

EUROPEAN AUTO SALVAGE YARD UST SITE
1075 SECOND STREET
ALBANY, CALIFORNIA

(Created 7/31/96)

NO.	DATE	LEASE CHRONOLOGY
1.	10/16/81	Lease Audit No. 195311 - Commercial Lease (Terminates Lease Audit No. 189916) Effective Date: November 6, 1981 Lessor: Southern Pacific Transportation Company Lessees: William D. Landstra and James K. Breazeale
2.	01/01/80	Lease Audit No. 189916 - Commercial Lease (Terminates Lease Audit No. 109744) Effective Date: January 1, 1980 Lessor: Southern Pacific Transportation Company Lessee: Goodwin of California, Inc.
3.	08/01/56	Lease Audit No. 109744 - Lease (Takes the place of Lease Audit No. 89291) Effective Date: April 1, 1956 Lessor: Southern Pacific Company Lessee: Goodwin of California, Inc.
4.	12/15/47	Lease Audit No. 89291 - Lease (Terminates Lease Audit No. 85120 between Goodwin and Southern Pacific Company dated May 20, 1946) Effective Date: April 1, 1947 Lessor: Southern Pacific Company Lessee: Fred W. Goodwin

GW04235524

(Approved as to form by General Counsel
June 1, 1967)

S-2252 1

195311

COMMERCIAL LEASE

Terminates Lease 189916

M.P. A-10.30-L

This Lease, made this **16th** day of **October**, 19 **81**;

by and between **SOUTHERN PACIFIC TRANSPORTATION COMPANY,**

a corporation, herein called "Railroad", and **WILLIAM D. LANDSTRA and JAMES K. BREAZEALE**, individuals, address: **1075 Second Street, Berkeley, California 94710,**

herein jointly and severally ~~known~~ called "Lessee"

Witnesseth: That Railroad hereby leases to Lessee the premises of Railroad at or near **Berkeley Station, County of Alameda**

State of **California**, shown on the print of Railroad's Drawing No. B-1408, Sheet No. 1, as revised **March 12, 1956**, attached and made a part hereof, for the term of **twenty (20)** years from the **6th** day of **November**, 19 **81**,

upon the following terms and conditions

1. Railroad reserves for itself, its successors, assigns and licensees, the right to construct, maintain and operate any existing tracks and existing and new or additional pipe, telegraph, telephone and power transmission lines upon, over and beneath the leased premises.
2. Lessee agrees to pay rental ~~at the rate of~~ **xxxxxxx**, taxes and assessments as hereinafter provided.

~~xxxx~~ ~~payable~~ **xxxxx** ~~xxxxxxx~~ ~~xxxxxxx~~ ~~xxxxxxx~~

Any privilege, sales, gross income or other tax (not including income tax) imposed upon the rentals herein provided to be paid by the Lessee, or upon the Railroad in an amount measured by the rentals received by Railroad, shall be paid by the Lessee, in addition to the amounts set forth herein, whether such imposition of tax be by The United States of America, the state in which the leased premises are located, or any subdivision or municipality thereof.

3. Said premises shall be used by Lessee solely and exclusively for **the maintenance and use of Lessee-owned improvements and facilities for the dismantling of automobiles and retail sale of parts.**

~~xxxxxxx~~ ~~xxxxxxx~~ ~~xxxxxxx~~ ~~xxxxxxx~~ ~~xxxxxxx~~

If the Lessee does not, within ninety (90) days, commence the use of the leased premises for the purposes herein mentioned, or discontinues such use for a period of ninety (90) days, Railroad may terminate this lease on fifteen (15) days' written notice.

Lessee agrees not to pile or store or permit to be piled or stored upon the leased premises, ~~with the exception of the materials, tools, and equipment~~ any gunpowder, dynamite, ~~gasoline~~ or other explosive substance or material, except for petroleum products required in Lessee's operations on the premises.

4. Lessee agrees to keep the leased premises and all buildings and structures thereon free from rubbish and in a neat and safe condition and satisfactory to Railroad. Lessee shall maintain, at Lessee's sole cost and expense, in good condition and repair, satisfactory to Railroad, all buildings and structures upon said leased premises, except those owned by the Railroad. The leased premises and buildings and structures thereon shall not be used for displaying signs and notices other than those connected with the business of Lessee contemplated by this lease. Such notices and signs shall be neat and properly maintained. Railroad shall have the right to enter the leased premises at reasonable times to inspect the same.

5. Lessee agrees to pay, before they become delinquent, all taxes and assessments against the leased premises, or which might become a lien thereon, by reason of any buildings, structures or other property, real or personal, on the leased premises (except those owned by Railroad), or by reason of Lessee's activities. Railroad may at its option pay such taxes or assessments, and such payments will be repaid by Lessee on demand.

6. In the event Lessee shall not promptly correct any default by Lessee hereunder after receipt of notice of such default from Railroad, Railroad shall have the right to terminate this lease forthwith and to re-take possession of the leased premises. Waiver of any default shall not be construed as a waiver of a subsequent or continuing default. Termination of this lease shall not affect any liability by reason of any act, default or occurrence prior to such termination.

7. Upon the expiration or termination of this lease, or any extension or renewal thereof, Lessee, without further notice, shall deliver up to Railroad the possession of the leased premises. Lessee, if not in default hereunder, shall ~~be permitted~~ at any time prior to such expiration or termination, ~~to~~ remove from the leased premises any buildings or structures wholly owned by Lessee. Lessee shall restore said leased premises to the condition in which they existed at the time Lessee took possession. Upon the failure or refusal of Lessee to remove from the leased premises all buildings, structures and all personal property owned by Lessee, prior to the expiration or termination of this lease, said buildings, structures and personal property shall thereupon, at the option of Railroad, become the sole property of Railroad, or if Railroad so elects it may remove from the leased premises any buildings, structures and other personal property owned by Lessee, and Railroad may also restore the leased premises to substantially the condition in which they existed at the time Lessee took possession, all at the expense of Lessee, which expense Lessee agrees to pay Railroad upon demand. In the event of such failure or refusal of Lessee to surrender possession of said leased premises, Railroad shall have the right to re-enter upon said leased premises and remove Lessee, or any person, firm or corporation claiming by, through or under Lessee, therefrom.

8. Lessee shall not construct, reconstruct or alter structures of any character upon the leased premises without the prior written consent of Railroad. Lessee shall not commence any repairs (except emergency repairs) until fifteen (15) days after written notice to Railroad.

~~Lessee shall not construct, reconstruct or alter structures of any character upon the leased premises without the prior written consent of Railroad. Lessee shall not commence any repairs (except emergency repairs) until fifteen (15) days after written notice to Railroad.~~

9. Lessee agrees to arrange and pay for all water, gas, electricity and other utilities used by Lessee on the leased premises direct to the company providing such service.

10. Lessee will fully pay for all materials joined or affixed to the leased premises, and pay in full all persons who perform labor upon the leased premises and will not suffer any mechanics' or materialmen's liens of any kind to be enforced against the leased premises for any work done, or materials furnished, at the Lessee's instance or request. If any such liens are filed thereon, Lessee agrees to remove the same at Lessee's own cost and expense and to pay any judgment which may be entered thereon or thereunder.

Should the Lessee fail, neglect or refuse so to do, Railroad shall have the right to pay any amount required to release any such lien or liens, or to defend any action brought thereon, and to pay any judgment entered therein, and the Lessee shall be liable to the Railroad for all costs, damages, and reasonable attorney fees, and any amounts expended in defending any proceedings, or in the payment of any of said liens or any judgment obtained therefor. Railroad may post and maintain upon the leased premises notices of non-responsibility as provided by law.

11. In case the leased premises or any part thereof are in either the State of Arizona or Utah, Lessee will give Railroad and the lessor of Railroad, before allowing any construction, alteration or repair to be done upon the leased premises, a bond satisfactory in form and amount and to be issued by some surety company to be approved by Railroad, conditioned that the Lessee shall pay or cause to be paid all contractors, sub-contractors, laborers, operatives and other persons who may labor or furnish labor, materials or tools in the performance of such construction, alteration, or repair.

12. Lessee agrees to release and indemnify Railroad from and against all liability, cost and expense for loss of or damage to property and for injury to or deaths of persons (including, but not limited to the property and employees of each party hereto), when arising or resulting from:

- (a) the use of said premises by Lessee, its agents, employees or invitees, or
- (b) breach of provisions of this lease by Lessee

whether or not caused or contributed to by any act or omission, negligent or otherwise, of Railroad, its employees, agents, contractors, subcontractors or their employees or agents, or any other person.

The term "Railroad" as used in this Section 12 shall include the successors, assigns and affiliated companies of Railroad and any other railroad company operating upon Railroad's tracks.

Lessee shall provide Railroad satisfactory evidence of Bodily Injury and Property Damage liability insurance covering Lessee's liability under this lease in amounts not less than \$2,000,000 combined single limit. Except where prohibited by law, Lessee's Workmen's Compensation insurance covering operations on the leased premises shall include a waiver of subrogation against Railroad.

It is agreed that the limits of insurance specified above are the minimum amounts required by Railroad and shall be subject to revision from time to time.

13. In case ~~Railroad shall not successfully bring~~ ^{of} suit to compel performance of, or to recover for breach of, any covenant, agreement or condition herein written, ~~Lessee will pay to Railroad~~ ^{the losing party} reasonable attorney fees in addition to the amount of judgment and costs.

14. In case Lessee shall (except by Railroad) be lawfully deprived of the possession of the leased premises or any part thereof, Lessee shall notify Railroad in writing, setting forth in full the circumstances in relation thereto, whereupon Railroad may, at its option, either install Lessee in possession of the leased premises, or terminate this lease and refund to Lessee the pro rata amount of the rental for the unexpired term of the lease after the receipt of such notice, whereupon no claims for damages of whatsoever kind or character incurred by Lessee by reason of such dispossession shall be chargeable against Railroad.

15. There is reserved to Railroad the title and exclusive right to all of the minerals and mineral ores of every kind and character now known to exist or hereafter discovered upon, within or underlying said premises, or that may be produced therefrom, including, without limiting the generality of the foregoing, all petroleum, oil, natural gas and other hydro-carbon substances and products derived therefrom, together with the exclusive and perpetual right thereto, without, however, the right to use or penetrate the surface of, or to enter upon, said premises within five hundred (500) feet of the surface thereof, to extricate or remove the same.

16. Any notice to be given by Railroad to Lessee hereunder shall be deemed to be properly ~~xxxxxxx~~ delivered to Lessee, ~~or~~ if deposited in the post office, postpaid, addressed to Lessee at the leased premises or to last known address.

17. ~~Either party may terminate this lease upon thirty (30) days written notice to the other party. If the termination is by Railroad, the provisions of this lease shall be void and of no effect.~~

18. In case Lessee holds over the term of this lease, with the consent of Railroad, such holding over shall be deemed a tenancy only from month to month, and upon the same terms and conditions as herein stated.

