ATTACHMENT "J"

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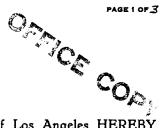
HARBOR DEPARTMENT

OFFICE COPY

CITY OF LOS ANGELES

REVOCABLE PERMIT

NO. 1212



THE GENERAL MANAGER of the Harbor Department of the City of Los Angeles HEREBY GRANTS PERMISSION TO PETROLANE, INC., a California corporation, P. O. Dezwer 1410, Long Beach, California 90801-----

(hereinafter called the grantee), subject to the terms and conditions hereinafter set forth, to occupy and use certain premises and/or facilities (hereinafter termed the "premises"), owned by the City of Los Angeles and under the management, supervision and control of the Board of Harbor Commissioners, in the Los Angeles Harbor District, and more particularly designated and described in Eachibite A and shown as Parcel No. 1 on Drawing No. 5-4327

on file in the office of on file in the office of the Harbor Engineer, a copy of which is marked EXHIBIT A, and attached hereto and made a part hereof.

That said premises are granted to, and shall at all times be used by, the grantee subject to the following

terms and conditions:

1. That said premises shall be used for the purpose of construction, operation, and maintenance of an industrial railroad spur track and for purposes incidental

and said premises shall not be used for any other purpose without the consent in writing of the General Manager of the Harbor Department of said City of Los Angeles first had and obtained.

- 3. That, prior to the issuance of this permit, the grantee shall deposit with the Harbor Department a sum equal to two months' rent, which shall be held as a guarantee to cover delinquent rent. In the event all or any part of said sum so deposited shall be used to apply against any rent due and unpaid, the grantee shall immediately thereupon reimburse said deposit, so that at all times during the life of this permit said deposit shall be maintained. Failure to maintain the full amount of said deposit shall subject this permit to forfeiture. Upon forfeiture or revocation of this permit, any portion of said deposit due the grantee will be returned.
- 4. That the grantee shall furnish the Harbor Department with a cash deposit or a surety bond in the amount of \$\frac{1}{2} \quad \text{cceptable} to the the City Attorney, to guarantee, upon any revocation or forfeiture of this permit the restoration of said premises and the removal of works, structures and other improvements by the grantee, as provided in paragraph 5 and paragraph 12 hereof.
- 5. That this permit is and shall be revocable at any time by the grantee or by the General Manager, upon the giving of at least thirty (30) days! written notice by the party so revoking to the other party, which notice shall specify the date upon which this permit shall terminate. Within the time so specified, the grantee shall cease to use and occupy said premises and shall quit and surrender possession of the premises to said City, and shall, without cost to the City, remove any and all works, structures or other improvements located thereon, except works, structures or other improvements owned by the City of Los Angeles, and restore the premises to the same or as good condition, to the satisfaction of the General Manager, as the same were in at the time of the first occupancy thereof by the grantee or its predecessors under this or any prior permit or lease. The aforesaid right by the General Manager to revoke this permit shall be and shall remain unconditional and unrestricted, and neither the City of Los Angeles nor any Board, officer or employee thereof shall be liable in damages to the grantee or in any other manner because of any such revocation.
 - 6. That no alterations or improvements shall be made to, and no building or other structure shall be erected, constructed, relocated or demolished upon or removed from said premises without the written approval of said General Manager first had and obtained.
 - That before any alterations or improvements are made to, and before any building or other structure is erected, constructed, relocated or demolished upon or removed from said premises, the grantee shall secure from the Harbor Engineer such permits as may be necessary or required.

