SFUND RECORDS CTR
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RESPONSE #3

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (hereinafter called this "Agreement"), dated as of January 9, 1987, by and among Trico Industries, Inc., a California corporation (the "Company"), PACCAR Inc, a Delaware corporation ("PACCAR"), and PACCAR HOLDINGS, INC., a California corporation and a wholly owned subsidiary of PACCAR ("PHI"), the Company and PHI being hereinafter collectively referred to as the "Constituent Corporations."

RECITALS

The Company desires to merge with PHI and PHI desires to merge with the Company, all upon the terms and subject to the conditions of this Agreement.

The Company, PACCAR and PHI desire to make certain representations, warranties and agreements in connection with the merger of the Company and PHI.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

Merger

1.1 Merger. Subject to the terms and conditions of this Agreement, at the Effective Time (as defined in Section 1.3) and in accordance with the provisions of this Agreement and the California Corporations Code (the "CCC"), PHI shall be merged with and into the Company (the "Merger"). The Company shall be the surviving corporation in the Merger (sometimes hereinafter referred to as the "Surviving Corporation") and shall continue to be governed by the laws of the State of California, and the separate corporate existence of PHI shall cease. The Merger shall have the effects specified in the CCC.

1.2. Closing. The closing of the Merger (the "Closing") shall take place (i) at the offices of Gibson, Dunn & Crutcher at 333 South Grand Avenue, Los Angeles, California 90071, at 9 a.m., local time, on the third business day after the last to be fulfilled or waived of the conditions set forth in Section 7.1(a) or (b) and Section 7.2(a) or (b) shall be fulfilled or waived in accordance therewith, or (ii) at such other time and place and/or on such other date as the Company and PACCAR may agree. The date on which the Closing occurs is hereafter referred to as the "Closing Date."

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1.3. Effective Time. If all the conditions to the Merger set forth in Article VII shall have been fulfilled or waived in accordance herewith and this Agreement shall not have been terminated in accordance with Article VIII, the parties hereto shall cause an Agreement of Merger substantially in the form of Annex 1 hereto (the "Agreement of Merger") and such certificates as are required to be filed with the Secretary of State of the State of California in accordance with the CCC on the Closing Date. The Merger shall become effective as of the time of such filing. Such filing shall be made as soon as possible after the closing of the transactions contemplated by this Agreement. The date and time when the Merger becomes effective is herein referred to as the "Effective Time." As of the Effective Time the Company shall become a wholly owned subsidiary of PACCAR pursuant to the terms of this Agreement.

1.4. Further Assurances. If, at any time after the Effective Time, the Surviving Corporation shall consider or be advised that any deeds, bills of sale, assignments, assurances or other actions or things are necessary or desirable to vest, perfect or confirm of record or otherwise in the Surviving Corporation its right, title or interest in, to or under any of the rights, properties or assets of either of the Constituent Corporations acquired or to be acquired by the Surviving Corporation as a result of, or in connection with, the Merger or otherwise to carry out this Agreement, the officers and directors of the Surviving Corporation are hereby authorized to execute and deliver, in the name and on behalf of each of the Constituent Corporations or otherwise, all such deeds, bills of sale, assignments and assurances and to take and do, in the name and on behalf of each of the Constituent Corporations or otherwise, all such other actions and things as may be necessary or desirable to vest, perfect or confirm any and all right, title and interest in, to and under such rights, properties or assets in the Surviving Corporation or otherwise to carry out this Agreement.

ARTICLE II

Articles of Incorporation and Bylaws of the Surviving Corporation

2.1 Articles of Incorporation. The Articles of Incorporation of the Company in effect immediately prior to the Effective Time shall be the Articles of Incorporation of the Surviving Corporation, until duly amended in accordance with their terms and the CCC.

2.2. Bylaws. The bylaws of the Company in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Corporation, until duly amended in accordance with their terms and the CCC.

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ARTICLE III

Officers and Directors of the Surviving Corporation

3.1. Officers and Directors. The officers of the Company and the directors of PHI immediately prior to the Effective Time shall, from and after the Effective Time, be and remain the officers and directors of the Surviving Corporation until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Surviving Corporation's Articles of Incorporation and bylaws.

ARTICLE IV

Conversion of Shares in the Merger

4.1. Conversion of Shares. The manner of converting shares of the Company and PHI in the Merger shall be as follows:

(a) Shares of Holders Other than PACCAR Companies. At the Effective Time each Share of the Company issued and outstanding immediately prior to the Effective Time (other than Shares owned by PACCAR, PHI or any other direct or indirect subsidiary of PACCAR (collectively, the "PACCAR Companies") or Dissenting Shares (as hereinafter defined)), shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into the right to receive, upon the surrender of the certificate representing such Share, $8.00 net in cash. All such Shares, by virtue of the Merger and without any action on the part of the holders thereof, shall no longer be outstanding and shall be canceled and retired and shall cease to exist, and each holder of a certificate representing any such Shares shall thereafter cease to have any rights with respect to such Shares, except the right of holders to receive cash for such Shares, without interest, upon the surrender of such certificate in accordance with Section 4.2.

(b) Shares Held by PACCAR Companies; Treasury Shares. At the Effective Time, each Share issued and outstanding immediately prior to the Effective Time and owned by any of the PACCAR Companies, and each Share issued and held in the Company's treasury immediately prior to the Effective Time, shall, by virtue of the Merger and without any action on the part of the holder thereof, cease to be outstanding,

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shall be canceled and retired without payment of any consideration therefor and shall cease to exist.

(c) Common Stock of PHI. At the Effective Time, each share of common stock of PHI issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of PHI or the holder thereof, be converted into one share of common stock of the Surviving Corporation.

4.2. Payment for Shares.

(a) Funds to be Deposited. Prior to the Effective Time, (i) PACCAR shall deposit, or cause to be deposited, in immediately available funds with a disbursing agent, as agent for the holders of Shares (other than Dissenting Shares) commencing at the Effective Time, selected by PACCAR and reasonably satisfactory to the Company (which together with any other disbursing agent selected by the Company and PACCAR is hereinafter referred to as the "Exchange Agent"), an amount (the "Fund") equal to the product of (A) the number of Shares issued and outstanding at the Effective Time (other than Shares which are held by the PACCAR Companies and other than Dissenting Shares) and (B) $8.00, which Fund, commencing at the Effective Time, shall be held in trust by the Exchange Agent for the benefit of the holders of such Shares. Out of the Fund, the Exchange Agent shall, pursuant to irrevocable instructions, make the cash payments referred to in Section 4.1(a) (the "Merger Consideration"). The Fund shall not be used for any other purpose. The Exchange Agent may invest portions of the Fund as PACCAR directs, provided that all such investments shall be in obligations of or guaranteed by the United States of America, in commercial paper obligations receiving the highest rating from either Moody's Investors Service, Inc., or Standard & Poor's Corporation, or in certificates of deposit, bank repurchase agreements or bankers' acceptances of commercial banks with capital exceeding $250,000,000 (collectively, "Permitted Investments") or in money market funds which are invested substantially in Permitted Investments. Any net profit resulting from, or interest or income produced by, such investments shall be payable to the Surviving Corporation on December 31, 1987, and December 31, 1988. PACCAR shall replace any monies lost through any investment made pursuant to this Section 4.2(a).

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(b) Procedure for Exchange of Certificates for Cash. As soon as practicable after the Effective Time, the Exchange Agent shall mail to each holder of record (other than the PACCAR Companies) of a certificate or certificates (the "Certificates") which as of the Effective Time represented issued and outstanding Shares, a form letter of transmittal (the "Letter of Transmittal") for return to the Exchange Agent, and instructions for use in effecting the surrender of Certificates in exchange for the Merger Consideration. The Letter of Transmittal shall specify that delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery to and receipt of the Certificates by the Exchange Agent. The Exchange Agent, as soon as practicable following receipt of any Certificates, together with the Letter of Transmittal, duly executed, and any other items specified by the Letter of Transmittal, shall deliver the Merger Consideration payable in respect of each Share represented thereby.

(c) Termination of Fund. Any portion of the Fund which remains unclaimed at December 31, 1988, shall be paid to the Surviving Corporation upon demand. Any holders of Certificates who have not theretofore complied with Section 4.2(b) shall thereafter (subject to applicable abandoned property, escheat and similar laws) look to the Surviving Corporation with respect to the payment of the Merger Consideration on due surrender of their Certificates.