19 Time and specific performance are each of the essence of this lease

20. Sections 21 to 42, inclusive, on the attached Insert are hereby made parts of this lease.

THIS LEASE shall inure to the benefit of and be binding upon the heirs, administrators, executors, successors and assigns of the parties hereto, but shall not be assigned or subleased by Lessee without the prior written consent of Railroad, which consent will not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have executed this lease in duplicate the day and year first above written.

RAILROAD ~~XXXXXXXXXX~~

By _____

WITNESSED BY:

/s/William D. Landstra
(See Note) (William D. Landkra) (Lessee)

/s/ James K. Breazeale
(James K. Breazeale)

NOTE: - If an incorporated company, lease should be executed by an authorized officer thereof and his title indicated; otherwise signature should be witnessed by an employee of Railroad, if practicable, if not, by a disinterested party.

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21. Railroad shall also have the right to terminate this lease by written notice and to take exclusive possession of the premises in the event:

- (a) Lessee shall be adjudged a bankrupt;
- (b) Lessee becomes insolvent;
- (c) any action or proceeding for debtor relief of Lessee be commenced by Lessee; or
- (d) Lessee seeks general debtor relief by extrajudicial means.

Receipt of rent or other payments from any person for use of the leased premises shall not constitute a waiver of Railroad's right to terminate as above set forth. If there are two or more Lessees hereunder, or if Lessee is a partnership, Railroad's right to terminate shall arise in the event any one of the Lessees or partners is adjudged a bankrupt, becomes insolvent, seeks general debtor relief, or commences or becomes subject to any of the proceedings set forth above.

22. In the event any essential portion of the improvements on the leased premises is so damaged by fire or other casualty as not to be restorable within ninety (90) days, either party may terminate this lease by written notice. If the improvements can be restored within ninety (90) days, Lessee shall promptly make such restoration at Lessee's own expense, failing in which, Railroad may forthwith terminate this lease by written notice.

23. In the event of taking of all or any portion of the leased premises, the following provisions shall apply:

A. Effect on Lease

The term "taking" as used in this Section 23 shall refer to the taking or condemnation of all or any part of the premises by any competent authority at anytime during the term of this lease.

In the event of a taking of all or materially all of the premises, this lease shall terminate on the earlier of vesting of title in or the taking of possession by the condemnor.

If less than materially all of the premises are taken ("partial taking") this lease shall continue in effect except as to the portion so taken or condemned, but the annual minimum rental to be paid by Lessee shall thereafter be reduced by a percentage equal to the proportion that the number of square feet in the net usable area of the premises so taken or condemned bears to the number of square feet of the net usable area of the premises before taking. If no portion of the net usable area of the premises is taken, or if the portion thereof so taken is subterranean or aerial and does not interfere with the use of the surface, then Lessee shall not be entitled to any adjustment of rental hereunder.

If a partial taking renders the remaining premises unsuitable for the purposes for which Lessee's improvements were designed or occurs during the last five (5) years of the term of this lease, then Lessee, upon thirty (30) days' written notice to Railroad and subject to the rights of any lender, may terminate this lease after vesting of title in the condemnor or taking of possession by said condemnor. If Lessee does so, the

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rental and other charges hereunder shall be apportioned as of the date of the termination.

B. Disposition of Proceeds

Except as provided otherwise in this Subsection B, in the event of a taking of all or any part of the premises Lessee shall receive compensation only for the taking and damaging of Lessee's improvements; provided, however, that if the condemnation or taking shall occur during the last five (5) years of the term of this lease, compensation for the taking of Lessee's improvement shall be reduced twenty percent (20%) for each full year (and in proportion for a fraction of a year) that elapses from the first day of said 5-year period to the date of such vesting of title or taking of possession; the remaining award balance and interest thereon, as well as the award for the land value and interest thereon, shall belong to Railroad. Under no circumstances shall Lessee be entitled to any "bonus value" for the remaining unexpired term of this lease.

If the values of the respective interests of Railroad and Lessee have been separately determined in the proceeding under which the premises have been taken, the values so determined shall be conclusive upon Railroad and Lessee. If the values shall not have been so determined, the values shall be determined by agreement of the parties, or if they are unable to agree, by arbitration under Section 41 hereof.

In the event of a partial taking, Lessee shall apply any compensation awarded to it first to the restoration of Lessee's improvement as nearly as reasonably possible to its condition before such taking, unless Lessee terminates this lease as provided in the fourth paragraph of Subsection A above. Lessee shall make such restoration regardless of the amount of such award.

Notwithstanding the foregoing, if Lessee exercises its right to terminate the lease under the fourth paragraph of Subsection A above, the award balance attributable to Lessee's improvements other than the principal balance, if any, and other proper charges of a lender shall belong to Railroad free of any claim of Lessee, notwithstanding anything in this lease to the contrary.

C. Temporary Taking

If the whole or any part of the premises or of Lessee's interest under this lease is taken by any competent authority for its temporary use or occupancy, this lease shall not terminate by reason thereof and Lessee shall continue to pay all rental payments and other charges payable by Lessee hereunder, and to perform all other terms, covenants and conditions contained herein except to the extent Lessee is prevented from so doing by the terms of the order of the taking authority. In the event of a temporary taking, Lessee shall be entitled to receive the entire amount of the award, and shall be obligated, at its sole expense, to restore the premises as nearly as may be reasonably possible to a condition in which the same existed immediately prior to such taking; provided, however, that if the period of temporary use or occupancy extends beyond the expiration of the term of this lease, the award shall be apportioned between Railroad and Lessee as of the date of expiration of the term of this lease, after Railroad has received the entire portion of the award attributable to physical damage to the premises and any improvements thereon and to the restoration thereof to the condition existing immediately prior to the taking or condemnation.

24. In addition to the taxes and assessments specified in Section 5 hereof, Lessee shall reimburse Railroad for all taxes levied against the land included in this lease and for

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assessments for public improvements made against the leased premises during the life hereof.

25. Lessee shall pay to Railroad as rental for the leased premises the sum of Eight Hundred Dollars (\$800) per month, payable monthly in advance.

After the first year of the term hereof, the rental then in effect will be revised each year in accordance with Subsection A below; and each five (5) years, in accordance with Subsection B. If, for any reason, the rental is not revised at such time or times as herein specified, the rental shall continue to be subject to revision in the manner herein specified and, when so revised, shall be retroactive to the date the revised rental should have become effective.

A. Each Year—Consumer Price Index

At the end of each year of the term hereof or any extensions thereto or holding over thereof, Railroad, without prior notice to Lessee, shall revise the rental then in effect based on the "CPI Factor" (as herein defined). Such rental shall be automatically increased on the same date each year, unless the rental is subsequently increased for any reason (except as provided in Subsection B hereof) during the twelve-month period immediately preceding the anniversary date of the last CPI-based increase, in which case the next CPI-based increase may be deferred to the next anniversary date where no intervening rental increase occurred within said twelve-month period. The CPI Factor shall not be applied to reduce rental below the then existing rental. Rental shall not be increased more than 7% in any given year based on CPI, however.

The "CPI Factor," as herein used, is that percentage of adjustment or fluctuation to the nearest one-tenth of one percent established during the twelve (12) month period immediately preceding the date the revised rental is to commence, as stated in the Consumer Price Index, Urban Wage Earners and Clerical Workers, U. S. City Average, All Items (1967 = 100), published by the United States Department of Labor, Bureau of Labor Statistics, or any successor or substitute index published as a replacement for that Index by said Department or by any other United States governmental agency.

B. Each Five Years—Fair Rental Value

Notwithstanding Subsection A above, at the end of each fifth year of the term hereof or any extensions thereto, Railroad, upon thirty (30) days' prior written notice to Lessee, shall revise the rental then in effect to the fair rental value of the premises at the time of such revision, as determined by Railroad and Lessee. The fair rental value shall be determined as though the land constituting the premises were unencumbered by this lease and were available for the highest and best use to which it can practicably be put under the zoning law then in effect.

C. Rental Arbitration

In the event the parties hereto are unable to agree upon any rental adjustment hereunder, then, upon thirty (30) days' advance written notice by Railroad to Lessee, the matter shall be submitted to and decided by a board of three (3) arbitrators—one to be appointed by Railroad, one by Lessee, and a third by the two so appointed. Should Lessee fail or refuse to appoint an arbitrator within thirty (30) days after delivery of notice from Railroad, then

I N S E R T

the rental established by Railroad shall be deemed accepted by Lessee. In the event the two arbitrators chosen by the parties hereto are unable to agree upon the third arbitrator, such arbitrator shall be appointed by a judge of any court having jurisdiction over the premises upon application of either Railroad or Lessee to said court, but such application shall not be made until such party shall have given twenty (20) days' advance notice in writing to the other of its intention so to do. The arbitrators, as soon as possible after their selection, shall meet to hear and decide the questions submitted to them and shall, within a reasonable period of time, give to each of the parties hereto notice of the time and place of such meeting. The hearings of the board of arbitrators shall be conducted in a lawful manner. The written decision of the board, signed by a majority of the arbitrators, shall determine the matter and such determination shall be final and conclusive upon the parties hereto; and, upon decision of the arbitrators, the rental payment shall be retroactive to its increase date determined under either Subsection A or B above. The fees and expenses of arbitration shall be borne as the parties may agree prior to arbitration, or, in case of disagreement, shall be apportioned by the board of arbitrators.

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26. Lessee, at its expense, shall comply with all applicable laws, ordinances, and regulations, including, but not limited to, building and zoning ordinances, restricting or regulating or prohibiting the occupancy, use, or enjoyment of the leased premises or regulating the character, dimensions, or locations of any improvement thereon.

27. Lessee, at its expense, shall be obligated to arrange for the filing of any map required under any subdivision map act and/or any environmental impact report required by any governmental body having jurisdiction in the matter.

28. Should any governmental body impose any condition for the use of or zoning of the leased premises or for issuance of any map, license or permit, Lessee covenants to notify Railroad accordingly; and if such condition is unacceptable to Railroad, Railroad may terminate this lease.

29. This lease shall be supplemented to include a legal description of the subject premises if requested by either party in writing. If requested by Lessee, then Lessee shall pay to Railroad therefor the sum of One Hundred Twenty-five Dollars (\$125).

30. Any expenses incurred by Railroad for surveying the leased premises at Lessee's instance and request shall be paid to Railroad by Lessee promptly upon receipt of bill therefor.

31. Neither party shall record this lease without the prior written consent of the other party; however, upon request of either party, the other party shall join in the execution of a memorandum or short form of this lease for recording purposes. The memorandum or short form of lease shall incorporate this lease by reference and shall describe the parties hereto, the premises, and the term hereof.

Should Lessee request Railroad to prepare said memorandum or short form of lease for recording purposes, Lessee shall pay to Railroad the sum of One Hundred Twenty-five Dollars (\$125).