FORM CA 2M SETS 7-65 T-2245

8. That the grantee shall be liable for and shall pay to said City, upon demand, the actual cost of all damages or repairs to property owned by or in the care and custody of the City of Los Angeles, caused negligently or otherwise, by the grantee, its officers, agents, employees, licensees, invitees, permittees, or sub-

That said grantee shall at all times keep and maintain said premises in a safe, clean, wholesome, sanitary and sightly condition under all applicable Federal, State, Municipal and other laws, ordinances, rules and regulations and to the satisfaction of the General Manager, to the extent that from time to time the necessity for any such keeping or maintenance, directly or indirectly, is caused by or arises out of any act, omission or neglect of, or any use or occupation of said premises by the grantee, its officers, agents, employees, licensees, permittees, invitees, or sublessees, ordinary wear and tear and action of the elements excepted, and all structures and improvements on said premises shall be kept neatly painted.

That no offensive or refuse matter, or any substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall ever be permitted by the grantee to be or remain, and the grantee shall prevent any such material or matter from being or accumulating, upon said premises.

- 9. That no assignment, transfer, sublease, gift, hypothecation or grant of control of this permit, or of any of the rights or privileges granted received, in whole or in part, shall be valid for any purpose without the consent in writing thereto of the General Manager first had and obtained; and any such assignment, transfer, sublease, gift, hypothecation of grant of control or other disposition of this permit shall be evidenced by a duly executed instrument in writing, a copy of which shall be filed in the office of the General Manager.
- 10. That this permit, and the premises covered thereby, shall at all times be subject to such rights of way for such sewers, pipelines, conduits, or such telephone, telegraph, light, heat or power lines as may from time to time be **sectormized** by the Board of Harbor Commissioners of the City of Los Angeles; and this permit and the premises covered thereby shall also be subject to such rights of way for such public streets and other highways and such railroads or other public means of transportation as shall have been duly established, or as may from time to time be determined by said Board.
- 11. That the grantee shall commence using said premises for the purpose intended under this permit within thirty (30) days from the date hereof.
- thirty (30) days from the date hereof.

 12. That upon the neglect, failure or refusal by the grantee to comply with any of the terms or conditions of this permit, said General Manager may declare this permit forfeited forthwith, and upon any such forfeiture the grantee shall restore the premises to the same or as good condition, to the satisfaction of the General Manager, as the same were in at the time of the first occupancy thereof by the grantee under this or any prior permit or lease, and shall, except as hereinafter provided, remove, without cost to the City and within such time as may be prescribed in the declaration of such forfeiture, any and all works, structures or other improvements owned by the City of Los Angeles; provided, however, that, in the event of forfeiture of this permit the non-payment of rent, the General Manager shall have the right to enter upon said premises and take possession of all or any of the works, structures, improvements and equipment located on said premises, as may be specified in the declaration of such forfeiture, erected, installed or maintained upon said premises by the grantee; provided, further, that nothing herein contained shall prevent the General Manager from surrendering to the grantee any such works, structures, improvements or equipment so held upon the payment by the grantee to said Harbor Department of any such rent then due and unpaid. Written notice of such forfeiture shall be served upon the grantee, and upon such service being made such forfeiture shall thereupon be forthwith effective.

 13 That if the grantee shall abandon or fail to use said premises for a period of sixty (60) consecutive
- 13 That if the grantee shall abandon or fail to use said premises for a period of sixty (60) consecutive days, this permit shall cease and terminate and be forfeited, unless said grantee shall, prior to the expiration of any such period of sixty (60) consecutive days, notify the General Manager in writing that such nonuse of said premises is only temporary and shall have obtained the consent in writing of said General Manager to such temporary nonuse.
- 14. That the grantee shall at all times relieve, indemnify, protect and save harmless the City of Los Angeles and any and all of its Boards, officers, agents and employees, from any and all claims and liability, including expenses incurred in defending against claims and liability, for death of or injury to persons or damage to property that may, in whole or in part, arise from or be caused, directly or indirectly, by: to fines and
 - (a) Any dangerous, hazardous, unsafe or defective condition of, in or on said premises, of any nature penaltie whatsoever, which may exist by reason of any act, omission, or neglect of, or by any use or occupation of said premises by the grantee, its officers, agents, employees, sublessees, licensees, permittees, or invitees;
 - (b) Any operation conducted upon or any use or occupation of said premises by the grantee, its officers, agents, employees, sublessees, licensees, permittees, or invitees, under or pursuant to the provisions of this permit or otherwise;
 - Any act, omission or negligence of the grantee, its agents, officers, employees, sublessees, licensees, permittees, or invitees, regardless of whether any act, omission or negligence of the City of Los Angeles, its officers, agents or employees, contributed thereto;
 - (d) Any failure of the grantee, its officers, agents or employees, to comply with any of the terms or conditions of this permit or any applicable Federal, State or Municipal law, ordinance, rule or regulation; or
 - (e) The conditions, operations, use, occupation, acts, omissions or negligence referred to in (a), (b) and (c) above, existing or conducted upon or arising from the use or occupation by the grantee, its agents, employees, sublessees, licensees, permittees or invitees, of any other premises within the Harbor District, as defined in the Charter of said City, and which premises are used or occupied by the grantee, its agents, officers, employees, sublessees, licensees, permittees or invitees, without the express written authorization of the Board of Harbor Commissioners or the General Manager.

