in, this Agreement without the prior written consent of the remaining parties, which consent shall not be unreasonably withheld. Consent to one transfer or assignment shall not be deemed consent to any subsequent transfer or assignment. No right of action shall accrue, by reason of this Agreement, to or for the use or benefit of any one, including any agency or government entity, other than the Parties to this Agreement and their respective heirs, successors and assigns. In the event of assignment, all terms of this Agreement shall be binding and enforceable upon the assignee.

20. Representations as to Negotiation Process: The Parties hereto represent to each other that each party has been represented by counsel with respect to this Agreement and all matters covered by and relating to it, that they have been fully advised by such counsel with respect to their rights and with respect to the execution of this Agreement. The Parties agree to execute all documents necessary to implement the terms of this Agreement. The Parties further represent that each party has entered into this Agreement of his, her, or its free will and independent action without undue pressure, coercion or influence of any sort.

21. Integration Clause: This Agreement and the attached Agreement Relating to Site Remediation constitute the entire agreement between the Parties hereto, and each of them, and it is expressly understood and agreed that this

settlement agreement may not be altered, amended, modified, or otherwise changed in any respect or particular whatsoever, except by a writing duly executed by the Parties hereto, or their authorized representatives. The Parties hereto acknowledge and agree that neither of them will make any claim at any time or place that this settlement agreement has been orally altered or modified in any respect whatsoever.

22. Warranty of Authority to Execute: Each individual executing this Agreement on behalf of any party hereto represents and warrants to the other party that such individual is authorized to enter into this Agreement on behalf of that party and that this Agreement binds that party.

23. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall constitute a duplicate original.

24. Effective Date: The effective date of this Agreement shall be the date the Agreement is fully executed by all Parties.

FIRST INTERSTATE BANK OF CALIFORNIA

DATED: _____

BY: _____

ITS: _____

DATED: May 7, 1996


SANDRA CANEPA-SWAN

DATED: _____

MICHAEL J. CANEPA

DATED: _____

CYNTHIA C. BURDICK

settlement agreement may not be altered, amended, modified, or otherwise changed in any respect or particular whatsoever, except by a writing duly executed by the Parties hereto, or their authorized representatives. The Parties hereto acknowledge and agree that neither of them will make any claim at any time or place that this settlement agreement has been orally altered or modified in any respect whatsoever.

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FIRST INTERSTATE BANK OF CALIFORNIA

DATED: _____

BY: _____

ITS: _____

DATED: _____

SANDRA CANEPA-SWAN

DATED: 5-9-96



MICHAEL J. CANEPA

DATED: _____

CYNTHIA C. BURDICK

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FIRST INTERSTATE BANK OF CALIFORNIA

DATED: _____

BY: _____

ITS: _____

DATED: _____

SANDRA CANEPA-SWAN

DATED: _____

MICHAEL J. CANEPA

DATED: May 3, 1996


CYNTHIA C. BURDICK

CHEVRON PRODUCTS COMPANY, a
Division of CHEVRON U.S.A. INC.

DATED: 5/1/96

BY: G. G. Sadler

ITS: Assistant Secretary

DATED: _____

TERRELL A. SADLER

DATED: _____

OLIANA SADLER

DATED: _____

HOLLIS RODGERS

[C:\WPGBS\1060-007.SA3]

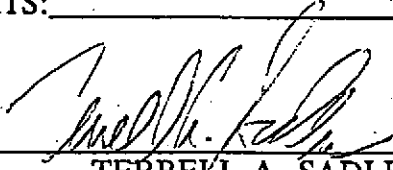
CHEVRON PRODUCTS COMPANY, a
Division of CHEVRON U.S.A. INC.

DATED: _____

BY: _____

DATED: 5-11-96

ITS: _____



TERRELL A. SADLER

DATED: 5-6-96



OLIANA SADLER

DATED: _____

HOLLIS RODGERS

[C:\WPGSB\1060-007.SA3]

CHEVRON PRODUCTS COMPANY, a
Division of CHEVRON U.S.A. INC.