(d) Payment to Person Other Than Registered Holder. If the Merger Consideration (or any portion thereof) is to be delivered to a person other than the person in whose name the Certificates surrendered in exchange therefor are registered, it shall be a condition to the payment of the Merger Consideration that the Certificates so surrendered shall be properly endorsed or accompanied by appropriate stock powers and otherwise be in proper form for transfer, that such transfer otherwise be proper and that the person requesting such transfer pay to the Exchange Agent (or to the Surviving Corporation after December 31, 1988), any transfer or other taxes payable by reason of the foregoing or establish to the satisfaction of the Exchange Agent (or to the Surviving Corporation after December 31, 1988) that such taxes have been paid or are not required to be paid.

4.3. Dissenting Shares.

(a) Rights of Holders of Dissenting Shares. Each outstanding Share that is a dissenting share as defined by Section 1300(b) of the CCC and has not lost its status as such pursuant to Section 1309 thereof (collectively, the "Dissenting Shares") shall be entitled only to such rights as are granted by Chapter 13 of the CCC. Each holder of Dissenting Shares who becomes entitled to receive payment for his Shares pursuant to Chapter 13 of the CCC shall receive payment therefor from the Surviving Corporation in accordance with the provisions of the CCC. Each Dissenting Share that loses its status as such pursuant to Section 1309 of the CCC shall be deemed converted, as of the Effective Time, into the right to receive the amount specified in Section 4.1(a).

(b) Notice of Demands; Participation in Negotiations. The Company shall give PACCAR (i) prompt notice of any written demand that the Company purchase Shares at their fair market value, any request that the Company consent to a withdrawal of any demand that the Company purchase Shares at their fair market value and any other instruments served pursuant to the CCC received by the Company with respect to Shares and (ii) the opportunity to participate in any negotiations and proceedings with respect to demands that the Company purchase Shares at their fair market value under the CCC. Except with the prior written consent of PACCAR, the Company will not agree to make any payment with respect to any demands that the Company purchase Shares at their fair market value and will not settle or offer to settle or consent to the withdrawal of any such demands.

4.4. Stock Transfer Books. At and after the Effective Time, transfers of Shares (other than Dissenting Shares) outstanding prior to the Effective Time shall not be made on the stock transfer books of the Surviving Corporation.

ARTICLE V

Representations and Warranties

5.1 Representations and Warranties of PACCAR. PACCAR represents and warrants to the Company that:

(a) Organization. Each of PACCAR and PHI is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its businesses as now being conducted.

(b) Authority Relative to this Agreement. Each of PACCAR and PHI has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by PACCAR and the Board of Directors of PHI and by PACCAR as the sole shareholder of PHI and no other corporate proceedings on the part of PACCAR or PHI are necessary to authorize this Agreement or to consummate the transactions so contemplated. This Agreement has been duly and validly executed and delivered by each of PACCAR and PHI and, assuming this Agreement constitutes a valid and binding obligation of the Company, this Agreement constitutes a valid and binding agreement of each of PACCAR and PHI, enforceable against each of PACCAR and PHI in accordance with its terms.

(c) Proxy Statement; Other Information. None of the information furnished by PACCAR or PHI to the Company for inclusion in the Proxy Statement (as defined in Section 6.3) will, on the date the Proxy Statement is mailed, or on the date of the meeting referred to in Section 6.3, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) Consents and Approvals. Except for applicable requirements of the Securities Exchange Act of 1934 ("Exchange Act"), the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act"), the Investment Canada Act and the filing of appropriate merger documents as required by the CCC, no filing with, and no permit, authorization, consent or approval of, any public body or authority is necessary for the consummation by PACCAR or PHI of the Merger.

5.2. Representations and Warranties of the Company. The Company hereby represents and warrants to PACCAR and PHI that:

(a) Organization. Each of the Company and its subsidiaries is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted except, in the case

of any subsidiary of the Company, where the failure to be so incorporated, existing or in good standing or to have such power and authority would not have a Material Adverse Effect (as defined in Section 9.9). Each of the Company and its subsidiaries is in good standing as a foreign corporation in each jurisdiction where the properties owned, leased or operated, or the business carried on, by it require such qualification and where failure to so qualify or be in good standing would have a Material Adverse Effect. Each of the Company and its subsidiaries has all licenses, permits, approvals and consents necessary to conduct its business as conducted on the date of this Agreement, other than those licenses, permits, approvals and covenants, the absence of which would not have a Material Adverse Effect.

(b) Capitalization. The authorized capital stock of the Company consists of 1,000,000 shares of preferred stock, no par value, none of which have been issued and 20,000,000 Shares, of which 8,203,847 Shares were outstanding on January 8, 1987. There are no Shares held as treasury shares. All of the outstanding Shares have been validly issued, are fully paid and are nonassessable and free of preemptive rights. The Company has no Shares reserved for issuance, except that, as of the date hereof, there were 191,093 shares of preferred stock reserved for issuance pursuant to the shareholder rights agreement dated as of December 19, 1986, between the Company and Bank of America, N.T. & S.A. (the "Rights Plan"), 1,500,000 Shares reserved for issuance pursuant to a stock option agreement dated January 9, 1987 (the "Option Agreement"), between the Company and PACCAR, 76,936 Shares reserved for issuance pursuant to the Company's Employee Stock Purchase Plan (the "Stock Purchase Plan") and 930,900 Shares reserved for issuance pursuant to the Company's 1979 and 1981 Key Employees' Stock Option Plans and 1984 Incentive Stock Option Plan (the "Option Plans"). Except for options to acquire 924,000 Shares granted pursuant to the Option Plans, the option granted under the Option Agreement, and the Shares which the Company is committed to issue under the Stock Purchase Plan, there are not now any outstanding subscriptions, options, warrants, rights, calls, convertible securities or other agreements or commitments of any character obligating the Company or any of its subsidiaries to issue, repurchase, transfer or sell, any shares of capital stock of the

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Company or any of its subsidiaries and, except for outstanding options granted prior to the date of this Agreement pursuant to the Option Plans, at the Effective Time there will not be outstanding any such subscriptions, options, warrants, rights, calls, convertible securities or other agreements or commitments.

(c) Authority Relative to this Agreement. The Company has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or to consummate the transactions so contemplated (other than the approval of this Agreement and the Merger by the shareholders of the Company). This Agreement has been duly and validly executed and delivered by the Company and, assuming this Agreement constitutes a valid and binding obligation of each of PACCAR and PHI, this Agreement constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms.

(d) Consents and Approvals; No Violations. Except for applicable requirements of the Exchange Act, the HSR Act, the Investment Canada Act and the filing of the appropriate merger documents as required by the CCC, no filing with, and no permit, authorization, consent or approval of, any public body or authority is necessary for the consummation by the Company of the transactions contemplated by this Agreement. Neither the execution and delivery of this Agreement by the Company nor the consummation by the Company of the transactions contemplated hereby nor compliance by the Company with any of the provisions hereof will (i) conflict with or result in any breach of any provision of the Articles of Incorporation or bylaws of the Company or any of its subsidiaries except in the case of any subsidiary of the Company where such conflict or breach would not have a Material Adverse Effect, (ii) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, lease, agreement or other instrument or obligation to which

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the Company or any of its subsidiaries is a party or by which any of them or any of their properties or assets may be bound, other than violations, breaches or defaults which, either individually or in the aggregate, would not have a Material Adverse Effect, (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Company, any of its subsidiaries, or any of their properties or assets other than violations with respect to their properties or assets which, either individually or in the aggregate, would not have a Material Adverse Effect, or (iv) result in the Company and its subsidiaries after the Effective Time not being able to continue in all material respects the businesses now being conducted by the Company and its subsidiaries.

(e) Company Reports. Except as previously disclosed in writing by the Company to PACCAR, as of their respective dates, neither the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1985, nor the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1986, nor the proxy statement with respect to the Company's 1986 annual meeting, each in the form (including exhibits) filed with the Securities and Exchange Commission (the "SEC") (collectively, the "Company Reports"), contained on the date filed with the SEC or, in the case of such proxy statement, on the date mailed to shareholders, any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. Each of the balance sheets included in or incorporated by reference into the Company Reports (including the related notes and schedules) fairly presents the financial position of the entity or entities to which it relates as of its date and the related statements of income, of stockholders' equity and of changes in financial position or equivalent statements included in the Company Reports (including any related notes and schedules) fairly present the results of operations and changes in financial position, as the case may be, of the entity or entities to which they relate for the periods set forth therein (subject, in the case of unaudited statements, to normal year-end audit adjustments), in each case in accordance with generally accepted accounting principles consistently applied during the periods involved, except as may be noted therein.