Upon termination of this lease, Lessee agrees to execute, acknowledge and deliver to Railroad such instruments as Railroad may reasonably require to evidence such termination.

32. Should Lessee elect to assign Lessee's leasehold interest in this lease to a lending institution as security for a loan, such assignment shall be subject to Railroad's approval. Should Railroad approve such assignment, Railroad, Lessee, and the lending institution involved, which lending institution shall be acceptable to Railroad, shall enter into an agreement in substantially the same form as Exhibit "A," also attached and made a part hereof.

Should Lessee request Railroad to enter into such assignment, the charge therefor is One Hundred Dollars (\$100).

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33. In the event Railroad enters into an agreement with a utility company providing service to Lessee at the leased premises for Lessee's sole use, Lessee shall pay to Railroad a charge of One Hundred Twenty-five Dollars (\$125) upon receipt of bill therefor to partially defray administrative costs.

34. Absence of markers does not constitute a warranty by Railroad of no subsurface installations.

35. Lessee shall not be permitted to sell or hypothecate any of its fixed improvements upon the leased premises without first obtaining Railroad's written consent therefor, which consent shall not be unreasonably withheld.

36. Lessee shall, at its expense, comply with all applicable laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of Railroad.

Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the leased premises due to Lessee's use and occupancy thereof, Lessee, at its expense, shall be obligated to clean the premises to the satisfaction of Railroad and any governmental body having jurisdiction thereover.

Lessee agrees to indemnify, hold harmless and defend Railroad against all liability, cost and expense (including without limitation any fines, penalties, judgments, litigation costs and attorney fees) incurred by Railroad as a result of Lessee's breach of this Section 36, or as a result of any such discharge, leakage, spillage, emission or pollution, regardless of whether such liability, cost or expense arises during or after the lease term, and regardless of whether such liability, cost or expense is the result of negligence on the part of Railroad.

Lessee shall pay all amounts due Railroad under this Section 36, as additional rent, within ten (10) days after any such amounts become due.

37. Lessee, at its expense, shall install and maintain, to Railroad's satisfaction, adequate screening along each side of the leased premises, which screening shall be of a type that will adequately prevent the general public from viewing the interior of the premises.

38. As part consideration for this lease, and subject to all terms and conditions hereof, Lessee, at its expense, shall be obligated to maintain a natural waterway free and clear of debris and in a manner as not to impede the flow of water therethrough; which waterway is located adjacent to the leased premises in the location illustrated on the attached print.

39. Railroad hereby permits Lessee to use the area illustrated on the attached print for access roadway purposes only. The use of the area shall be nonexclusive, it being understood that Railroad reserves for itself, its agents, employees, and licensees, the right to use the area jointly with Lessee. Railroad shall not be required to assume any expense in connection with the maintenance of the roadway.

Lessee shall indemnify and save harmless Railroad, its successors, and assigns, against any liability, claim, cost, and expense for loss of or damage to the property of any party hereto or of any third person, and for injury to or death of any party hereto, or their agents, employees, or invitees, or third persons, caused by or arising out of the maintenance or use of the roadway by Lessee, Lessee's agents, employees, or invitees, unless caused by the

I N S E R T

negligence of Railroad, either solely or in conjunction with the negligence of some person or persons other than Lessee, Lessee's agents, employees, or invitees, and not involving trains, engines, or railroad cars.

40. That certain lease dated January 2, 1980, between Railroad and Goodwin of California, Inc., a corporation, relating to the leasing of Railroad's premises at Berkeley Station, California, as illustrated on the print attached thereto, is hereby terminated. (Railroad's Lease 189916).

Lessee hereby warrants that Lessee is the lawful successor to said Goodwin of California, Inc. in said lease.

Lessee also hereby warrants that Lessee has acquired all right, title, and interest in and to said Goodwin of California, Inc.'s improvements and facilities located upon the leased premises, and assumes all obligations under this lease with respect to said improvements and facilities, including the removal thereof upon the expiration or termination of this lease.

41. If any controversy arises between the parties with respect to any matters (other than rental) set forth in this lease and such dispute cannot be resolved by the parties within thirty (30) days after either party hereto notifies the other of its desire to arbitrate the dispute, then the dispute shall be settled by arbitration in accordance with the provisions of Part 3, Title 9, of the Code of Civil Procedure of California, including the provisions of Section 1283.05 thereof, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. Arbitration shall be by a panel of three (3) arbitrators, one of whom must be an attorney-at-law actively engaged in the practice of his profession for at least ten (10) years. One (1) arbitrator shall be chosen by each party and the third arbitrator selected by the two (2) so chosen. The arbitrators shall have no power to modify any of the provisions hereof and their jurisdiction is limited accordingly. Each party hereby consents to the entry of judgment by any court having jurisdiction in accordance with the decision of the arbitration panel. No change in the rules of arbitration which would deprive a party of the right to be represented by counsel, to present evidence, or to cross-examine witnesses presented by the other party shall be effective in any arbitration proceeding arising out of this agreement.

42. Notwithstanding anything to the contrary above or elsewhere in this lease, if improvements on the leased premises other than those which are owned by Railroad are not removed and premises restored prior to termination date, either by Lessee or by Railroad at Lessee's expense, then this lease, with all terms contained herein, including the payment of rental, may, at Railroad's option, remain in effect until improvements are removed and premises restored.

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189916

GOODWIN OF CALIFORNIA, INC.

Berkeley, California

"6-Year Commercial Lease"

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ATTACHMENTS

1. PLAT MAP
2. EXHIBIT "A" (LENDING AGREEMENT)

183916

COMMERCIAL LEASE

Terminates Lease 109744

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M.P. A-10.30-L

THIS LEASE, made this 2nd day of January, 1980, by and between SOUTHERN PACIFIC TRANSPORTATION COMPANY, a corporation, herein called "Lessor," and GOODWIN OF CALIFORNIA, INC., a corporation, address: 1075 Second Street, Berkeley, California 94710, herein called "Lessee";

WITNESSETH: That Lessor hereby leases to Lessee the premises of Lessor at or near Berkeley Station, County of Alameda, State of California, hereinafter referred to as the "premises," as illustrated on the print of Lessor's Western Division Drawing No. B-1408, Sheet No. 1, as revised March 12, 1956, attached and made a part hereof, for the term of six (6) years from the 1st day of January, 1980, upon the following terms and conditions:

1. USE

The premises shall be used by Lessee solely and exclusively for the maintenance and use of Lessee-owned improvements and related facilities for the operation of a manufacturing plant and for storage purposes.

If Lessee does not commence the use of the premises within ninety (90) days from the execution of this lease for the purposes herein specified, or if Lessee discontinues such use for a period of ninety (90) days, Lessor may terminate this lease on fifteen (15) days' notice to Lessee to that effect.

Lessee shall not pile or store or permit to be piled or stored upon the premises any gunpowder, dynamite, gasoline or other explosive substance or material.

2. RENT

For the first five (5) years of the term hereof, Lessee shall pay to Lessor as rental for the premises the sum of SIX HUNDRED SEVENTY-FIVE DOLLARS (\$675) per month, payable monthly in advance; thereafter, such rental shall be subject to revision in the manner provided in Section 3 hereof.

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3. RENTAL REVISION

At any time after five (5) years from the effective date of this lease, the rental specified in Section 2 above may be revised by Lessor by giving thirty (30) days' advance notice in writing to Lessee. Such rental shall be the reasonable and fair rental value of the premises at the time of such revision, as determined by Lessor and Lessee, but not less than the rental rate then in effect.

If, for any reason, the rental is not revised at such time as herein specified, the rental shall continue to be subject to revision upon said notification by Lessor and, when so revised, shall be retroactive to the date the revised rental should have become effective.

In the event the parties hereto are unable to agree upon the rental value, then, upon thirty (30) days' advance written notice by Lessor to Lessee, the matter shall be submitted to and decided by a board of three (3) arbitrators—one to be appointed by Lessor, one by Lessee, and a third by the two so appointed. Should Lessee fail or refuse to appoint an arbitrator within thirty (30) days after delivery of notice from Lessor, then the rental established by Lessor shall be deemed accepted by Lessee. In the event the two arbitrators chosen by the parties hereto are unable to agree upon the third arbitrator, such arbitrator shall be appointed by a judge of any court having jurisdiction over the premises upon application of either Lessor or Lessee to said court, but such application shall not be made until such party shall have given twenty (20) days' notice in writing to the other of its intention so to do. The arbitrators, as soon as possible after their selection, shall meet to hear and decide the questions submitted to them and shall, within a reasonable period of time, give to each of the parties hereto notice of the time and place of such meeting. The hearings of the board of arbitrators shall be conducted in a lawful manner. The written decision of the board, signed by a majority of the arbitrators, shall determine the matter and such determination shall be final and conclusive upon the parties hereto. The fees and expenses of arbitration shall be borne as the parties may agree prior to arbitration, or, in case of disagreement, shall be apportioned by the board of arbitrators.

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4. TAXES AND ASSESSMENTS

A. Land

Lessee shall reimburse Lessor for all taxes levied against the land included in this lease during the life hereof.

B. Public Improvements

Lessee shall reimburse Lessor for all assessments for public improvements assessed against the premises.

C. Personalty

Lessee shall pay, before they become delinquent, all taxes and assessments levied against the premises, or which might become a lien thereon, by reason of any buildings, structures or other property, real or personal, which are wholly owned by Lessee on the premises or by reason of Lessee's activities. Lessor may, at its option, pay such taxes and assessments, and such payments shall be repaid by Lessee on demand.

D. Rental Tax

Any privilege, sales, gross income or other tax (not including income tax) imposed upon the rentals herein provided to be paid by the Lessee, or upon the Lessor in an amount measured by the rentals received by Lessor, shall be paid by the Lessee, in addition to the amounts set forth herein, whether such imposition of tax be by the United States of America, the state in which the premises are located, or any subdivision or municipality thereof.

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5. INDEMNIFICATION

Lessee shall release and indemnify Lessor from and against all liability, cost and expense for loss of or damage to property and for injuries to or death of any person (including, but not limited to, the property and employees of each party hereto) when arising or resulting from:

(a) the use of the premises by Lessee, its agents, employees or invitees; or

(b) breach of the provisions of this lease by Lessee,

whether or not caused or contributed to by any act or omission, negligent or otherwise, of Lessor, its employees, agents, contractors, subcontractors or their employees or agents, or any other person.

The term "Lessor," as used in this section, shall include the successors, assigns and affiliated companies of Lessor and any other railroad company operating upon Lessor's tracks.

6. CONTRACTUAL LIABILITY INSURANCE

Lessee shall provide Lessor satisfactory evidence of insurance covering Lessee's liability under this lease in amounts of not less than \$300,000/750,000 Bodily Injury and \$100,000/100,000 Property Damage.

Except where prohibited by law, Lessee's Workmen's Compensation insurance covering operations on the premises shall include a waiver of subrogation against Lessor.