DATED: _____

BY: _____

ITS: _____

DATED: _____

TERRELL A. SADLER

DATED: _____

OLIANA SADLER

DATED: MAY 01, 1996

Hollis Rodgers
HOLLIS RODGERS

[C:\WPGSB\1060-007.SA3]

EXHIBIT "A"

Having 75 feet frontage on Eighth Street and 87.50 feet on Center Street; being a portion of Lots 1 and 2 in Block No. 552, as said lots and block are designated on that certain map entitled "Map of Eighth Street Tract, Oakland", filed March 17, 1876, in the office of the County Recorder of Alameda County.

AGREEMENT RELATING TO SITE REMEDIATION

This Agreement is entered into by and between Chevron Products Company, a division of Chevron U.S.A. Inc. (hereinafter "CHEVRON"); TERRELL A. SADLER and OLIANA SADLER (hereinafter collectively "SADLERS"); and HOLLIS RODGERS (hereinafter "RODGERS"). CHEVRON, SADLERS, and RODGERS are sometimes collectively referred to herein as the "Parties".

Recitals

WHEREAS; SADLERS are the owners of real property commonly known as 800 Center Street, Oakland, California, (hereinafter the "Property"); and

WHEREAS; FIRST INTERSTATE BANK (hereinafter the "BANK"), as Trustee of the L.B. Hoge Trust (hereinafter the "TRUST"), managed and leased the Property to various parties for use as a retail service station location; and

WHEREAS; CHEVRON is the successor-in-interest of SIGNAL OIL COMPANY, which operated a retail service station on the Property; and

WHEREAS; RODGERS operated a retail service station on the Property; and

WHEREAS; motor fuel hydrocarbon contamination has been discovered to be present in the soil and groundwater beneath the Property (hereinafter the "Contamination" as further defined at Paragraph 1. below), which is alleged to have been caused by the historical service station operations conducted thereon; and

WHEREAS; the Parties disagree as to who, if anyone, is legally responsible for the Contamination and who, therefore is responsible for the investigation or remediation of the Contamination or any damages alleged to have arisen from the existence of the Contamination; and

WHEREAS; the BANK, the TRUST, and the Parties entered into a Settlement Agreement, settling all of the Parties' claims against the BANK, the TRUST and its beneficiaries, and CHEVRON agreed to perform investigation, remediation and cleanup of the Property

pursuant to the terms of the Settlement Agreement of which this Agreement Relating to Site Remediation is an operative part.

NOW THEREFORE, in consideration of the terms, conditions, and covenants herein set forth, the Parties agree as follows:

1. CHEVRON agrees to assume the lead responsibility for the performance of such investigation, assessment, clean-up and remediation activities as shall be required to be performed regarding the Contamination present on the Property (hereinafter the "Activities"), by the Alameda County Department of Health or such other government agency with jurisdiction (hereinafter collectively referred to as "Agencies"). A written work plan regarding the performance of the required Activities shall be prepared by a consultant approved and employed jointly by CHEVRON and RODGERS. A copy of the work plan shall be provided to SADLERS. Except as otherwise provided in Paragraph 7 of the Settlement Agreement, CHEVRON and RODGERS' responsibilities related to the performance of the required Activities shall cease once the requirements of the work plan have been completed and a closure letter has been issued by the Agencies. As used herein, the term Contamination means motor fuel hydrocarbons, Oil and Grease, benzene, toluene, ethylbenzene and xylene.

2. SADLERS shall provide CHEVRON and RODGERS, and their consultants and contractors with access to the Property at all reasonable times, for the purpose of performing the Activities.