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(f) Conduct of Business. Except as previously disclosed in writing by the Company to PACCAR or in the Company Reports, since December 31, 1985, the Company and its subsidiaries have conducted their respective businesses only in, and have not engaged in any material transaction other than according to, the ordinary and usual course, and there has not been (i) any material adverse change in the financial position, properties, businesses or results of operations of the Company and its subsidiaries taken as a whole, (ii) in the case of the Company, through the date of this Agreement any declaration, setting aside or payment of any dividend or other distribution with respect to its capital stock other than cash dividends aggregating $.20 per Share and the rights issued under the Rights Plan, or (iii) other than in the ordinary course, consistent with past practices, any increase in the compensation payable or to become payable by the Company and its subsidiaries to their officers or key employees, or any increase in any bonus, insurance, pension or other employee benefit plan, payment or arrangement made to, for or with any such officers or key employees.

(g) SEC Reports. Since 1983, the Company has complied in all material respects with its reporting obligations under the Securities Act of 1933 and the Exchange Act and none of the forms, reports or documents filed pursuant thereto, including, without limitation, any financial statements or schedules included therein, contained, as of its date, any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(h) Litigation. Except as disclosed in the Company Reports or as previously disclosed in writing by the Company to PACCAR, there are no claims, actions, proceedings or investigations pending or, to the best knowledge of the Company, threatened, against the Company or any of its subsidiaries before any court or governmental or regulatory authority or body, the outcome of which, in the Company's reasonable good faith judgment, is likely to have a Material Adverse Effect.

(i) Employee Agreements; Employee Benefit Plans. Except as disclosed in the Company Reports or as previously disclosed in writing by the Company to PACCAR, (A) neither the Company nor any of its

subsidiaries has any bonus, insurance, pension or other employee benefit plan, any employment contract (other than those terminable by the employer at will or upon not more than one month's notice), any severance arrangement for employees or any consulting agreement, (B) the employee benefit plans of the Company and its subsidiaries have been duly and validly adopted by appropriate corporate action and are being administered in all material respects in compliance with all laws, rules and regulations applicable thereto, including The Employee Retirement Income Security Act of 1974 ("ERISA"), and no reportable event (as defined in Title IV of ERISA) has occurred with respect to such plans, (C) based on actuarial assumptions utilized in good faith by the Company, the actuarial present value of all vested and unvested accumulated benefits under such employee benefits which are defined benefit plans (as defined in ERISA) did not, as of the most recent valuation date, exceed the then current fair market value of the net assets of such plans available for benefits by more than $100,000 and (D) neither the Company nor any of its subsidiaries contributes to any multi-employer plan (as defined in ERISA) subject to Title IV of ERISA.

(j) Potential Conflicts. Except as disclosed in the Company Reports or as previously disclosed in writing by the Company to PACCAR, no officer or director of the Company or any member of the immediate family (as defined in Item 404 of Regulation S-K of the SEC) of such officer or director has an interest in any property of the Company except as a shareholder, and no such person has any business relationship with the Company, except as an officer, director or shareholder.

(k) Tax Matters. Except as disclosed in the Company Reports or as previously disclosed in writing by the Company to PACCAR, (i) all tax returns required to be filed by or on behalf of the Company or any of its subsidiaries have been timely filed with the appropriate governmental agencies in all jurisdictions in which such returns and reports are required to be filed (other than state, local or foreign tax returns which if not so filed would not have a Material Adverse Effect), are complete and accurate in all material respects, and in all material respects reflect the taxes of the Company and its subsidiaries for the periods covered thereby, (ii) all taxes shown on filed returns have been timely paid other than taxes the payment of which is not yet due or if due, is not yet

delinquent, is being contested reasonably and in good faith or has not been finally determined, (iii) there is no audit examination, deficiency or refund litigation or tax claim or any notice of assessment or notice of proposed assessment by any taxing authority, or to the knowledge of the Company any other matter in controversy with respect to any taxes that might reasonably be expected to have a Material Adverse Effect, (iv) all taxes, assessments, interest, additions, deficiencies, fees, penalties and other governmental charges or impositions due with respect to completed and settled tax examinations or concluded tax litigation have been properly accrued or paid and (v) neither the Company nor any of its subsidiaries has executed an extension or waiver of any statute of limitations on the assessment or collection of any tax due that is currently in effect.

(l) Other Information. As of their respective dates, none of the information or documents furnished or to be furnished by the Company or its subsidiaries to PACCAR pursuant to this Agreement contained or will contain any untrue statement of a material fact or omitted or will omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(m) Brokers and Financial Advisors. The Company has not authorized any person to act as broker or financial advisor or in any similar capacity in connection with the Merger except Prudential-Bache Securities Inc.

ARTICLE VI

Covenants

6.1 Acquisition Proposals. Prior to the Effective Time, neither the Company nor any of its subsidiaries shall directly or indirectly solicit or encourage inquiries or proposals with respect to any acquisition, business combination or purchase of all or a substantial portion of the assets of, or any equity interest in, the Company or any subsidiary of the Company, other than as contemplated by this Agreement. The Company shall not furnish financial or other information concerning its business, properties or assets or the business, properties or assets of any of its subsidiaries to any Third Party (as defined in Section 6.2) other than information which is made available to the public generally or to a shareholder

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as required by the CCC. The Company will notify PACCAR immediately if any inquiries or proposals are received by, any information is requested from or any negotiations or discussions are sought to be initiated with the Company, in any such case relating to a transaction described in the first sentence of this Section 6.1.

6.2. Interim Operations of the Company. Except as contemplated hereby or with PACCAR's written consent, during the period from the date of this Agreement to the Effective Time, the Company will, and will cause each of its subsidiaries to, conduct its business only in the ordinary course, and will make no changes in the operations of the Company or its subsidiaries which would be material to the Company and its subsidiaries taken as a whole. Except as contemplated hereby, during the period commencing on the date of this Agreement to the Effective Time, neither the Company nor any of its subsidiaries will, unless PACCAR gives its prior written approval (i) amend or propose to amend or otherwise change its Articles of Incorporation or bylaws, as each such document is in effect on the date hereof; (ii) issue, sell, pledge, authorize or propose issuance, sale or pledge of, additional shares of any class of capital stock, including Shares, or any securities convertible into or exchangeable for any such shares, or any rights, warrants or options to acquire any such shares or convertible securities (other than the issuance of (A) 21,000 Shares to the Company's employee stock ownership plan, (B) Shares pursuant to the Option Agreement, (C) Shares pursuant to and in accordance with options granted prior to November, 1986, and outstanding on the date of this Agreement under the Option Plans and (D) 76,936 Shares pursuant to, and in accordance with, the Stock Purchase Plan), (iii) in the case of the Company, declare, set aside, make or pay or propose to declare, set aside, make or pay any dividend or other distribution with respect to its capital stock except regular quarterly cash dividends of $.05 per Share for each calendar quarter other than the first quarter of 1987 and the payment in the first quarter of 1987 of $.05 per Share representing the redemption price of the rights outstanding under the Rights Plan, (iv) redeem, purchase or otherwise acquire, or propose to redeem, purchase or otherwise acquire directly or indirectly, any of its capital stock including options therefor, (v) authorize, recommend, propose or announce an intention to authorize, recommend or propose, or enter into an agreement or an agreement in principle with respect to, any merger, consolidation or business combination (other than the Merger), any acquisition of a material amount of assets or securities or any material change in its capitalization, or any entry into a material contract or any release or relinquishment of any material contract rights, except in the ordinary course of business, (vi) increase the compensation payable or to become payable by the Company and its subsidiaries to their officers or key employees, other than in the ordinary course of business consistent with past practice, or enter into any employment

contract (other than those terminable by the employer at will or upon not more than one month's notice) or any severance arrangement or increase any bonus, insurance, pension or other employee benefit plan, payment or arrangement made to, for or with any such officers or key employees, or (vii) except in accordance with the capital expenditures budget heretofore provided by the Company to PACCAR, authorize or enter into commitments for capital expenditures aggregating in excess of $50,000 per month. Notwithstanding clause (v) of this Section 6.2 and subject to Section 6.1, the Company may disclose to the Company's shareholders all information required by law with respect to any offer or proposal received from an individual, corporation, partnership or other entity or group other than PACCAR or a subsidiary of PACCAR (a "Third Party"), regarding a merger, consolidation or other business combination of the Company and the Third Party or an acquisition by the Third Party of a substantial amount of assets or securities of the Company; provided, however, that the Company shall not, without PACCAR's prior written consent, issue any recommendation or take a position with respect to the offer or proposal.