It is agreed that the limits of insurance specified above are the minimum amounts required by Lessor and shall be subject to revision from time to time.

7. ENVIRONMENTAL SPILLS OR POLLUTION

Should any leakage, spillage, or pollution of any type occur upon the premises due to Lessee's use and occupancy of the premises, Lessee, at its expense, shall be obligated to clean the premises to the satisfaction of any environmental protection agency and/or other governmental body having jurisdiction thereover.

Lessee shall promptly and fully reimburse and indemnify Lessor should Lessor suffer or incur any fine, penalty, cost or charge due to such leakage, spillage, or pollution upon the premises.

Any related expense of required compliance with federal, state or local environmental regulations incurred by Lessor or Lessee shall be borne by Lessee, including any fines and judgments levied against Lessor or the premises.

8. RESERVATIONS

Lessor reserves for itself, its successors, assigns and licensees, the right to construct, maintain and operate any existing tracks and existing and new or additional pipe, telegraph, telephone and power transmission lines upon, over and beneath the premises, provided the same shall not be detrimental to Lessee's operations on the premises or to any of its improvements thereupon.

9. MINERAL RIGHTS

There is reserved to Lessor the title and exclusive right to all of the minerals and mineral ores of every kind and character now known to exist or hereafter discovered upon, within or underlying the premises, or that may be produced therefrom, including, without limiting the generality of the foregoing, all petroleum, oil, natural gas and other hydrocarbon substances and products derived therefrom, together with the exclusive and perpetual right thereto, without, however, the right to use or penetrate the surface of, or to enter upon, the premises within five hundred (500) feet of the surface thereof to extricate or remove the same.

10. SUBSURFACE INSTALLATIONS

Absence of markers does not constitute a warranty by Lessor of no subsurface installations.

11. COMPLIANCE WITH GOVERNMENTAL REGULATIONS

Lessee, at its expense, shall comply with all applicable laws, ordinances and regulations, including, but not limited to, building and zoning ordinances, restricting or regulating or prohibiting the occupancy, use or enjoyment of the premises or regulating the character, dimensions, or locations of any improvement thereon.

12. UNACCEPTABLE GOVERNMENTAL IMPOSITIONS

Should any governmental body impose any condition for the use or zoning of the premises or for issuance of any map, license or permit, Lessee covenants to notify Lessor accordingly; and if such condition is unacceptable to Lessor, Lessor may terminate this lease.

13. FILING OF MAPS OR REPORTS

Lessee, at its expense, shall be obligated to arrange for the filing of any map required under any subdivision map act and/or any environmental impact report required by any governmental body having jurisdiction in the matter.

14. DAMAGE TO IMPROVEMENTS

In the event any essential portion of the improvements on the premises is so damaged by fire or other casualty as not to be restorable within ninety (90) days, either party may terminate this lease by written notice. If the improvements can be restored within ninety (90) days, Lessee shall promptly make such restoration at Lessee's own expense, failing in which, Lessor may forthwith terminate this lease by written notice.

15. MAINTENANCE

Lessee shall keep the premises and all buildings and structures thereon free from rubbish and in a neat and safe condition satisfactory to Lessor. Lessee, at Lessee's expense, shall maintain in good condition and repair satisfactory to Lessor all buildings and structures upon the premises, except those owned by the Lessor. The premises, including all buildings and structures thereon, shall not be used for displaying signs and notices other than those connected with the business of Lessee contemplated by this lease. Such notices and signs shall be neat and properly maintained. Lessor shall have the right to enter the premises at all reasonable times to inspect the same.

16. SURRENDER OF THE PREMISES

Upon the expiration or termination of this lease, Lessee shall deliver to Lessor possession of the premises. Lessee, if not in default, may, prior to such expiration or termination, remove from the premises any buildings or structures wholly owned by Lessee. Lessee shall restore the premises to the condition in which they existed at the time Lessee took possession, ordinary wear and tear excepted. Upon the failure of Lessee to remove from the premises all property owned by Lessee, said property shall, at the option of Lessor, become the sole property of Lessor, or, if Lessor so elects, Lessor may remove from the premises any property owned by Lessee and restore the premises to substantially the same condition in which they existed at the time Lessee took possession, all at the expense of Lessee.

17. REMOVAL OF IMPROVEMENTS

Notwithstanding anything to the contrary above or elsewhere in this lease, if improvements on the premises other than those which are owned by Lessor are not removed and premises restored prior to termination date, either by Lessee or by Lessor at Lessee's expense, then this lease, with all terms contained herein, including the payment of rental, shall, at Lessor's option, remain in effect until improvements are removed and premises restored.

18. LIENS AND CLAIMS

Lessee shall fully pay for all materials joined or affixed to the premises, and pay in full all persons who perform labor thereupon. Lessee shall not suffer any mechanics' or materialmen's liens of any kind to be enforced against the premises for any work done or materials furnished at Lessee's request. If any such liens are filed thereon, Lessee shall remove the same at Lessee's own cost and expense, and shall pay any judgment which may be entered thereon or thereunder. Should Lessee fail, neglect or refuse so to do, Lessor shall have the right to pay any amount required to release any such lien or liens, or to defend any action brought thereon, and to pay any judgment entered therein, and Lessee shall be liable to Lessor for all costs, damages, and reasonable attorneys' fees, and any amounts expended in defending any proceedings, or in the payment of any of said liens or any judgment obtained therefor. Lessor may post and maintain upon the premises notices of nonresponsibility as provided by law.

19. ATTORNEYS' FEES

In case of suit to compel performance of, or to recover for breach of, any covenant, agreement or condition herein written, the losing party shall pay reasonable attorneys' fees in addition to the amount of judgment and costs.

20. PRIOR APPROVAL OF WORK

Lessee shall not construct, reconstruct or alter structures of any character upon the premises without the prior written consent of Lessor. Lessee shall not commence any repairs (except emergency repairs) until after fifteen (15) days' written notice to Lessor.

Lessee further agrees not to install or extend any electrical wires in any Lessor-owned improvements on the premises without the prior written consent of Lessor.

21. NOTICES

Any notice to be given by Lessor to Lessee hereunder shall be deemed to be properly served if delivered to Lessee, or if deposited in the post office, postage prepaid, addressed to Lessee at the premises or Lessee's last known address.

22. CURE OF DEFAULT

In the event Lessee shall not within thirty (30) days correct any default by Lessee hereunder after receipt of notice of such default from Lessor, Lessor shall have the right to terminate this lease forthwith and to retake possession of the premises. Waiver of any default shall not be construed as a waiver of a subsequent or continuing default. Termination of this lease shall not affect any liability by reason of any act, default or occurrence prior to such termination.

23. DISPOSSESSION

In case Lessee shall (except by Lessor) be lawfully deprived of the possession of the premises or any part thereof, Lessee shall notify Lessor in writing, setting forth in full the circumstances in relation thereto, whereupon Lessor may, at its option, either install Lessee in possession of the premises, or terminate this lease and refund to Lessee the pro rata amount of the rental for the unexpired term of the lease after the receipt of such notice, whereupon no claims for damages of whatsoever kind or character incurred by Lessee by reason of such dispossession shall be chargeable against Lessor.

24. BANKRUPTCY

Lessor shall also have the right to terminate this lease by written notice and to take exclusive possession of the premises in the event (a) Lessee shall be adjudged a bankrupt; (b) Lessee becomes insolvent; (c) any action or proceeding for debtor relief of Lessee be commenced by Lessee; or (d) Lessee seeks general debtor relief by extrajudicial means.

Receipt of rent or other payments from any person for use of the premises shall not constitute a waiver of Lessor's right to terminate as above set forth. If there are two or more Lessees hereunder, or if Lessee is a partnership, Lessor's right to terminate shall arise in the event any one of the Lessees or partners is adjudged a bankrupt, becomes insolvent, seeks general debtor relief or commences or becomes subject to any of the proceedings set forth above.

25. EMINENT DOMAIN

In the event of condemnation of all or any portion of the premises, from the total condemnation award Lessor shall first receive compensation for the then full market value of the land comprising the premises, plus any severance damage to any remaining lands of Lessor which may be adversely affected by such condemnation. The balance of the award, if any, shall be applied to Lessee's improvements on the premises and to the value of Lessee's leasehold interest.

26. UTILITIES

Lessee shall arrange and pay for all water, gas, electricity and other utilities used by Lessee on the premises direct to the company providing such service.

In the event Lessor enters into an agreement with a utility company providing service to Lessee at the premises for Lessee's sole use, Lessee shall pay to Lessor a charge of One Hundred Twenty-five Dollars (\$125) upon receipt of bill therefor to partially defray administrative costs.

27. LEGAL DESCRIPTION

This lease shall be supplemented to include a legal description of the premises if requested by either party in writing. If requested by Lessee, then Lessee shall pay to Lessor therefor the sum of \$125.

Any expense incurred by Lessor for surveying the premises shall be paid to Lessor by Lessee promptly upon receipt of bill therefor.

28. LEASE FOR RECORDING

Should Lessee request Lessor to prepare a short form of lease for recording purposes, Lessee shall pay therefor the sum of \$125.

29. SALE OF LESSEE'S IMPROVEMENTS

Lessee shall not be permitted to sell or hypothecate any of its fixed improvements upon the premises without first obtaining Lessor's written consent therefor.

30. HYPOTHECATION OF LEASEHOLD

Should Lessee elect to assign its leasehold interest in this lease to a lender as security for a loan, such assignment shall be subject to Lessor's approval. Should Lessor approve such assignment, Lessor, Lessee, and the lender involved, which lender shall be acceptable to Lessor, shall enter into an agreement in substantially the same form as Exhibit "A," also attached and made a part hereof.

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31. PRIVATE DRIVEWAY

Subject to all the terms and conditions hereof, Lessee is hereby permitted to continue to maintain and use that certain private driveway upon Lessor's property in the location indicated by red tint on said attached print.

The permission herein given is subject to all licenses, leases, easements, encumbrances, and claims of title affecting Lessor's property.

Lessor reserves for itself, its agents, employees and licensees the right to use the driveway in conjunction with Lessee's use thereof without cost or charge therefor. Lessor shall not be obligated to perform any maintenance work to said driveway due to such use. Maintenance thereof shall be at the sole cost and expense of Lessee.

In addition, Lessee, at Lessee's expense, shall maintain said driveway in a good and safe condition satisfactory to Lessor and shall keep the driveway clear of all rubbish, debris and other materials which may have been dropped or deposited thereon by Lessee, its employees, or invitees.

Lessee does hereby release and indemnify Lessor from and against all liability, cost and expense for loss of or damage to property and for injury to or death of any person (including, but not limited to, the property and employees of each party hereto), caused by or arising out of the presence, maintenance, use or removal of said driveway, regardless of any negligence or alleged negligence on the part of any employee of Lessor.

32. BARRICADE

After the effective date hereof and prior to the use of the premises by Lessee for the purposes herein contemplated, Lessee, at its expense, shall erect and maintain a barricade of a size and form satisfactory to Lessor along the track side of said private driveway.