The term "persons," as used in this paragraph, shall include, but not be limited to, officers and employees of the grantee.

15. That the grantee shall procure and shall maintain at all times during the life of this permit, a policy or policies of public liability and property damage insurance with minimum limits of One Hundred Thousand Dollars (\$100,000) for bodily injury to one person and Three Hundred Thousand Dollars (\$300,000) for each bodily accident or occurrence, and Fifty Thousand Dollars (\$50,000) for each accident or occurrence involving property damage, on said premises, and naming the City of Los Angeles and the Board of Harbor Commissioners thereof, their officers, agents and employees as named insureds, protecting said named insureds against losses resulting from injury to persons or damage to property arising from the permittee's use and occupancy of said leased premises; said policy or policies shall contain a provision that such will not be cancelled or reduced in amount until the Board of Harbor Commissioners and the City Attorney of the City of Los Angeles have been given thirty (30) days' notice, and an executed copy of such policy or policies, subject to the approval of the City Attorney, shall be filed with the Harbor Department.

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16. The permittee shall secure, and shall maintain at all times during the life of this permit, fire insurance on the structures and improvements on said premises owned by the permittee in an amount sufficient to replace said structures and improvements at replacement cost without depreciation, with such provision in the policies issued to cover the same, or in riders attached thereto, as will provide for payments for losses thereunder sustained by the Board of Harbor Commissioners; the proceeds of said policies, excepting loss payments of Five Thousand Dollars (\$5,000) or loss to be held in trust by any reputable bank or trust company. In the event the permittee shall undertake replacement or reconditioning, any balance thereof remaining shall be paid to said permittee forthwith.

In the event the permittee shall fail to undertake the replacement or reconditioning of such structures within ninety (90) days following any such loss (or within such longer period as the parties may specify by mutual agreement), there shall be paid and released to the Board of Harbor Commissioners from such fund:

(a) A sum equal to the cost of clearing said premises in the event permittee does not at its own expense clear said premises within said period;

(b) A sum or sums equal to such compensation for the use of the premises covered by this permit as may be due and unpaid, as and when such amount may become due and unpaid under this permit; and

(c) A sum equal to any additional damages, including lost rentals, sustained by the Board of Harbor Commissioners, such damages to be determined as of the date of the termination of this permit or the date upon which the major may be re-let, whichever shall first occur; any balance their remaining shall be paid to the permittee.

17. That the grantee shall acquire all permits covering installations and shall secure and maintain all necessary current business licenses and shall comply in all respects with any and all local, State and Federal laws, orders, rules and regulations governing the conduct of such business operated on said premises.

18. That the grantee shall be liable for, and shall pay throughout the term of this permit, all license and excise fees and occupation taxes covering the business conducted on the premises, all taxes on property of grantee on the premises granted, and all taxes on the grantee's interest created by this permit.

19. That the grantee shall provide, at its own cost and expense, such paving, fencing, electric light and other public utilities, and janitorial services, as shall be required on said premises.