6.3. Meeting of the Company's Shareholders. The Company will take all action necessary in accordance with applicable law and its Articles of Incorporation and bylaws to convene a meeting of holders of Shares to be held as promptly as practicable and in any event not later than June 30, 1987, to consider and vote upon the approval of this Agreement. Subject to requirements of applicable law, the Board of Directors of the Company shall recommend such approval. At any such meeting all of the Shares then owned by the PACCAR Companies will be voted to approve this Agreement. The Company agrees that its proxy or information statement with respect to any such meeting of shareholders (which, together with any letter to shareholders, notice of meeting and form of proxy, is referred to in this Agreement as the "Proxy Statement"), on the date the Proxy Statement is mailed and on the date of any such meeting, will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the Company shall have no responsibility with respect to any such untrue statement of a material fact or omission to state a material fact made by the Company in reliance upon and in conformity with written information concerning PACCAR or PHI furnished to the Company by PACCAR or PHI specifically for use in the Proxy Statement. No amendment or supplement to the Proxy Statement will be made by the Company without consultation with PACCAR and its counsel.

6.4. Filings; Other Action. Subject to the terms and conditions herein provided, the Company and PACCAR shall (i) promptly make their respective filings and thereafter make any other required submissions under the HSR Act with respect

to the Merger, and (ii) use all reasonable efforts to promptly take, or cause to be taken, all other action and do, or cause to be done, all other things necessary, proper or appropriate under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

6.5. Access.

(a) Company to Make Information Available to PACCAR and PHI. Upon reasonable notice, the Company shall (and shall cause each of its subsidiaries to) afford the officers, employees, counsel, accountants and other authorized representatives of PACCAR and PHI access, during normal business hours throughout the period prior to the Effective Time, to all of its properties, books, contracts, commitments and records and, during such period, the Company shall (and shall cause each of its subsidiaries to) furnish promptly to PACCAR and PHI (i) a copy of each report, schedule and other document filed or received by it pursuant to federal or state securities laws and (ii) all other information concerning its business, properties and personnel as PACCAR and PHI may reasonably request, provided that no investigation pursuant to this Section 6.5(a) shall affect or be deemed to modify any representation or warranty made by the Company.

(b) Confidentiality. PACCAR will hold and will cause its representatives and its affiliates to hold in strict confidence, and will not use, any of the documents and information concerning the Company and its subsidiaries furnished to PACCAR or its affiliates in connection with the transactions contemplated by this Agreement (except to the extent that such information can be shown to have been (i) previously known by PACCAR or its affiliates prior to its disclosure to PACCAR or its affiliates by the Company or (ii) either now or hereafter in the public domain through no fault of PACCAR or its affiliates), provided that PACCAR, its affiliates and its representatives may provide such documents and information in response to judicial or administrative process or applicable governmental laws, rules, regulations, orders or ordinances, but only that portion of the documents or information which, on the advice of counsel, is legally required to be furnished, and provided that PACCAR notifies the Company of its obligation or the obligation of its affiliates or representatives to provide such information prior to such disclosure and fully cooperates with the Company to protect the confidentiality of such information under applicable law. PACCAR and its affiliates will not release or

disclose such documents or information to any other person, except in connection with this Agreement to its agents, representatives, advisors, auditors, attorneys and consultants and PACCAR and its affiliates shall use their best efforts to cause such persons to comply with the terms of this Section 6.5(b) regarding confidentiality. If the transactions contemplated by this Agreement are not consummated, such confidence shall be maintained and such information shall not be used by PACCAR or its affiliates except to the extent such information can be shown to have been (A) previously known by PACCAR or its affiliates or (B) in the public domain through no fault of PACCAR, its affiliates or its representatives. In the event of the termination of this Agreement, PACCAR and its affiliates will deliver to the Company all documents and any copies thereof so obtained by them and by their respective representatives.

6.6. Notification of Certain Matters. The Company shall give prompt notice to PACCAR of (i) any notice of, or other communication relating to, a default or event which, with notice or lapse of time or both, would become a default, received by the Company or any of its subsidiaries subsequent to the date of this Agreement and prior to the Effective Time, under any agreement, indenture or instrument material to the financial condition, properties, businesses or results of operations of the Company and its subsidiaries taken as a whole to which the Company or any of its subsidiaries is a party or is subject and (ii) any material adverse change in the financial condition, properties, businesses or results of operations of the Company and its subsidiaries taken as a whole or the occurrence of any event which, so far as reasonably can be foreseen at the time of its occurrence, would result in any such change. Each of the Company and PACCAR shall give prompt notice to the other party of any notice or other communication from any third party alleging that the consent of such third party is or may be required in connection with the transactions contemplated by this Agreement.

6.7. Publicity. The press release announcing this Agreement shall be a joint press release and thereafter the Company and PACCAR shall consult with each other in issuing any press releases or otherwise making public statements with respect to the transactions contemplated hereby and in making any filings with any federal or state governmental or regulatory agency or with any national securities exchange with respect thereto.

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6.8 Employee Stock Options.

(a) Options Granted Prior to November, 1986. Prior to the Effective Time the Company shall cause all outstanding options granted prior to November, 1986, to purchase Shares under the Option Plans, whether or not such options are vested or exercisable in accordance with their respective terms, to become exercisable in full. At the Effective Time, or at and after such earlier time as the Company shall in its discretion determine, each holder of a then outstanding option granted prior to November, 1986, to purchase Shares under the Option Plans (whether or not such option is vested or exercisable) will be entitled to receive with respect to any such option surrendered for cancellation prior to the Effective Time a cash payment from the Company in an amount equal to the amount by which the price paid for each Share pursuant to the Merger as set forth in Section 4.1(a) exceeds the per share exercise price of such option, multiplied by the number of Shares covered by such option. The Company shall use its best efforts to cause each holder of a stock option granted prior to November, 1986, under the Option Plans to surrender such option on or prior to the Effective Time in exchange for a cash payment as described in the preceding sentence.

(b) Options Granted After October, 1986. Each option granted after October, 1986, to purchase Shares under the Option Plans and outstanding at the Effective Time (a "November Option") shall be assumed by PACCAR in connection with the Merger and shall, by virtue of the Merger and as of the Effective Time become an option to purchase shares of PACCAR common stock from PACCAR ("Converted Option") but with the Converted Option exercise price equal to 6.5 times the exercise price of the November Option, and with the number of shares of PACCAR stock covered by such Converted Option to be equal to the number of Shares covered by the November Option divided by 6.5 (rounded to the nearest whole share). The other terms and conditions of the Converted Options shall be the same as the terms and conditions of the November Options, except one-third of the shares covered by each Converted Option shall vest and become exercisable on December 31, 1987, another one-third shall vest and become exercisable on December 31, 1988, and the final one-third shall vest and become exercisable on December 31, 1989.

6.9. Redemption of Rights. The Company shall concurrently with the execution of this Agreement take such action as may be necessary to redeem the rights distributed pursuant to the Rights Plan in accordance with the terms of the plan.