33. CANCELLATION OF LEASE 109744

LEASE 109744 dated August 1, 1956, as subsequently amended, between Lessor's corporate predecessor and Lessee, relating to the leasing of certain premises located at or near Berkeley Station, County of Alameda, State of California, as illustrated on the print attached thereto, is hereby terminated.

34. ARBITRATION

If any controversy arises between the parties with respect to any matters (other than rental) set forth in this lease and such dispute cannot be resolved by the parties within thirty (30) days after either party hereto notifies the other of its desire to arbitrate the dispute, then the dispute shall be settled by arbitration in accordance with the provisions of Title 9 of the Code of Civil Procedure of California and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. Arbitration shall be by a panel of three (3) arbitrators, one of whom must be an attorney-at-law actively engaged in the practice of his profession for at least ten (10) years. The arbitrators shall have no power to modify any of the provisions hereof and their jurisdiction

is limited accordingly. Each party hereby consents to the entry of judgment by any court having jurisdiction in accordance with the decision of the arbitration panel. No change in the rules of arbitration which would deprive a party of the right to be represented by counsel, to present evidence, or to cross-examine witnesses presented by the other party shall be effective in any arbitration proceeding arising out of this agreement.

35. HOLDING OVER

In case Lessee holds over the term of this lease with the consent of Lessor, such holding over shall be deemed a tenancy only from month to month but shall be subject to all applicable terms hereof and to Lessor's right to revise the rental at any time during the holdover period in the manner specified in this section.

Should the term of this lease be held over on a month-to-month tenancy basis, Lessor, without prior notice to Lessee, may revise the rental then in effect in accordance with the same percentage of adjustment or fluctuation to the nearest one-tenth of one percent established during the period of time the existing rental is in effect, commencing with the effective date of the last rental revision to the date the revised rental is to commence, regardless of the number of years involved, as stated in the Consumer Price Index ("CPI"), Urban Wage Earners and Clerical Workers, U.S. City Average, All Items (1967 = 100), published by the United States Department of Labor, Bureau of Labor Statistics, or any successor or substitute index published as a replacement for that Index by said Department or by any other United States governmental agency. Such revision shall be automatic, with the adjusted rental to take effect the day immediately following the expiration date of the term of this lease or any extensions thereto, and on the same date each year thereafter, unless the rental is subsequently revised in accordance with the following paragraph prior to the anniversary date of the last CPI-based revision, in which case the next CPI-based revision shall be deferred to the anniversary date of the last rental revision. If for any reason the rental is not revised at such time as herein specified, the rental shall continue to be subject to revision by Lessor without prior notice to Lessee and, when so revised, shall be retroactive to the date the revised rental should have become effective.

Notwithstanding the above, Lessor, at any time during such holdover period, may, upon thirty (30) days' written notice to Lessee, revise the rental then in effect based upon land values of comparable properties at the time of such revision.

The rental, when so revised, shall never be less than the rental rate then in effect, regardless of whether the revision was based on the CPI formula above or upon land values.

Nothing in this section shall be construed as extending the term of this lease or waiving in any way Lessor's statutory right to terminate at any time during such holdover period.

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36. SPECIFIC PERFORMANCE

Time and specific performance are each of the essence of this lease.

37. ASSIGNMENT AND SUBLETTING

This lease shall inure to the benefit of and be binding upon the heirs, administrators, executors, successors and assigns of the parties hereto, but shall not be assigned or subleased by Lessee without the prior written consent of Lessor.

38. PARAGRAPH STRUCTURE AND EFFECT

The section and subsection headings used herein are for convenience only and shall not be construed as limiting, restricting, or affecting in any way the construction or interpretation of this lease.

39. REPRESENTATIONS

It is understood and agreed that this document constitutes the entire agreement between the parties hereto as of the execution hereof, and that there are no verbal agreements, representations, warranties, or other understandings affecting the terms, covenants and conditions herein contained.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed in duplicate the day and year first herein written.

SOUTHERN PACIFIC TRANSPORTATION COMPANY

R. E. Mesick
Asst. Gen. Mgr., Real Estate

WITNESSED BY:

By _____

GOODWIN OF CALIFORNIA, INC.

/s/ Joy Lovejoy

By /s/ illegible
(Title) President

Western DIV'N.
 DRAWING B-1408
 SHEET NO. 1 R.V.

LEWIS &
 McDERMOTT

AIR REDUCTION SALES CO.

AREA = 0.92 ACS

METALS DISINTEGRATING
 CO INC.

To Oakland To Martinez

TRANSPORTATION
 SOUTHERN PACIFIC COMPANY
 PACIFIC LINES

BERKELEY

PROPOSED LEASE

Scale 1"=100' Feb 5, 1956
 FMY Rev. March 22, 1956

- LEGEND -
 - - - - - Sov Pac Co. R/W
 ———— Red-Proposed Lease
 [Red Tint] Red Tint-Private Roadway

DRAWER

511 - INCOME FROM
NON OPERATING PROPERTY

LEASE
AUDIT NO. 109744 <small>9-21-53</small>

10-55-4M

(Approved as to Form by General Counsel
September 13, 1955)

SOUTHERN PACIFIC COMPANY

**Takes the place of
Lease Audit No. 89291**

LEASE

This Lease, made and entered into this 1st day of August 1956
by and between the SOUTHERN PACIFIC COMPANY, a corporation, first party hereinafter called
"Railroad," and **GOODWIN OF CALIFORNIA, INC., a corporation,**
address: **1075 Second Street, Berkeley, California,**
second party, hereinafter called "Lessee".

Witnesseth: That Railroad, for and in consideration of the covenants and payments hereinafter mentioned to be performed and made by the Lessee, hereby leases unto said Lessee the following described portion of the premises of said Railroad, ~~situated partly in the City of Albany and partly in the City of Berkeley, both in the County of Alameda~~ **partly in the City of Albany and partly in the City of Berkeley, both in the County of Alameda**, State of California, to-wit:

That certain parcel of land more particularly described on the insert marked Exhibit "B" attached and made a part hereof, for the term of fifteen (15) years commencing on the 1st day of April, 1956 and ending on the 31st day of March, 1971.

~~XX~~

Railroad reserves for itself, its successors and assigns, the right to construct, maintain and operate any existing track or tracks and existing and/or additional pipe, telegraph, telephone and power transmission lines upon, over and/or beneath the said leased premises.

~~The rent therefor agreed to be paid is as provided in Section 26 of this lease, not including the taxes specified in Section 26 of this lease, XXX~~

Lessee hereby acknowledges the title of Railroad in and to the premises described in this lease, and agrees never to assail or resist said title.

Lessee covenants and agrees:

1. That said premises shall be used by Lessee solely and exclusively for **maintenance and operation of a manufacturing plant and for storage purposes,**

and that Lessee will pay the rent at the times and in the amounts herein specified, and perform, observe and fulfill all other obligations on Lessee's part herein contained.

If the Lessee does not, within ninety (90) days, commence the use of the property for the purposes herein mentioned, or if the Lessee discontinues such use for a period of ninety (90) days, the Railroad may at its option terminate this lease by giving fifteen (15) days' notice in writing to the Lessee ~~XX~~

2. Not to under-lease or sub-let said leased premises, or any part thereof, or assign this lease or any interest therein, without the written consent of Railroad and satisfactory obligation by proposed sub-tenant, sub-lessee or assignee, to be bound by all the terms and provisions of this lease first had and obtained.

3. To comply with clearance regulations as delineated on the chart marked Exhibit "A" hereto attached and made a part hereof. A minimum overhead clearance of twenty-five (25) feet, measured vertically above tops of rails, shall be observed for wires over or across any track and for a horizontal distance of at least eight (8) feet six (6) inches from the center line of such track; subject, however, to statutes or orders of competent public authority having jurisdiction in the premises. If, by statute or order of competent public authority, greater clearances than those specified on said Exhibit "A" shall be required, Lessee shall strictly comply with such statute or order. All doors, windows or gates of any building or enclosure shall be of the sliding type or shall, when opened, be swung away from the track when such building or enclosure is so located that said doors, windows or gates if opened toward the track would, when opened, be at clearances in violation of the clearances specified on said Exhibit "A". No pipe, conduit, structure, opening or excavation of any kind whatsoever shall be made or placed by Lessee beneath any track without written approval from Railroad first had and obtained, and no gunpowder, dynamite, gasoline, or other explosive material shall be piled or stored by Lessee or others upon said leased premises within one hundred (100) feet from nearest track.

4. That said leased premises and any and all buildings and structures erected thereon shall at all times be kept free from rubbish and in a neat and safe condition and satisfactory to Railroad. The Lessee shall maintain, at Lessee's sole cost and expense, in good condition and repair, satisfactory to Railroad, any and all buildings and structures upon said leased premises, except those owned by the Railroad. Said leased premises and buildings and structures erected thereon shall not be used for displaying signs and notices other than those connected with the business of Lessee contemplated by this lease. Such notices and signs shall be neat and properly maintained. Railroad and its agents and employees shall have the right to enter the demised premises at any and all reasonable times to inspect the same.

~~5. THE LESSOR HEREBY COVENANTS AND AGREES TO HOLD THE LESSEE HARMLESS FROM AND TO INDEMNIFY THE LESSEE AGAINST ALL LIABILITY FOR LOSS, DAMAGE, INJURY AND DEATH ARISING THEREFROM.~~

6. In case of breach of any of the terms, covenants or conditions herein contained, Lessee shall indemnify Railroad and its agents against all liability for loss, damage, injury and death arising therefrom.

It is further agreed:

7. In event said leased premises are located adjacent to a spur or side track used by Railroad as a railroad facility, Lessee shall be permitted, as a matter of accommodation but not as a matter of legal right, to receive service thereon at such times as such service to Lessee will not interfere with use of such track by Railroad for railroad purposes. In event said leased premises are located adjacent to a private industrial track Lessee agrees to arrange with the owner for service thereon. Said tracks shall be under full control of Railroad and may be used at discretion of Railroad for its business or for shipment or delivery of any freight. Lessee covenants and agrees that if, in the judgment of Railroad, operations of Railroad make it necessary or desirable that private industrial spur or side tracks be installed to serve Lessee and Lessee desires to have the benefit of track service, Lessee shall, upon request of Railroad, construct and maintain said private industrial spur or side tracks under the usual terms and practice of Railroad with respect to construction and maintenance of industrial tracks.

8. If Lessee shall make default with respect to any covenant, agreement or stipulation upon Lessee's part herein contained, Railroad may at its option forthwith terminate this lease and re-enter upon said leased premises and take exclusive possession. The waiver by Railroad of any default on the part of Lessee shall not be construed as a waiver of any other or subsequent default, nor shall failure to terminate this lease immediately upon the occurrence of a continuing default be construed as a waiver of the right to terminate at a later date due to such continuing default. The termination of this lease shall not in any manner relieve or release Lessee from any liability which may have attached or accrued prior to or at the time of such termination, nor from any covenant or obligation to indemnify or to hold Railroad harmless or to pay damages or judgments herein contained.