20. That in all cases where written notice is herein required to be given to the grantee, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid, addressed to the grantee at the premises above described, or to such other address as the grantee may in writing register with the General Manager for that purpose; provided, however, that nothing herein contained shall preclude or render inoperative service of such notice upon the grantee in the manner prescribed by law.

21. That the grantee shall file with the General Manager a written acceptance of this permit, agreeing therein to abide and be bound by and observe each and every of the terms and conditions hereof, and this permit shall not be or become effective for any purpose until such written acceptance is so filed.

- 22. That this permit is granted pursuant to an application filed by the grantee with the Board of Harbor Commissioners, and said permit is granted subject to and based upon the facts contained in said application. If said application, or any of the attachments thereto, shall be found to contain any misstatement or misstatements of fact which, in the sole judgment of the Board of Harbor Commissioners, would have affected its decision in granting said permit, said Board may at its option declare a forfeiture of said permit. Upon any such forfeiture of the permit granted hereunder, the grantee shall quit and surrender the premises as provided in paragraph 12 hereof.
- 23. That the following numbered paragraph or paragraphs, to wit: 4, 9, 15 & 16 is or are deleted and is or are not to be considered as constituting a part of this permit, and it or they are so marked.
- 24. That there is attached to this permit an Addendum, consisting of numbered paragraph 25, or paragraph 25 to ______, inclusive, the provisions of which paragraph or paragraphs are made a part of this permit as though set forth herein in full. (If no Addendum is attached, this paragraph No. 24 shall be deleted, and so marked.)

Effective July 1, 1974. CITY OF LOS ANGELES HARBOR DEPARTMENT

	Fred B. Crawford	
Approved as to Form		GENERAL MANAGER
December 3, 1974 BURT PINES, City Attorney	APPROVED: Board of Harbor Commissioners	
ByPat Nave	Robert D. Hudson	
Deputy		SECRETARY

The undersigned grantee hereby accepts the foregoing permit and agrees to abide and be bound by and to observe each and every of the terms and conditions thereof, including those set forth in the Addendum, if any, and excluding those marked as being deleted.

Dated:	November 26, 1974	PETROLAN	E. INC.	GRANTEE
(SEAL)		By John Store John Storeh	ch Vice Presiden	t (TITLE)
JPN:jom 11-13-74.		Attest: W. E. W. E.	Linsenbard Linsenbard	SECRETARY

ADDENDUM TO REVOCABLE PERMIT NO. 1212

25. Grantee shall not assign, sublease, transfer, give, hypothecate, grant control or otherwise encumber the premises or this permit without first obtaining the prior approval of the Board of Harbor Commissioners, by order, which approval shall not be unreasonably withheld. In the event grantee obtains such approval to an assignment, this permit and the terms and conditions hereof and each and every of them shall inure to the benefit of and be binding upon the assignce of grantee. No assignment, transfer, gift, hypothecation, grant of control or other encumbrance of this permit by grantee or any of the rights or privileges granted by this permit or any interest therein or any right or privilege thereunder, in whole or in part, shall be valid for any purpose unless first approved by the Board of Harbor Commissioners, by order. Approval of an assignment, transfer, gift, hypothecation, grant of control or other encumbrance to another person, firm or corporation shall not be deemed to be an approval of any subsequent assignment, transfer, gift, hypothecation or grant of control.

The interest of grantee pursuant to this permit shall not be assigned by operation of law unless first approved by the Board of Harbor Commissioners, by order. In case of bankruptcy of grantee or the appointment of a receiver for grantee, or if a receiver be appointed to take possession of the premises as a result of any act or omission of grantee, or if grantee makes an assignment of this permit for the benefit of creditors, or if possession of the premises shall be taken by virtue of any attachment, execution or the levy of any judicial process, any person taking such possession pursuant to such proceeding or process shall not acquire any right, title or interest in or to this permit or the premises or rights granted herein without first securing the approval of the Board of Harbor Commissioners, by order.