6.10. Indemnification.

(a) Indemnification by the Surviving Corporation. It is understood and agreed that the Company may, to the fullest extent permitted under applicable law and regardless of whether the Merger becomes effective, indemnify and hold harmless, and after the Effective Time, the Surviving Corporation shall, and PACCAR as sole shareholder of the Surviving Corporation shall cause the Surviving Corporation to, indemnify and hold harmless, to the fullest extent permitted under applicable California law, each present and former director and officer of the Company or any of its subsidiaries, and their respective heirs and personal and legal representatives (collectively the "Indemnified Parties"), against any costs or expenses (including attorneys' fees), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any pending, threatened or completed claim, action, suit, proceeding or investigation (whether civil, criminal, administrative or investigative) arising out of or pertaining to any action or omission by such director or officer prior to the Effective Time in his capacity as such or in any other capacity on behalf of a subsidiary, joint venture or any other entity in which he served at the request of the Company (including, without limitation, any claim, action, suit, proceeding or investigation arising out of or pertaining to the transactions contemplated by this Agreement), and in the event of any such claim, action, suit, proceeding or investigation (whether arising before or after the Effective Time), (i) the Company may (prior to the Effective Time), or the Surviving Corporation shall, and PACCAR as the sole shareholder of the Surviving Corporation shall cause the Surviving Corporation to, pay the reasonable fees and expenses of counsel selected by the Indemnified Parties, which counsel shall be reasonably satisfactory to the Company or the Surviving Corporation and PACCAR, promptly after statements therefor are received and (ii) the Company, PACCAR and the Surviving Corporation will cooperate in the defense of any such matter;

provided, however, that neither the Company nor the Surviving Corporation or PACCAR shall be liable for any settlement effected without its written consent (which consent shall not be unreasonably withheld) and provided further that neither the Company nor the Surviving Corporation or PACCAR shall have any obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall ultimately determine, after exhaustion of all avenues of appeal, that such Indemnified Party is not entitled to indemnification hereunder (it being agreed, however, that neither the Company nor the Surviving Corporation shall challenge a determination by any court which is favorable to an Indemnified Party).

(b) Indemnification by PACCAR. Whether or not the Merger becomes effective PACCAR shall indemnify and hold harmless, to the fullest extent permitted under applicable law, each Indemnified Party (other than former (as of the date hereof) directors or officers of the Company and their respective heirs and personal and legal representatives) against any costs or expenses (including attorneys' fees), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any pending, threatened or completed claim, action, suit, proceeding or investigation (whether civil, criminal, administrative or investigative) arising out of or pertaining to any action or omission by such director or officer in his capacity as such in complying with the second sentence of Section 6.1 or the proviso in the last sentence of Section 6.2, and in the event of any such claim, action, suit, proceeding or investigation (whether arising before or after the Effective Time), PACCAR shall pay the reasonable fees and expenses of counsel selected by the Indemnified Parties, which counsel shall be reasonably satisfactory to PACCAR, promptly after statements therefor are received and will cooperate in the defense of any such matter; provided, however, that PACCAR shall not be liable for any settlement effected without its written consent (which consent shall not be unreasonably withheld) and provided further that PACCAR shall not have any obligation under this Section 6.10(b) to any Indemnified Party when and if a court of competent jurisdiction shall ultimately determine, after exhaustion of all avenues of appeal, that such Indemnified Party is not entitled to indemnification under this Section 6.10(b) (it being agreed,

however, that PACCAR shall not challenge a determination by any court which is favorable to an Indemnified Party).

(c) Notice; Undertaking; Representation. Any Indemnified Party wishing to claim indemnification under this Section 6.10 upon learning of any such claim, action, suit, proceeding or investigation, shall notify the indemnifying party thereof and shall deliver to the indemnifying party an undertaking to repay any amounts advanced pursuant hereto when and if a court of competent jurisdiction shall ultimately determine, after exhaustion of all avenues of appeal, that such Indemnified Party is not entitled to indemnification hereunder. The Indemnified Parties shall as a group retain only one law firm pursuant to this Section 6.10 to represent them with respect to any such matter unless there is, in the opinion of counsel to the Indemnified Parties, a conflict on any significant issue between the positions of any two or more Indemnified Parties, in which case the Indemnified Parties may retain, at the expense of the Company, the Surviving Corporation or PACCAR, as the case may be, but in each such case subject to the terms of the undertaking referred to in this Section 6.10(c) such number of additional counsel as are necessary to eliminate all conflicts of the type referred to above.

(d) Assumption by Successors. In the event the Surviving Corporation or PACCAR or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) liquidates, dissolves, or transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Surviving Corporation or PACCAR, as the case may be, assume the obligations set forth in this Section 6.10 to the maximum extent permitted under the laws of such person's jurisdiction of incorporation, if such person is a corporation, or under other applicable law.

(e) Survival; Third-Party Rights. The terms of this Section 6.10 shall survive the consummation of the Merger at the Effective Time and shall continue without time limit, and are intended to benefit each of the Indemnified Parties. This Section 6.10 is

intended to be for the benefit of, and to grant third-party rights to, the Indemnified Parties whether or not parties to this Agreement, and each of the Indemnified Parties shall be entitled to enforce the covenants contained herein.

6.11. Employee Benefits. For at least one year following the Effective Time, PACCAR agrees that the employees of the Company will continue to be provided with employee benefit plans which in the aggregate are not less favorable than those currently provided by the Company to such employees.

ARTICLE VII

Conditions

7.1. Conditions to Obligations of PACCAR and PHI. The respective obligations of PACCAR and PHI to consummate the Merger are subject to the fulfillment of each of the following conditions, any or all of which may be waived in writing, in whole or in part by PACCAR or PHI, as the case may be:

(a) Shareholder Approval. This Agreement shall have been duly approved by the holders of Shares in accordance with applicable law and the Articles of Incorporation and bylaws of the Company.

(b) Governmental and Regulatory Consents. On the Closing Date, other than the filing provided for in Section 1.3, all filings required to be made prior to the Effective Time by the Company with, and all consents, approvals and authorizations required to be obtained prior to the Effective Time by the Company from, governmental and regulatory authorities in connection with the execution and delivery of this Agreement by the Company and the consummation of the transactions contemplated hereby by the Company, PACCAR and PHI, the failure to make or obtain any or all of which would have a Material Adverse Effect shall have been made or obtained, as the case may be.

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(c) Representations; Warranties; Agreements; Covenants. The representations and warranties of the Company contained in this Agreement shall have been true and correct in all material respects at the date hereof and shall be true and correct in all material respects at and as of the Closing Date, except for representations and warranties specifically relating to a time or times other than the date hereof (which shall have been true and correct in all material respects at such time or times) with the same force and effect as if made on and as of the Closing Date, and the Company shall have performed or complied in all material respects with all other agreements and covenants required by this Agreement to be performed by it at or prior to the Closing Date.

(d) Litigation. On the Closing Date, there shall be in effect no preliminary or permanent injunction of a court or governmental or regulatory agency of the United States or the several States of competent jurisdiction directing that the transactions contemplated herein, or any of them (other than the Option Agreement), not be consummated.

(e) Options. On the Closing Date, no stock option under the Option Plan shall be outstanding, except for November Options for which the holders thereof have accepted Converted Options.

7.2. Conditions to Obligations of the Company. The obligations of the Company to consummate the Merger are subject to the fulfillment of each of the following conditions, any or all of which may be waived in writing, in whole or in part by the Company:

(a) Shareholder Approval. This Agreement shall have been duly approved by the holders of Shares in accordance with applicable law and the Articles of Incorporation and bylaws of the Company.

(b) Governmental and Regulatory Consents. On the Closing Date, other than the filing provided for in Section 1.3, all filings required to be made prior to the Effective Time by PACCAR and PHI with, and all consents, approvals, permits and authorizations required to be obtained prior to the Effective Time by PACCAR and PHI from, governmental and regulatory authorities in connection with the execution and delivery of this Agreement by PACCAR and PHI and the consummation of the transactions contemplated hereby by PACCAR, PHI and the Company, the failure to make or obtain any or all of which

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materially would impair the ability of PACCAR or PHI to fulfill its obligations hereunder, shall have been made or obtained, as the case may be.

(c) Representations; Warranties; Agreements; Covenants. The representations and warranties of PACCAR and PHI contained in this Agreement shall have been true and correct in all material respects at the date hereof and shall be true and correct in all material respects at and as of the Closing Date, except for representations and warranties specifically relating to a time or times other than the date hereof (which shall have been true and correct in all material respects at such time or times), with the same force and effect as if made on and as of the Closing Date, and PACCAR and PHI shall each have performed or complied in all material respects with all other agreements and covenants required by this Agreement to be performed by it at or prior to the Closing Date.

(d) Litigation. On the Closing Date, there shall be in effect no preliminary or permanent injunction of a court or governmental or regulatory agency of the United States or the several States of competent jurisdiction directing that the transactions contemplated herein, or any of them (other than the Option Agreement), not be consummated.