9. That in case Lessee holds over the term of this lease, with the consent of Railroad, such holding over shall be deemed a tenancy only from month to-month, and upon the same terms and conditions as herein stated.

~~10. THE LESSEE COVENANTS AND AGREES TO HOLD THE RAILROAD HARMLESS FROM AND TO INDEMNIFY THE RAILROAD AGAINST ALL LIABILITY FOR LOSS, DAMAGE, INJURY AND DEATH ARISING THEREFROM.~~

11. Any notice to be given by Railroad to Lessee hereunder shall be deemed to be properly served if the same be delivered to Lessee, or if left with any of the agents, servants or employees of Lessee on the leased premises, or if posted on the leased premises, or if deposited in the post office, post paid, addressed to Lessee at said premises or to last known address.

12. That upon the expiration or termination of this lease, or any extension or renewal thereof, or holding over said term, by limitation or in any manner, Lessee, without further notice, shall deliver up to Railroad the possession of said leased premises, and Lessee, provided no default shall at such time exist in respect of any payments or rentals, or in respect of any covenants, agreements or conditions to be kept and performed by Lessee, shall be entitled, at any time prior to such expiration or termination, to remove from said leased premises any buildings or structures, including railroad tracks, switches and appliances connected therewith, which are wholly owned by Lessee; it being expressly understood and agreed, however, that Railroad shall have the right at any time to purchase at its then value Lessee's interest in any or all material in said railroad tracks, switches and appliances. Lessee shall restore said leased premises to the same state and condition in which they existed at the time Lessee took possession. Upon the failure or refusal of Lessee to remove from said leased premises all buildings, structures and all personal property owned by Lessee, prior to the expiration or termination of this lease, said buildings, structures and all personal property shall thereupon, at the option of Railroad, become and remain the sole property of Railroad, or if Railroad so elects it may remove from said leased premises any buildings, structures and other personal property owned by Lessee, and Railroad may also restore said leased premises to substantially the same state and condition in which they existed at the time Lessee took possession, all at the expense of Lessee, which expense Lessee agrees to pay Railroad upon demand. In the event of such failure or refusal of Lessee to surrender possession of said leased premises, Railroad shall have the right to re-enter upon said leased premises and remove Lessee, or any person, firm or corporation claiming by, through or under Lessee therefrom.

The Lessee hereby covenants and agrees:

13. That any privilege, sales, gross income or other tax (not including income tax) imposed upon the rentals herein provided to be paid by the Lessee, or upon the Railroad in an amount measured by the rentals received by Railroad, shall be paid by the Lessee, in addition to the amounts set forth herein, whether such imposition of tax be by The United States of America, the state in which the said premises are located, or any subdivision or municipality thereof.

LEASE
Lease 109744
ASSESS. NO.

THIS SECOND SUPPLEMENTAL AGREEMENT, dated this 11 day of April, 1967, by and between SOUTHERN PACIFIC COMPANY, a corporation, herein called "Railroad", and GOODWIN OF CALIFORNIA, INC., a corporation, address: 1075 Second Street, Berkeley, California, 94710, herein called "Lessee".

RECITALS:

The parties hereto entered into that certain lease dated the 1st day of August, 1956, as amended, whereby Railroad leased to Lessee a certain portion of Railroad premises located partly in the City of Albany and the City of Berkeley, both in the County of Alameda, State of California, for the term of fifteen (15) years from the 1st day of August, 1956, as illustrated on the print attached thereto, for the purposes therein specified.

The parties now desire to amend the rental provision of said lease in accordance with Section 26 thereof as hereinafter provided.

AGREEMENT:

For the five-year period of the term of said recited lease commencing on the 1st day of April, 1966, rental for Railroad's premises subject thereof shall be increased to the sum of Two Hundred ~~Fifty~~²⁰⁰ Six Dollars (\$~~256~~²⁰⁰.00) per month, payable monthly in advance.

Lessee shall continue to reimburse Railroad taxes and assessments specified in said recited lease.

Except as herein otherwise provided, all terms and conditions of said recited lease, as amended, shall continue in full force and effect, including Railroad's right to again revise the rental in accordance with said Section 26, subject to termination as therein provided.

IN WITNESS WHEREOF, the parties hereto have executed this second supplemental agreement in duplicate the day and year first herein written.

GOODWIN OF CALIFORNIA, INC.

By Robert L. Harvey
(Title) President

SOUTHERN PACIFIC COMPANY

By V. A. Wolfe Mgr., Real Estate Dept.
(Title)

*
*
*

12/17/54

I N S E R T
EXHIBIT "C"
(continued)

26. The rent therefor agreed to be paid by Lessee to Railroad is as follows:

The sum of Ninety-Five (95) Dollars per month, payable monthly in advance,

which sum is hereby agreed to be the minimum rental rate payable to Railroad during the entire term of this lease.

At any time or times after five years from the effective date of this lease such rental may be revised by Railroad by giving thirty (30) days' advance notice in writing to Lessee. Such rental shall be the reasonable and fair rental value of the leased premises at the time of such revision, as determined by Railroad and Lessee, but not less than the minimum rental rate hereinbefore set forth. When so revised, such rental shall not be subject again to revision until five years from the effective date of each such revision.

In the event Railroad and Lessee are unable to agree upon rental value, then upon request of either Railroad or Lessee the matter shall be submitted to and decided by three arbitrators, one to be appointed by Railroad, one by Lessee and a third by the two so appointed. If either Railroad or Lessee shall fail or refuse to appoint an arbitrator within thirty (30) days after notice has been given to it by the other party, the party giving such notice may and shall name and appoint an arbitrator for and on behalf of the party so in default. If the two arbitrators thus chosen shall be unable to agree upon the third arbitrator, such arbitrator shall be appointed upon application of either party by any Judge of the District Court of the United States for the district which shall then include the said leased premises, but such application shall not be made until such party shall have given twenty (20) days' notice in writing to the other party of its intention so to do. The arbitrators, as soon as possible after their selection, shall meet to hear and decide the question submitted to them and shall give to each of the parties hereto reasonable notice of the time and place of such meeting. The hearings of the Board of Arbitrators shall be conducted in a lawful manner. The written decision of the arbitrators, signed by a majority of them, shall determine the matter and such determination shall be final and conclusive upon the parties hereto. The fees and expenses of arbitration shall be borne as the parties may agree prior to the arbitration, or, in case of disagreement, shall be apportioned by the Board of Arbitrators fairly and equitably.

Nothing contained in this Section 26 shall be construed or deemed to extend the term of this lease or to amend or modify in any way the provisions of Section 9 hereof.

27. For the term of this lease Lessee will reimburse the Railroad for all taxes paid by Railroad upon or against the land, improvements of personal property leased to Lessee hereunder and the Lessee will pay before the same become delinquent all taxes and assessments against any buildings, structures and any other property owned by Lessee now or hereafter located upon said land and against any personal property or solvent credits of Lessee located on said leased premises. Railroad may at all times pay any such taxes and assessments which Lessee is obligated to pay and all payments so made by Railroad shall be repaid upon demand by Lessee.

28. Lessee, subject to the terms and conditions of this lease, is hereby permitted to construct, maintain and use a private roadway upon and along the portion of the premises of Railroad described as follows, to-wit:

22. Lessee shall and hereby agrees to observe and comply with all federal, state, county and municipal laws now in effect or hereafter enacted with respect to the occupancy of said leased premises, in default of which Railroad may, at its option, forthwith terminate this lease and reenter upon the said leased premises and remove all persons therefrom.

23. In the event said improvements or any essential part thereof upon the said premises shall at any time be totally destroyed by fire, or other casualty, or partially destroyed, so that same cannot be restored or repaired within ninety (90) days from the date of the destruction or injury, then either party hereto may at its option cancel this lease forthwith by giving written notice to that effect to the other party; but in case of partial destruction or injury and the premises can be repaired and made tenantable within ninety (90) days from the occurrence of such injury, then Lessee shall replace and/or repair the same as soon as practicable with all reasonable speed, care and diligence, and in the event said premises are not replaced and/or repaired by Lessee within ninety (90) days to the satisfaction of Railroad, then Railroad may, at its option, forthwith terminate this lease and the tenancy of Lessee hereunder by written notice to Lessee to that effect.

24. In case Lessee shall be adjudged a bankrupt, by either voluntary or involuntary proceedings, Railroad may, at its option, terminate this lease by written notice. The receipt of rent or other payments from any person for the use of the demised premises after the date of adjudication of bankruptcy shall not constitute a waiver of Railroad's option to terminate this lease. After termination by notice, Railroad may reenter the demised premises and take exclusive possession. The option of Railroad herein provided also shall be exercisable in the event that Lessee becomes insolvent or any action or proceeding for debtor relief of Lessee be commenced by or against Lessee or general debtor relief be sought by Lessee by extrajudicial means. Upon exercise of the option to terminate, the estate and rights of Lessee and any person claiming through the Lessee by act of the parties or operation of law shall immediately terminate. If there are two or more Lessees hereunder, or if Lessee is a partnership, then the option of Railroad to terminate the entire lease shall be exercisable in case any one of the Lessees or partners is adjudged a bankrupt or becomes subject to or participates in any other proceedings or procedure herein mentioned.

25. It is understood and agreed that, notwithstanding any other provision herein contained, in the event of condemnation for public use of the land herein described, or any portion thereof, Lessee shall receive compensation only for the taking and damaging of Lessee's improvements, and any other compensation shall be received by Railroad regardless of how or to whom it may be awarded. In this connection it is understood that compensation to Railroad for land taken, or damaged by reason of the severance thereof, shall not be reduced by reason of any award to Lessee.

I N S E R T
EXHIBIT "C"
(continued)

A piece or parcel of land situate, lying and being in the City of Berkeley and City of Albany, County of Alameda, State of California, and more particularly described as follows:

COMMENCING at the southeasterly corner of the parcel of land described in deed dated January 30, 1931 from Ariss-Knapp Co. to Southern Pacific Company, recorded February 14, 1931 in Book 2573, Page 17, Official Records of Alameda County, at the northerly boundary line of said City of Berkeley; thence North $14^{\circ}30'10''$ West along the easterly line of land described in said deed, 184.02 feet to the actual point of beginning of the parcel of land to be described; thence South $75^{\circ}29'50''$ West 233.81 feet; thence South $14^{\circ}30'10''$ East 160 feet; thence South $7^{\circ}45'47''$ West 77.73 feet to a point in a line parallel with and distant 25 feet easterly, measured at right angles from the center line of Southern Pacific Company's Second Street Drill Track; thence North $14^{\circ}30'10''$ West along said parallel line, 251.93 feet; thence North $75^{\circ}29'50''$ East 263.3 feet, more or less, to a point in said easterly line of land described in said deed; thence South $14^{\circ}30'10''$ East 20.0 feet to the actual point of beginning, containing an area of 0.25 of an acre, more or less, in the location shown tinted on the attached print.