26. Grantee shall, within ten (10) days of transfer date, notify General Manager in writing if during any calendar year from and after the filing of the application for this permit more than ten percent (10%) of the outstanding shares of capital stock of grantee is traded; provided, however, that this provision shall have no application in the event grantee is a corporate entity whose stock is listed on either the American Stock Exchange, the New York Stock Exchange or the Pacific Coast Stock Exchange.

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- 27. Grantee shall secure and shall maintain at all times during the term of this permit a policy or policies of public liability and property damage insurance with minimum limits of Three Hundred Thousand Dollars (\$300,000) for bodily injury or death to one person, Five Hundred Thousand Dollars (\$500,000) for each accident or occurrence involving bodily injury or death, and Fifty Thousand Dollars (\$50,000) for each accident or occurrence involving property damage; provided, however, that General Manager shall have the right to increase or decrease the minimum limits of such policy or policies of insurance by giving ninety (90) days' written notice to grantee. Said policies shall provide:
- (a) That City and Board, their officers, members, agents and employees are named insureds;
- (b) That said named insureds are protected against losses resulting from death of or injury to persons or damage to property arising from grantee's use or occupancy of the premises;
- (c) That the policy will not be canceled or reduced in coverage until Board and the City Attorney of the City of Los Angeles have each been given thirty (30) days' prior written notice by registered mail, addressed to: P. O. Box 151, San Pedro, California 90733;
- (d) That the coverage provided by the policy is primary coverage and that any other insurance carried by City is excess coverage;
- (e) That such coverage shall include contractual liability assumed hereunder; and
- (f) The name and address of the person to whom reports of occurrences or claims pursuant to said policy or policies shall be made.

Two certified copies of such policy or policies shall be furnished to Board and such policy or policies shall be subject to the approval of the City Attorney of the City of Los Angeles.

At least fifteen (15) days prior to the expiration of said policy or policies, grantee shall furnish to Board a certificate or certificates showing that said coverage has been renewed or extended, or, if new insurance has been obtained, two certified copies of said policy or policies of new insurance shall be filed with Board for approval by the City Attorney of City.

In the event Board finds and determines grantee is financially able to indemnify City for its legal liabilities in the minimum amounts as if the aforesaid insurance requirement had been complied with, Board may waive by order the requirement of the foregoing section, subject, however, to the right of Board to review from time to time the financial ability of grantee to indemnify City and, if Board so deems, on written notice to grantee, it may require grantee to furnish a policy or policies of public liability insurance as provided in this section.

- 28. No officer or employee of City shall be financially interested in this permit. The words "financially interested," as used herein, have the same meaning as used in Section 1090, as amended, of the Government Code of the State of California, and are subject to the same exclusions and exemptions as set forth in Sections 1090.1, 1091, 1091.1 and 1091.5 of such Code. Notwithstanding any other provision in this permit, it is further understood and agreed that the City of Los Angeles may terminate such permit by giving thirty (30) days' notice of its election to terminate in the event a violation of this condition occurs.
- 29. Grantee is in accord with being an equal opportunity employer and subject to Title VII of the Civil Rights Act of 1964 (P.L. 88-352, 78 Stat. 241, 42 U.S.C. 2000e, et seq.), as amended, and the California Fair Employment Practices Act (Sec. 1410, et seq., Labor Code), as amended, which provide for fair, equal and nondiscriminatory treatment of all persons without regard to race, color, ancestry, sex, religion, creed or national origin.
- 30. Grantee shall not erect or display, or permit to be erected or displayed, on the premises any sign or advertising matter of any kind without first obtaining the written consent of General Manager and also shall post and maintain on the premises such signs as General Manager may direct.
- 31. If either party brings any action or proceeding to enforce, protect, or establish any right or remedy arising out of or based upon this permit, including but not limited to the recovery of damages for its breach, the prevailing party in said action or proceeding shall be entitled to recovery of its costs and reasonable attorneys! fees.