ARTICLE VIII

Termination

8.1. Termination by Mutual Consent. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, before or after the approval by holders of Shares, by the mutual consent of PACCAR, PHI and the Company.

8.2. Termination by either PACCAR or the Company. This Agreement may be terminated and the Merger may be abandoned by either PACCAR and PHI or the Company at any time prior to the Effective Time, before or after the approval of this Agreement by holders of Shares, if (i) the Merger shall not have become effective in accordance with its terms by August 30, 1987, provided that the right to terminate under this clause may not be asserted by a party if the failure to consummate the Merger is attributable to the failure of such party to fulfill its obligations under this Agreement, or

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(ii) any statute, rule or regulation shall have been enacted or promulgated by any government or governmental agency which makes the Merger illegal or any court of competent jurisdiction in the United States or other United States governmental body shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the Merger and such order, decree, ruling or action shall have become final and nonappealable.

8.3. Termination by PACCAR and PHI. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, before or after the approval by holders of Shares, by PACCAR and PHI, if the Company shall have materially breached any of its representations and warranties contained in this Agreement or shall have failed to comply in any material respect with any of the other covenants or agreements contained in this Agreement to be complied with or performed by the Company at or prior to the Closing, and such breach or failure shall not have been cured within ten days after notice to the Company of such breach or failure.

8.4. Termination by the Company. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, before or after the approval by holders of Shares, by the Company, if PACCAR shall have materially breached any of its representations and warranties contained in this Agreement or if PACCAR or PHI shall have failed to comply in any material respect with any of the covenants or agreements contained in this Agreement to be complied with or performed by PACCAR or PHI at or prior to the Closing, and such breach or failure shall not have been cured within ten days after notice to PACCAR and PHI of such breach or failure.

8.5. Effect of Termination and Abandonment. In the event of termination of this Agreement and abandonment of the Merger pursuant to Section 8.1, 8.2, 8.3 or 8.4, no party hereto (or any of its directors or officers) shall have any liability or further obligation to any other party to this Agreement, except as provided in the last two sentences of Section 6.5(b), Section 6.10(b) and Section 9.1 (which excepted provisions shall survive the termination of this Agreement) and except that nothing in this Section 8.5 shall relieve any party from liability for any breach of this Agreement.

ARTICLE IX

Miscellaneous

9.1. Payment of Expenses. Whether or not the Merger shall be consummated, each party hereto shall pay its own expenses incident to preparing for, entering into and carrying

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out this Agreement and the consummation of the Merger. If this Agreement is terminated by PACCAR and PHI pursuant to Section 8.3 or by the Company pursuant to Section 8.4, the party terminating this Agreement shall, in addition to any other rights it may have for breach of this Agreement, be entitled to recover its reasonable out-of-pocket expenses incurred in connection with this Agreement from the breaching party.

9.2. Effect of Consummation of Merger. All agreements of the Company, PHI and PACCAR shall survive the consummation of the Merger, except that each and every representation and warranty of the Company, PHI and PACCAR shall expire with, and be terminated and extinguished with, the Effective Time and thereafter neither the Company, PHI and PACCAR nor any officer, director, employee or agent thereof shall be under any liability whatsoever with respect to any such representation or warranty.

9.3. Modification or Amendment. At any time prior to the Effective Time, the parties hereto may, by written agreement, make any modification or amendment of this Agreement; provided, however, that the per Share consideration to be received by holders of Shares in the Merger, as set forth in Section 4.1(a), shall not be reduced at any time after such holders have approved the Merger without the approval of such holders. This Agreement shall not be modified or amended except pursuant to an instrument in writing executed and delivered on behalf of each of the parties hereto.

9.4. Waiver of Conditions. The conditions to each party's obligations to consummate the Merger are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law.

9.5. Counterparts. For the convenience of the parties hereto, this Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

9.6. Governing Law. This Agreement shall be governed by and construed in accordance with the substantive law of the State of California without giving effect to the principles of conflict of laws thereof.

9.7. Notices. Any notice, request, instruction or other document to be given hereunder by any party to the others shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, or by telex or facsimile transmission if to PACCAR or PHI, addressed to PACCAR

or PHI, as the case may be, at 777 106th Avenue, NE, Post Office Box 1518, Bellevue, Washington 98009, Attention: Law Department; and if to the Company, addressed to the Company at 15707 South Main Street, Gardena, California 92048, Attention: Robert L. Litschi (with a copy to Brandt & Pettitt, 626 Wilshire Boulevard, Suite 410, Los Angeles, California 90017, Attention: Roger C. Pettitt) or to such other persons or addresses as may be designated in writing by the party to receive such notice.

9.8. Entire Agreement; Assignment. This Agreement, including the annex hereto, the Option Agreement and the disclosures provided by Company to PACCAR in writing pursuant hereto (a) constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties, with respect to the subject matter hereof, (b) is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder except as specifically provided in Section 6.10, and (c) shall not be assignable by operation of law or otherwise; provided, however, that PACCAR may assign its rights and obligations or those of PHI to any wholly owned, direct or indirect, subsidiary of PACCAR which, in a written instrument reasonably satisfactory to the Company, agrees to assume all of the obligations of PACCAR or PHI, as the case may be, hereunder and to be bound by all the terms and conditions of this Agreement, but no such assignment shall relieve PACCAR or PHI of its obligations hereunder if such assignee does not perform such obligations.

9.9. Definition of "Subsidiary" and "Material Adverse Effect". When a reference is made in this Agreement to a subsidiary of a party, the word "subsidiary" means any corporation more than 50 percent of the outstanding voting securities of which are directly or indirectly owned by such party. The term "Material Adverse Effect" in this Agreement means an effect which is material and adverse to the financial condition, properties, business or results of operations of the Company and its subsidiaries, taken as a whole.

9.10. Obligation of PACCAR. Whenever this Agreement requires PHI to take any action, such requirement shall be deemed to include an undertaking on the part of PACCAR to cause PHI to take such action.

9.11. Descriptive Headings. The descriptive headings herein are for convenience of reference only and are not

intended to be part of or to affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto on the date first hereinabove written.

TRICO INDUSTRIES, INC.

By _____
President

PACCAR INC

By _____
Executive Vice President

PACCAR HOLDINGS, INC.

By _____
Vice President

AGREEMENT OF MERGER
BETWEEN
TRICO INDUSTRIES, INC.
AND
PACCAR HOLDINGS, INC.

This Agreement of Merger is made and entered into this _____ day of _____, 1987, by and between TRICO INDUSTRIES, INC., a California corporation (Trico"), and PACCAR HOLDINGS, INC., a California corporation ("PHI").

WHEREAS, PHI and Trico and the respective Boards of Directors thereof have approved as desirable and in the best interests of each corporation that PHI be merged with and into Trico by a statutory merger upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

FIRST: PHI shall be merged with and into Trico by a statutory merger (the "Merger") in accordance with the California Corporations Code and on the terms and conditions hereinafter expressed. At the Effective Time of the Merger (as hereinafter defined), the separate existence of PHI shall cease and Trico shall be the surviving entity (the "Surviving Entity"). The Merger shall have the effects specified in the California Corporations Code.

SECOND: The Merger shall be effective (the "Effective Time of the Merger") when this Agreement of Merger and appropriate certificates of its approval and adoption shall have been filed with the Secretary of State of the State of California in accordance with Section 1103 of the California Corporations Code.

THIRD: The manner of converting the shares of the common stock of PHI and Trico upon the Merger shall, by virtue of the Merger and without any action on the part of the holders thereof, be as follows:

(a) The shares of common stock of PHI which shall be outstanding immediately prior to the Effective Time of the Merger shall be converted into a like number of shares of common stock of the Surviving Entity.

(b) Each of the shares of Trico common stock which shall be outstanding immediately prior to the Effective Time of the Merger (the "Shares") shall, without any action on the part of the holder thereof, cease to be outstanding and be converted into the right to receive an amount in cash (the "Conversion Amount") equal to $8.00 per share

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(except for Shares which are dissenting shares within the meaning of Section 1300(b) of the California Corporations Code and except for Shares held by PACCAR Inc, a Delaware corporation ("PACCAR"), PHI, or any direct or indirect subsidiary of PACCAR (collectively, the "PACCAR Companies")), without interest thereon, and holders of certificates which represent the Shares shall thereafter have no rights as shareholders of the Surviving Entity.