Lessee agrees to construct and maintain said roadway in good condition and repair at all times satisfactory to Railroad, all without expense to Railroad.

Railroad reserves for itself, its agent, employees, lessees and patrons, the right to use said roadway in conjunction with the use thereof by Lessee without cost or charge therefor.

14. Not to construct, reconstruct or alter structures of any character upon said leased premises without the written consent of Railroad first had and obtained. In the event such written consent is given, Lessee shall not commence any construction, reconstruction or alteration until fifteen (15) days after such written consent is given by Railroad.

15. To give Railroad at least fifteen (15) days' written notice in advance of the commencement of any work of repairs upon any structures located upon the leased premises, except emergency repairs.

16. The Lessee will fully pay for all materials joined or affixed to said leased premises, and pay in full all persons who perform labor upon said leased premises and will not permit or suffer any mechanics' or materialmen's liens of any kind or nature to be enforced against said leased premises for any work done, or materials furnished, thereon at the Lessee's instance or request. Lessee agrees to indemnify and hold the Railroad harmless against any and all such liens. If any such liens are filed thereon, Lessee agrees to remove the same at Lessee's own cost and expense and shall pay any judgment which may be entered thereon or thereunder. Should the Lessee fail, neglect or refuse so to do, Railroad shall have the right to pay any amount required to release any such lien or liens, or to defend any action brought thereon, and to pay any judgment entered therein, and the Lessee shall be liable to the Railroad for all costs, damages, and reasonable attorney fees, and any amounts expended in defending any proceedings, or in the payment of any of said liens or any judgment obtained therefor. Railroad may post and maintain upon the leased premises notices of non-responsibility as provided by law.

17. In case said leased premises or any part thereof are in either the State of Arizona or Utah, Lessee will give Railroad and the lessor of Railroad, before allowing any construction, alteration or repair to be done upon the said leased premises, a bond satisfactory in form and to be issued by some surety company to be approved by Railroad in a sum equal to the full contract price of any construction, alteration or repair to be done upon the above-mentioned premises at the instance or request of Lessee, conditioned that the Lessee shall pay or cause to be paid all contractors, sub-contractors, laborers, operatives and other persons who may labor or furnish labor, materials or tools in the performance of such construction, alteration or repair.

18. That in case Railroad shall bring suit to compel performance of, or to recover for breach of any covenant, agreement or condition herein written, Lessee shall and will pay to Railroad reasonable attorney fees in addition to the amount of judgment and costs.

19. That in case Lessee shall (except by Railroad) be lawfully deprived of the possession of said premises or any part thereof, Lessee shall notify Railroad in writing, setting forth in full the circumstances in relation thereto, whereupon Railroad may, at its option, either install Lessee in possession of said premises, or terminate this lease and refund to Lessee the pro rata amount of the rental for the unexpired term of the lease, from and after the receipt of such notice, whereupon no claims for damages of whatsoever kind or character incurred by Lessee by reason of such dispossession shall be chargeable against Railroad.

20. That time and specific performance are each of the essence of this lease.

21. It is expressly understood and agreed that Sections 22 to 28, inclusive, on the attached insert marked Exhibit "C" are hereby made parts of this lease.

THIS LEASE shall inure to the benefit of and be binding upon the heirs, administrators, executors, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this lease in duplicate the day and year first above written.

SOUTHERN PACIFIC COMPANY,

R. P. BRAY
ASSISTANT MANAGER, REAL ESTATE DEPT.

By _____

Attest T. J. Ryan
Assistant Secretary

WITNESSED BY:

DESCRIPTION CORRECT:

Division Engineer.

Form Approved:

GOODWIN OF CALIFORNIA, INC.,

(See Note) (Lessee)

By Fred Goodwin
President

Attest Mary Eury Goodwin
Secretary

Contract Attorney

NOTE:—If an incorporated company, lease should be executed by an authorized officer thereof and its seal affixed and attested by its Secretary; otherwise signatures should be witnessed by an employee of Railroad, if practicable, if not, by a disinterested party.

LEASE
 AUDIT NO. 109744

THIS SUPPLEMENTAL AGREEMENT, made this 14th day of February, 1961, by and between SOUTHERN PACIFIC COMPANY, a corporation, herein termed "Railroad", and GOODWIN OF CALIFORNIA, INC., a corporation, address: 1075 Second Street, Berkeley, California, herein termed "Lessee".

RECITALS:

The parties hereto entered into a lease dated August 1, 1956, whereunder Railroad leased to Lessee a certain portion of Railroad's premises situate partly in the City of Albany and partly in the City of Berkeley, both in the County of Alameda, State of California, for the term of 15 years commencing on the first day of April, 1956, and ending on the 31st day of March, 1971. Said lease is now in effect.

It is desired by this Supplemental Agreement to grant to Lessee an option to extend the term of said lease.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed as follows:

1. Railroad hereby grants to Lessee the right and option to extend the term of said lease dated August 1, 1956, for an additional period of five years from the first day of April, 1971, upon the same terms and conditions as therein stated, including Railroad's option to have the rental revised pursuant to Section 26 thereof, such option to be expressed by written notice given to Railroad by Lessee at least 90 days prior to the expiration of the original term of said lease.
2. Except as herein otherwise provided, all of the terms, covenants, and conditions contained in said lease dated August 1, 1956, shall be and remain in full force and effect subject to termination as therein set forth.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in duplicate the day and year first herein written.

SOUTHERN PACIFIC COMPANY
 B. F. Biaggini - Vice President
 BY: _____
 (Title)

GOODWIN OF CALIFORNIA, INC.
 BY: Fred W. Goodwin
 (Title)

Attest: G. J. [Signature]
 Asst. Secretary

Attest: Mary Perry Gordon
 Secretary

LEASE
 109744
 AUDIT NO. _____

THIS SUPPLEMENTAL AGREEMENT, made this 3rd day of March, 1961, by and between SOUTHERN PACIFIC COMPANY, a corporation, herein termed "Railroad", and GOODWIN OF CALIFORNIA, INC., a corporation, address: 1075 Second Street, Berkeley, California, herein termed "Lessee".

RECITALS:

The parties hereto entered into a lease dated August 1, 1956, whereunder Railroad leased to Lessee a certain portion of Railroad's premises situate partly in the City of Albany and partly in the City of Berkeley, both in the County of Alameda, State of California, for the term of 15 years commencing on the first day of April, 1956, and ending on the 31st day of March, 1971. Said lease is now in effect.

It is desired by this Supplemental Agreement to grant to Lessee an option to extend the term of said lease.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed as follows:

1. During the five-year period commencing April 1, 1961, and ending March 31, 1966, Lessee shall pay to Railroad as rental in lieu of amount specified in said lease dated August 1, 1956, the sum of One Hundred Fifty Dollars (\$150) per month payable monthly in advance.
2. Except as herein otherwise provided, all of the terms, covenants and conditions contained in said lease dated August 1, 1956, shall be and remain in full force and effect subject to termination as therein set forth.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in duplicate the day and year first herein written.

SOUTHERN PACIFIC COMPANY
 BY: B. F. Diaggini - Vice President
 (Title)

Attest: G. J. Ryan
 Asst. Secretary

GOODWIN OF CALIFORNIA, INC.

BY: Paul Goodman
 (Title) President

Attest: Mary Derry Goodman
 Secretary

I N S E R T
EXHIBIT "B"

A piece or parcel of land situate, lying and being in the City of Albany, County of Alameda, State of California, and more particularly described as follows:

BEGINNING at the southeasterly corner of the parcel of land described in deed dated January 30, 1931 from Ariss-Knapp Co. to Southern Pacific Company, recorded February 14, 1931 in Book 2573, Page 17, Official Records of Alameda County, at the northerly boundary line of the City of Berkeley; thence North $14^{\circ}30'10''$ West along the easterly line of land described in said deed, 184.02 feet; thence South $75^{\circ}29'50''$ West 233.81 feet; thence South $14^{\circ}30'10''$ East 160 feet; thence North $81^{\circ}21'41''$ East 235.04 feet to the point of beginning, containing an area of 0.92 of an acre, more or less, in the location shown enclosed within red lines on the print of Western Div'n. Drawing B-1408, Sheet No. 1, Rev. March 12, 1956, attached and made a part hereof.

Approved as to Form by General Counsel
May 10, 1946

Terminates Lease
Audit No. 85120.

LEASE.

80291
AUDIT No. _____ CREDIT TO
A/C 210 - 4 MISCL. RENT INCOME
FROM AFFILIATED CO'S

This Lease, made and entered into this 15TH day of DECEMBER 1947
by and between the **SOUTHERN PACIFIC COMPANY**, a corporation, first party, hereinafter called "Railroad
Company," and **FRED W. GOODWIN**,
1075 Second Street, Berkeley 2, California,

second party, hereinafter called "Lessee."

Witnesseth: That Railroad Company, for and in consideration of the covenants and payments hereinafter
mentioned to be performed and made by the Lessee, hereby leases unto said Lessee the following described portion
of the premises of said Railroad Company at or near **Berkeley** Station,
County of **Alameda**, State of **California**, to-wit:

**That certain parcel of land shown enclosed within red lines on
the print of Western Div'n. Drawing B-954, dated April 13, 1946,
hereto attached and made a part hereof,**

~~TERMINATES LEASE~~
~~APPROVED~~ for the term of **five (5)** years from the 1ST day of APRIL 1947

Railroad Company reserves for itself, its successors and assigns, the right to construct, maintain and operate
any existing track or tracks and existing and/or additional pipe, telegraph, telephone and power transmission lines
upon, over and/or beneath the said leased premises.

The rent therefor agreed to be paid is **THIRTY AND NO/100ths** - - - - -
Dollars (\$ 30.00) per month payable monthly in advance not including
the taxes specified in Section 7 hereof.

Lessee hereby acknowledges the title of Railroad Company in and to the premises described in this lease, and
agrees never to assail or resist said title.

Lessee covenants and agrees:

1. That said premises shall be used by Lessee solely and exclusively for **maintenance and operation
of a manufacturing plant and for storage purposes,**

and that Lessee will pay the rent hereinbefore reserved, and perform, observe and fulfill all other obligations on
Lessee's part herein contained.

If the Lessee does not, within ninety (90) days, commence the use of the property for the purposes herein
mentioned, or if the Lessee discontinues such use for a period of ninety (90) days, the Railroad Company may at
its option terminate this lease by giving fifteen (15) days' notice in writing to the Lessee, in which event the provi-
sions of Section 10 hereof, relating to refund of rental, shall apply.

2. Not to under-lease or sub-let said leased premises, or any part thereof, or assign this lease or any interest
therein, without the written consent of Railroad Company and satisfactory obligation by proposed sub-tenant, sub-
lessee or assignee, to be bound by all the terms and provisions of this lease first had and obtained.