3. RODGERS with the assistance of CHEVRON, will keep the Property in compliance with all regulations and requirements imposed by Agencies during the performance of the Activities

4. CHEVRON agrees to advance any and all funds necessary to, the performance of the Activities, subject to the following conditions:

a) CHEVRON shall select the consultants and contracts employed to perform the Activities, subject to the approval of RODGERS, which approval shall not for any reason be unreasonably withheld; and

b) CHEVRON and RODGERS shall jointly enter into a contract with the consultant(s) and/or contractor(s) selected to perform the Activities, and shall require that all invoices submitted for the work performed be submitted to both RODGERS and CHEVRON. In payment of the invoiced amounts, CHEVRON

shall submit a check for the amount invoiced in the name of said contractor or consultant and RODGERS, to RODGERS. Upon receipt of CHEVRON'S check, RODGERS shall endorse said check in favor of said consultant/contractor and shall submit the endorsed check in full payment of the amount invoiced to said consultant/contractor.

c) RODGERS agrees, with the assistance of his attorney, Mr. Victor Brown, to cooperate with CHEVRON in completing and submitting an application to the California State Underground Storage Tank Cleanup Fund (hereinafter the "FUND"), pursuant to Chapter 6.75 of the California Health and Safety Code, commencing with Section 25299.10, and to exercise reasonable diligence and to make a good faith effort in securing reimbursement of the costs and expenses incurred in the performance of the Activities pursuant to the terms of this Agreement. RODGERS further agrees to cooperate reasonably with Chevron as required, to procure and provide to relevant governmental agencies, any and all information, certifications, verifications or other submissions necessary or relevant to the application and reasonably necessary to insure prompt reimbursement from the FUND, and to cooperate with or otherwise reasonably assist CHEVRON in obtaining reimbursement from the FUND.

d) RODGERS agrees that his Application to the FUND shall designate and request that any reimbursement by the FUND be made by check payable jointly to RODGERS and CHEVRON. Upon receipt of said check from the FUND, RODGERS shall immediately endorse the check in favor of CHEVRON and remit the same to CHEVRON.

e) If the FUND ultimately determines that it will not reimburse all of the costs incurred in the performance of the Activities, and said action by the FUND is not the direct result of RODGERS' failure to perform his obligations under this Agreement, RODGERS shall be fully and completely released from any obligation to reimburse any costs incurred by CHEVRON relating to the performance of the Activities which were not reimbursed by the FUND.

5. CHEVRON shall not seek reimbursement from SADLERS for the performance of the Activities.

6. CHEVRON agrees to indemnify, defend and hold SADLERS and RODGERS and their agents, harmless from and against any liabilities, claims, damages or losses, arising from: i) demands or requirements imposed by Agencies requiring that additional Activities be undertaken on the Property relating to the Contamination; and ii) any third party claim or suit relating to or arising from the performance of the Activities on the Property. Chevron shall not be responsible

for any claims, damages, or losses to the extent caused by the willful misconduct or negligence (whether passive, concurrent or active) of any Party asserting any right under this Paragraph 6.

7. No Party is assuming any obligation or duty of any other Party through this Agreement. Nothing contained herein shall be deemed to create a partnership or joint venture and/or principal and agent relationship between or among the Parties.

8. This Agreement shall not constitute, be interpreted, construed or used as evidence of any admission of liability, law, or fact, nor as a waiver of any right or defense, nor as an estoppel against any Party as among themselves or by any other person not a Party relating to the presence of Contamination on the Property. Nothing contained in this Agreement shall be constructed to create a right or benefit in favor of any person or entity not a party hereto.

9. Any notices required to be given or which any Party desires to give under the terms and conditions of this Agreement shall be given by personal delivery or by deposit with the United States Postal Service, postage prepaid, addressed to the Party to be served as follows:

CHEVRON PRODUCTS COMPANY
6001 Bollinger Canyon Road
P.O. Box 5044
San Ramon, CA 94583-0944

Attention: Ms. B.C. Owen
Telephone: (510) 842-9614 Fax: (510) 842-8252

Mr. HOLLIS RODGERS
C/O Victor E. Brown, Esq.
580 Grand Avenue
Oakland, CA 94610

Telephone: (510) 465-3112 Fax: (510) 444-3459

MR. TERRELL A. SADLER
MRS. OLIANA SADLER
618 Brooklyn Avenue
Oakland, CA 94606

10. If a dispute arises between the Parties relating to this Agreement, the Parties hereto agree to use the following procedure prior to pursuing other legal remedies:

- [a] A meeting shall be held promptly between the Parties attended by individuals with decision-making authority who will attempt in good faith to negotiate a resolution of the dispute.
- b) If within fifteen (15) days after convening such meeting, the Parties have not succeeded in negotiating a resolution, they agree to submit the dispute to mediation utilizing a mediator who is mutually acceptable, and to bear equally the costs of the mediation.
- [c] If the Parties agree to submit the dispute to mediation, they also agree to participate in good faith in the mediation process for a period of at least thirty (30) days. If the Parties are not successful in resolving the dispute through mediation, the Parties may then:
 - i) agree to submit the matter to binding arbitration or to a private adjudicator; or
 - ii) initiate litigation upon ten (10) days advance written notice to the other Parties.

11. If after following the process set forth at Paragraph 10. above, any Party to this Agreement should bring an action against the other to enforce the terms of this Agreement, the substantially prevailing Party shall be entitled to receive such a sum as reasonable attorney's fees and costs as shall be determined by a Court of competent jurisdiction in said proceeding.

12. This Agreement shall be binding upon the successors and assigns of the Parties.

13. No Party, or representative or counsel for any Party, has acted as counsel for any other Party with respect to such Party entering into this Agreement, and each Party represents that it has sought and obtained any appropriate legal advice it deems necessary prior to entering into this Agreement.

14. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

15. If any provision of this Agreement is deemed invalid or unenforceable, the balance of this Agreement shall remain in full force and effect.

16. This Agreement along with the Settlement Agreement referenced above, constitute the entire agreement and understanding of the Parties with respect to the Contamination and the obligations of the parties to perform the Activities relating thereto.

17. This Agreement shall be effective on the date of execution by all Parties.

IN WITNESS WHEREOF, the Parties enter into this Agreement. Each person signing this Agreement represents and warrants that he or she has been duly authorized to enter into this Agreement on whose behalf it is indicated that the person is signing.

Dated: 5/1, 1996.

CHEVRON PRODUCTS COMPANY, a division of
CHEVRON U.S.A. INC.

By: F. G. Jewell

Title: Assistant Secretary

Dated: , 1996.

HOLLIS RODGERS

Dated: , 1996.

TERRELL A. SADLER

Dated: , 1996.

OLIANA SADLER

15. If any provision of this Agreement is deemed invalid or unenforceable, the balance of this Agreement shall remain in full force and effect.

16. This Agreement along with the Settlement Agreement referenced above, constitute the entire agreement and understanding of the Parties with respect to the Contamination and the obligations of the parties to perform the Activities relating thereto.

17. This Agreement shall be effective on the date of execution by all Parties.

IN WITNESS WHEREOF, the Parties enter into this Agreement. Each person signing this Agreement represents and warrants that he or she has been duly authorized to enter into this Agreement on whose behalf it is indicated that the person is signing.

Dated: _____, 1996.

**CHEVRON PRODUCTS COMPANY, a division of
CHEVRON U.S.A. INC.**

By: _____

Title: _____

Dated: 5/16, 1996.

Hollis Rodgers
HOLLIS RODGERS

Dated: _____, 1996.

TERRELL A. SADLER

Dated: _____, 1996.

OLIANA SADLER

15. If any provision of this Agreement is deemed invalid or unenforceable, the balance of this Agreement shall remain in full force and effect.

16. This Agreement along with the Settlement Agreement referenced above, constitute the entire agreement and understanding of the Parties with respect to the Contamination and the obligations of the parties to perform the Activities relating thereto.

17. This Agreement shall be effective on the date of execution by all Parties.

IN WITNESS WHEREOF, the Parties enter into this Agreement. Each person signing this Agreement represents and warrants that he or she has been duly authorized to enter into this Agreement on whose behalf it is indicated that the person is signing.

Dated: _____, 1996. CHEVRON PRODUCTS COMPANY, a division of CHEVRON U.S.A. INC.

By: _____
Title: _____

Dated: _____, 1996. _____
HOLLIS RODGERS

Dated: 5/14, 1996. 
TERRELL A. SADLER

Dated: 5/14, 1996. 
OLLIANA SADLER