(c) The Shares held by any of the PACCAR Companies immediately prior to the Effective Time of the Merger shall cease to be outstanding, shall be canceled and retired without payment of any consideration therefor and shall cease to exist.

FOURTH: The Articles of Incorporation of Trico in effect immediately prior to the Effective Time of the Merger shall be the Articles of Incorporation of the Surviving Entity after the Effective Time of the Merger.

FIFTH: The By-laws of Trico in effect immediately prior to the Effective Time of the Merger shall be the By-laws of the Surviving Entity after the Effective Time of the Merger.

SIXTH: The directors of PHI immediately prior to the Effective Time of the Merger shall, from and after the Effective Time of the Merger, be the directors of the Surviving Entity, each of whom shall serve until his death, resignation, removal, or his successor shall be elected in accordance with law and the Articles of Incorporation and By-laws of the Surviving Entity.

SEVENTH: After the Effective Time of the Merger, as promptly as practicable after the surrender by a holder of certificates representing one or more Shares in accordance with instructions provided to the holder, the Surviving Entity (or such exchange agent as may be appointed by PACCAR and which is reasonably satisfactory to Trico) shall deliver to such holder in Los Angeles Clearing House funds the amount to which such holder is entitled as specified in THIRD above in exchange for such certificates so surrendered.

EIGHTH: Prior to the filing of this Agreement of Merger with the Secretary of State of the State of California, this Agreement of Merger may be amended or terminated by the agreement of the Boards of Directors of PHI and Trico notwithstanding approval of this Agreement of Merger by the shareholders of Trico and PHI, provided that no amendment hereof may change the Conversion Amount or change any other

principal term hereof without the approval of Trico's and PHI's respective shareholders.

IN WITNESS WHEREOF the parties have executed this Agreement of Merger.

TRICO INDUSTRIES, INC.

By_____
President

By_____
Secretary

PACCAR HOLDINGS, INC.

By_____
President

By_____
Secretary

STOCK OPTION AGREEMENT

Stock Option Agreement (hereinafter called "Agreement"), dated as of January 9, 1987, between Trico Industries, Inc., a California corporation (the "Company"), PACCAR Inc, a Delaware corporation ("PACCAR"), and PACCAR Holdings, Inc., a California corporation and a wholly-owned subsidiary of PACCAR ("PHI").

WHEREAS, the Company, PACCAR and PHI propose to enter into an Agreement and Plan of Merger (the "Merger Agreement") substantially in the form attached hereto providing for conversion of the common shares, without par value, of the Company (the "Company Common Shares") into the right to receive $8.00 per share, and the merger (the "Merger") of PHI with the Company; and

WHEREAS, the Company has agreed to grant a stock option to PACCAR to induce PACCAR and PHI to enter into the Merger Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. Grant of Option. The Company hereby grants to PACCAR an irrevocable option (the "Stock Option") to purchase up to 1,500,000 Company Common Shares for $7.375 per share in cash. The Company will promptly make application to list such shares on the New York Stock Exchange (the "NYSE") on official notice of issuance.

2. Exercise of Option. The Stock Option may be exercised by PACCAR, in whole or in part, at any time or from time to time after execution of the Merger Agreement and on or before the earlier of the Effective Time (as defined in the Merger Agreement) or the termination of the Merger Agreement in accordance with its terms. Provided, however, the Stock Option may not be exercised by PACCAR if PACCAR or PHI is in material breach of their respective representations, warranties, covenants or agreements contained in the Merger Agreement. In the event PACCAR wishes to exercise the Stock Option, PACCAR shall send a written notice to the Company specifying the number of Company Common Shares it will purchase and a place and date (not earlier than 5 or later than 10 business days from the date such notice is given) for the closing of such purchase.

3. Company's Rights Plan. The Company shall take such action as may be necessary to redeem the rights distributed to shareholders pursuant to the Rights Plan dated as of December 19, 1986 concurrently with the execution of the Merger Agreement.

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STOCK OPTION AGREEMENT

Stock Option Agreement (hereinafter called "Agreement"), dated as of January 9, 1987, between Trico Industries, Inc., a California corporation (the "Company"), PACCAR Inc, a Delaware corporation ("PACCAR"), and PACCAR Holdings, Inc., a California corporation and a wholly-owned subsidiary of PACCAR ("PHI").

WHEREAS, the Company, PACCAR and PHI propose to enter into an Agreement and Plan of Merger (the "Merger Agreement") substantially in the form attached hereto providing for conversion of the common shares, without par value, of the Company (the "Company Common Shares") into the right to receive $8.00 per share, and the merger (the "Merger") of PHI with the Company; and

WHEREAS, the Company has agreed to grant a stock option to PACCAR to induce PACCAR and PHI to enter into the Merger Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. Grant of Option. The Company hereby grants to PACCAR an irrevocable option (the "Stock Option") to purchase up to 1,500,000 Company Common Shares for $7.375 per share in cash. The Company will promptly make application to list such shares on the New York Stock Exchange (the "NYSE") on official notice of issuance.

2. Exercise of Option. The Stock Option may be exercised by PACCAR, in whole or in part, at any time or from time to time after execution of the Merger Agreement and on or before the earlier of the Effective Time (as defined in the Merger Agreement) or the termination of the Merger Agreement in accordance with its terms. Provided, however, the Stock Option may not be exercised by PACCAR if PACCAR or PHI is in material breach of their respective representations, warranties, covenants or agreements contained in the Merger Agreement. In the event PACCAR wishes to exercise the Stock Option, PACCAR shall send a written notice to the Company specifying the number of Company Common Shares it will purchase and a place and date (not earlier than 5 or later than 10 business days from the date such notice is given) for the closing of such purchase.

3. Company's Rights Plan. The Company shall take such action as may be necessary to redeem the rights distributed to shareholders pursuant to the Rights Plan dated as of December 19, 1986 concurrently with the execution of the Merger Agreement.

PACCAR 00092

4. Payment and Delivery of Certificates. At any closing hereunder, PACCAR will pay the aggregate purchase price for the Company Common Shares to be purchased in immediately available funds in the amount of $7.375 multiplied by the number of Company Common Shares to be purchased, and the Company will deliver to PACCAR a certificate or certificates representing the Company Common Shares so purchased and bearing an appropriate legend agreed to by the parties indicating the shares have not been registered under the Securities Act of 1933, as amended ("1933 Act"). Such purchased shares will be listed on the NYSE.

The Company agrees that promptly upon the request of PACCAR, the Company will register the purchased shares under the 1933 Act at its expense (except for underwriting and brokerage commissions and premiums for any insurance against violations of the 1933 Act), and under any applicable state securities laws for sale or distribution in a delayed or continuous offering or otherwise as PACCAR may specify and will keep such registration in effect until the distribution is completed (provided that the Company need not keep the registration in effect longer than one year), unless, in the unqualified written opinion of counsel to the Company which counsel shall be reasonably acceptable to PACCAR, addressed to PACCAR (a) PACCAR would be able to dispose of all of the Company Common Shares issued upon exercise of the Stock Option owned by it pursuant to Rule 144 under the 1933 Act within three months of the date of such opinion, or (b) registration is not required for the sale and distribution of such Company Common Shares. In the event of any demand for registration pursuant to this Section 4, the Company may delay the filing of such registration statement for a period of up to 90 days if, in the good faith judgment of the Company's Board of Directors, such delay is necessary in order to avoid interference with a planned material transaction involving the Company. When such registration becomes effective or when PACCAR is entitled to sell and distribute the purchased shares without registration pursuant to said opinion, the Company will issue and deliver to PACCAR a new certificate, free of any restrictive legend, representing the purchased shares in place of the legended certificate.

PACCAR agrees by acquisition of Company Common Shares upon exercise of the Stock Option, if so required by the managing underwriter, not to effect any public sale or distribution of such shares or sales of such shares pursuant to Rule 144 under the 1933 Act, during the seven days prior to and the 90 days after any registration of Company Common Shares in a firm

commitment underwritten offering for cash has become effective.

5. Representations and Warranties of the Company. The Company hereby represents and warrants to PACCAR as follows:

   (a) Due Authorization. This Agreement has been duly authorized by all necessary corporate action on the part of the Company and has been duly executed by a duly authorized officer of the Company.