3. That no building, platform, pole or other structure shall be erected or maintained and no material or other
obstruction of any kind or character shall be placed, stored, stacked or maintained within six (6) feet measured hori-
zontally from outside of nearest track rail, provided, however, platforms, and their appurtenances four (4) feet or
less in height measured vertically from top of nearest track rail may be placed or maintained at a distance of not less
than four feet eight inches (4' 8") measured horizontally from outside of nearest track rail; that no structure, tram-
way, cable or wire shall be erected or maintained over or across any track and for a distance of at least six (6) feet
from the outside rails thereof at a less distance than twenty-two (22) feet measured vertically above the tops of rails
in any such track, provided further, that if by statute or order of competent lawful authority greater clearances shall
be required than those specified in this section, Lessee will strictly comply with such statute or order; that no pipe,
conduit, structure, opening or excavation of any kind whatsoever shall be made or placed beneath any track without
written approval from Railroad Company first had and obtained; that no gunpowder, dynamite, gasoline or other
explosive material shall be piled or stored by Lessee or others upon said leased premises within one hundred (100)
feet from nearest track.

4. That said leased premises and any and all buildings and structures erected thereon shall at all times be kept free from rubbish and in a neat and safe condition and satisfactory to Railroad Company. The Lessee shall maintain, at Lessee's sole cost and expense, in good condition and repair, satisfactory to Railroad Company, any and all buildings and structures upon said leased premises, except those owned by the Railroad Company. Said leased premises and buildings and structures erected thereon shall not be used for displaying signs and notices other than those connected with the business of Lessee contemplated by this lease. Such notices and signs shall be neat and properly maintained. Railroad Company and its agents and employes shall have the right to enter the demised premises at any and all reasonable times to inspect the same.

5. To pay before the same become delinquent, all taxes and assessments which now are or may become a lien upon or against said leased premises ^{or} on account of any buildings and structures and any other property now or hereafter located upon, or on account of any assessment of personal property or solvent credits which now are or may become a lien upon or against said leased premises during the life of this lease, except buildings, structures and property owned by the Railroad Company. Railroad Company may at all times pay any such taxes or assessments, and all payments so made by Railroad Company will be repaid upon demand by Lessee.

6. In case of breach of any of the terms, covenants or conditions herein contained, Lessee shall indemnify Railroad Company and its agents against all liability for loss, damage, injury and death arising therefrom. It is further agreed:

7. In event said leased premises are located adjacent to a spur or side track used by Railroad Company as a railroad facility, Lessee shall be permitted, as a matter of accommodation but not as a matter of legal right, to receive service thereon at such times as such service to Lessee will not interfere with use of such track by Railroad Company for railroad purposes. In event said leased premises are located adjacent to a private industrial track Lessee agrees to arrange with the owner for service thereon. Said tracks shall be under full control of Railroad Company and may be used at discretion of Railroad Company for its business or for shipment or delivery of any freight. Lessee covenants and agrees that if, in the judgment of Railroad Company, operations of Railroad Company make it necessary or desirable that private industrial spur or side tracks be installed to serve Lessee and Lessee desires to have the benefit of track service, Lessee shall, upon request of Railroad Company, construct and maintain said private industrial spur or side tracks under the usual terms and practice of Railroad Company with respect to construction and maintenance of industrial tracks.

8. If Lessee shall make default with respect to any covenant, agreement or stipulation upon Lessee's part herein contained, Railroad Company may at its option forthwith terminate this lease and re-enter upon said leased premises and remove all persons therefrom. The waiver by Railroad Company of any default on the part of Lessee shall not be construed as a waiver of any other or subsequent default; neither shall the termination of this lease in any manner relieve or release Lessee from any liability which may have attached or accrued prior to or at the time of such termination, nor from any covenant or obligation of indemnity or to hold Railroad Company harmless or to pay damages or judgments herein contained.

9. That in case Lessee holds over the term of this lease, with the consent of Railroad Company, such holding over shall be deemed a tenancy only from month to month, and upon the same terms and conditions as herein stated.

10. Notwithstanding anything hereinbefore contained, it is nevertheless understood and agreed between the parties hereto that Railroad Company may at any time during ~~the term of this lease~~ ^{any} terminate this lease and the tenancy of Lessee of the premises aforesaid by thirty (30) days' notice in writing, and upon payment or tender to said Lessee of such a proportion of any rent which may have been paid in advance for the then current year as would otherwise have been applicable to the remainder of such current year next succeeding the termination of said tenancy by the notice herein provided for. Acceptance of the rental in advance by Railroad Company shall not act as a waiver of its right to terminate this lease as herein provided.

11. Any notice to be given by Railroad Company to Lessee hereunder shall be deemed to be properly served if the same be delivered to Lessee, or if left with any of the agents, servants or employes of Lessee on the leased premises, or if posted on the leased premises, or if deposited in the post office, post paid, addressed to Lessee at said premises or to last known address.

12. That upon the expiration or termination of this lease, or any extension or renewal thereof, or holding over said term, by limitation or in any manner, Lessee, without further notice, shall deliver up to Railroad Company the possession of said leased premises, and Lessee, provided no default shall at such time exist in respect of any payments or rentals, or in respect of any covenants, agreements or conditions to be kept and performed by Lessee, shall be entitled, at any time prior to such expiration or termination, to remove from said leased premises any buildings or structures, including railroad tracks, switches and appliances connected therewith, which are wholly owned by Lessee; it being expressly understood and agreed, however, that Railroad Company shall have the right at any time to purchase at its then value Lessee's interest in any or all material in said railroad tracks, switches and appliances. Lessee shall restore said leased premises to the same state and condition in which they existed at the time Lessee took possession. Upon the failure or refusal of Lessee to remove from said leased premises all buildings, structures and other personal property owned by Lessee, prior to the expiration or termination of this lease, said buildings, structures and other personal property shall thereupon, at the option of Railroad Company, become and remain the sole property of Railroad Company, or if Railroad Company so elects it may remove from said leased premises any buildings, structures and other personal property owned by Lessee, and Railroad Company may also restore said leased premises to substantially the same state and condition in which they existed at the time Lessee took possession, all at the expense of Lessee, which expense Lessee agrees to pay Railroad Company upon demand. In the event of such failure or refusal of Lessee to surrender possession of said leased premises, Railroad Company shall have the right to re-enter upon said leased premises and remove Lessee, or any person, firm or corporation claiming by, through or under Lessee therefrom.

The Lessee hereby covenants and agrees:

13. That in case Lessee shall be adjudged a bankrupt, either by voluntary or involuntary proceedings, this lease shall at once cease and determine, and Railroad Company may re-enter the demised premises, and in no event shall this lease be or become an asset of Lessee's estate in bankruptcy; but if Lessee should become insolvent, or fail in business, or make an assignment for the benefit of creditors, Railroad Company may at its option terminate this lease, and when so terminated, by notice in writing, Railroad Company may re-enter the demised premises; and in no event shall this lease be treated as an asset either before or after the exercise of said option.

14. The Lessee will not construct, alter or repair structures of any character upon the above-mentioned premises without the written consent of Railroad Company first had and obtained, except necessary emergency repairs.

15. In the event such written consent is given, Lessee will not commence any construction, alteration or repair until fifteen (15) days after such written consent is given by Railroad Company.

16. Lessee will fully pay for all materials joined or affixed to said leased premises, and pay in full all persons that perform labor upon said premises, and will not permit or suffer any mechanics' liens or materialmen's liens of any kind or nature to be enforced against said premises for any work done or materials furnished thereon at Lessee's instance or request.

17. In case said leased premises or any part thereof are in either the State of Arizona or Utah, Lessee will give Railroad Company, before allowing any construction, alteration or repair to be done upon the said leased premises, a bond satisfactory in form and to be issued by some surety company to be approved by the Local Treasurer of Southern Pacific Company in a sum equal to the full contract price of any construction, alteration or repair to be done upon the above-mentioned premises at the instance or request of Lessee, conditioned that the Lessee shall pay or cause to be paid all contractors, sub-contractors, laborers, operatives and other persons who may labor or furnish labor, materials or tools in the performance of such construction, alteration or repair.

18. That in case Railroad Company shall bring suit to compel performance of, or to recover for breach of, any covenant, agreement or condition herein written, Lessee shall and will pay to Railroad Company reasonable attorney fees in addition to the amount of judgment and costs.

19. That in case Lessee (except by Railroad Company) be lawfully deprived of the possession of said premises or any part thereof, Lessee shall notify Railroad Company in writing, setting forth in full the circumstances in relation thereto, whereupon Railroad Company may, at its option, either install Lessee in possession of said premises, or refund to Lessee the pro rata amount of the rental for the unexpired term of the lease, from and after the receipt of such notice, whereupon no claims for damages of whatsoever kind or character incurred by Lessee by reason of such dispossession shall be chargeable against Railroad Company.

20. That time and specific performance are each of the essence of this lease.

21. This lease terminates and supersedes that certain lease entered into by and between the parties hereto, dated May 20th, 1946, covering said premises at Berkeley, California.

22. It is expressly understood and agreed that Sections 23 and 24 on the insert attached hereto are hereby made parts of this lease.

THIS LEASE shall inure to the benefit of and be binding upon the heirs, administrators, executors, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this lease in duplicate the day and year first above written.

DESCRIPTION CORRECT:

SOUTHERN PACIFIC COMPANY,

Division Engineer.

By *S. J. Larkin*

WITNESSED BY:

~~XXXXXXXXXX~~

S. Fred W. Goodwin

(See Note)

(Lessee)

Form Approved:

Contract Attorney

NOTE:—If an incorporated company, lease should be executed by an authorized officer thereof and its seal affixed and attested by its Secretary; otherwise signatures should be witnessed by an employe of Railroad Company if practicable, if not, by a disinterested party.

I N S E R T

23. Lessee shall and hereby agrees to observe and comply with all Federal, State, County and Municipal laws now in effect or hereafter enacted, with respect to the occupancy of said leased premises, in default of which Railroad Company may at its option forthwith terminate this lease and re-enter upon the said leased premises and remove all persons therefrom.

24. It is agreed that in the event that said improvements or any essential part thereof upon the said premises shall at any time be totally destroyed by fire or other casualty, or partially destroyed, so that same cannot be restored or repaired within sixty (60) days from the date of the destruction or injury, then either party hereto may at its option cancel this lease forthwith by giving written notice to that effect to the other party, but in case of partial destruction or injury and the premises can be repaired and made tenantable within sixty (60) days from the occurrence of such injury, then Lessee shall replace and/or repair the same as soon as practicable with all reasonable speed, care and diligence, and in the event said premises are not replaced and/or repaired by Lessee within sixty (60) days to the satisfaction of Railroad Company, then Railroad Company may at its option forthwith terminate this lease and the tenancy of Lessee hereunder by written notice to Lessee to that effect.

* * * *