   (b) Company Common Shares. Except for required filings with governmental authorities and the NYSE, the Company has taken all necessary corporate action to authorize and reserve for issuance upon exercise of the Stock Option authorized but unissued Company Common Shares all of which, upon issuance pursuant hereto, shall be duly and validly issued, fully paid and nonassessable, and shall be delivered free and clear of all liens and encumbrances of any kind including any preemptive right of any stockholder of the Company.

   (c) No Conflicts. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate or result in any violation of or be in conflict with or constitute a default under any term of (i) the Articles of Incorporation or Bylaws of the Company, (ii) any judgment, decree, statute, regulation, rule or order applicable to the Company, or (iii) any agreement or instrument where such default would have a material adverse effect on the Company and its subsidiaries taken as a whole.

6. Representations and Warranties of PACCAR. PACCAR hereby represents and warrants to the Company that any purchased shares will not be acquired by PACCAR with a view to their distribution (other than in a transaction registered under the 1933 Act or exempt from such registration) and will not be transferred except in a transaction so registered or exempt.

7. Adjustment Upon Merger or Changes in Capitalization. In the event of any change in the Company Common Shares by reason of stock dividends, split-ups, recapitalizations, combinations, exchanges of shares or the like, the number of Company Common Shares subject to the Stock Option and the purchase price per share shall be adjusted appropriately. If prior to the expiration or exercise of the Stock Option, the Company shall consolidate with or merge into another corporation or liquidate, PACCAR shall thereafter receive upon exercise

of the Stock Option the securities or properties to which a holder of the number of Company Common Shares then deliverable upon the exercise thereof would have been entitled upon such consolidation or merger or liquidation, and the Company shall take such steps in connection with such consolidation, merger or liquidation as may be necessary to assure that the provisions hereof shall thereafter be applicable, as nearly as reasonably may be practicable, in relation to any securities or property thereafter deliverable upon exercise of the Stock Option.

8. Remedies. The Company agrees that if for any reason PACCAR shall have exercised its rights under this Agreement and the Company shall have failed to issue the Company Common Shares subject to the Stock Option or to perform its other obligations under this Agreement, then PACCAR shall be entitled to specific performance and injunctive and other equitable relief, and the Company further agrees to waive and waives any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. This provision is without prejudice to any other rights that PACCAR may have against the Company for any failure to perform its obligations under this Agreement.

9. Miscellaneous.

(a) Assignment. This Agreement shall not be assignable by the parties hereto, except that PACCAR may assign this Agreement to any direct or indirect subsidiary which agrees in writing to be bound by the terms hereof.

(b) Amendments. This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement by the parties hereto.

(c) Notices. Any notice, request, instruction or other document to be given hereunder by any party to the others shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, or by telex or facsimile transmission if to PACCAR or PHI, addressed to PACCAR or PHI, as the case may be, at 777 106th Avenue, NE, Post Office Box 1518, Bellevue, Washington 98009, Attention: Law Department; and if to the Company, addressed to the Company at 15707 South Main Street, Gardena, California 92048, Attention: Robert L. Litschi (with a copy to Brandt & Pettitt, 626 Wilshire Boulevard, Suite 410, Los Angeles, California 90017, Attention: Roger C. Pettitt) or

PACCAR 00095

to such other persons or addresses as may be designated in writing by the party to receive such notice.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the substantive law of the State of California without giving effect to the principles of conflict of laws thereof.

(e) Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.

(f) Effect of Headings. The section headings herein are for convenience only and shall not affect the meaning thereof.

(g) Complete Agreement. This Agreement contains the entire understanding of the parties and supersedes any and all prior understandings or agreements, oral or written, between and among the parties respecting the within subject matter.

IN WITNESS WHEREOF, The Company and PACCAR have caused this Agreement to be duly executed on the day and year first above written.

Trico Industries, Inc.	PACCAR Inc
By W D Wagner	By W Smith
Title President	Title Executive Vice President

TRICO INDUSTRIES, INC.

SECRETARY'S CERTIFICATE

The undersigned secretary of Trico Industries, Inc., a California corporation, (the "Company"), hereby certifies as follows:

1. That the attached resolution, comprising one page, was duly adopted by the holders of a majority of the issued and outstanding shares of Common Stock of the Company at a special meeting held on March 31, 1987, at which meeting a quorum of such shareholders was at all times present and acting in accordance with the provisions of the Bylaws of the Company.

2. That such resolution has not been rescinded or amended and is in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Secretary's Certificate this 31 day of March, 1987.

Robert L. Litschi
Secretary

TRICO INDUSTRIES, INC.

Resolution adopted at a special meeting of shareholders held on March 31, 1987:

RESOLVED, that the proposed acquisition of Trico Industries, Inc., a California corporation ("Trico"), by PACCAR Inc, a Delaware corporation ("PACCAR"), to be accomplished by the merger of a wholly-owned subsidiary of PACCAR with and into Trico and the conversion of each issued and outstanding share of the Common Stock of Trico (other than shares held by PACCAR or its subsidiaries or shares held by holders who have perfected their dissenter's rights under the California General Corporation Law) into the right to receive $8.00 in cash, without interest, be, and hereby is, authorized, adopted and approved.

TRICO INDUSTRIES, INC.

SECRETARY'S CERTIFICATE

The undersigned secretary of Trico Industries, Inc., a California corporation (the "Company"), hereby certifies as follows:

1. That the attached resolutions, comprising SIX pages were duly adopted by the Board of Directors of the Company at a meeting held on 1-7-87, at which meeting a quorum of such Board was at all times present and acting in accordance with the provisions of the Bylaws of the Company.

2. That such resolutions have not been rescinded or amended and are in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Secretary's Certificate this 31 day of March, 1987.

Robert L. Litschi
Secretary

TRICO INDUSTRIES, INC.

MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING

HELD JANUARY 7, 1987

A special meeting of the Board of Directors of the Company was duly held at 2:00 p.m. local time on January 7, 1987 at the Company office in Gardena, California, pursuant to telephonic and written Call and Notice on behalf of W. D. Wagner, President of the Company. All of the Directors except Mr. Osborne were present, namely, Messrs. Losk, Box, Wagner, Hoon, Gelles, Davis and Litschi, Mr. Davis being present by conference telephone call. Mr. Osborne is outside of the United States and was unable to participate by telephone in the meeting but was advised thereof and had confirmed to Mr. Litschi that he had received due notice of the meeting. A quorum being present, Mr. Box as Chairman duly convened the meeting.

APPROVAL OF CALL AND NOTICE

Upon motion duly made, seconded and unanimously carried the following resolution was adopted:

> RESOLVED, that the Call and Notice of this meeting be and it is hereby in all respects duly approved.

PACCAR 00100

PROPOSED AMENDMENT OF STOCK OPTION PLANS (1979, 1981 and 1984)

Mr. Litschi reported the prior consideration of this matter as set forth in the Call and Notice of the Special Board of Directors Meeting held November 20, 1986 and described therein as Item No. 1 "Proposed Amendment of All Outstanding Incentive Stock Option Plans to Convert Same to Non-Qualified Stock Option Plans in Light of 1986 Tax Reform Act and Other Relevant Factors." As presented to the November 20, 1986 meeting of the Board, the proposed amendment of the Company's 1979, 1981 and 1984 Incentive Stock Option Plans was considered, deliberated and discussed at length. Several directors inquired as to whether the proposal is exactly in conformity with that presented to the November 20, 1986 meeting and at that time postponed for further review and consideration and a recommendation to the Board by management of the Company, to which Messrs. Wagner and Litschi responded in the affirmative. Following up on the consideration of the matter at the November 20, 1986 meeting, and upon motion duly made by Mr. Hoon, seconded by Mr. Gelles, and unanimously carried, the following resolutions were adopted:

> RESOLVED, that, in light of the newly enacted 1986 Tax Reform Act, each of the existing incentive stock option plans of Trico Industries, Inc. shall be and it is hereby amended, effective as of January 7, 1987, in the following respects and particulars:
>
> "(a) The word "incentive" in each Plan is hereby deleted.
>
> "(b) The last sentence of paragraph 4 on page 3 of each plan providing for sequential exercise of options in accordance with the provisions of Section 422A of the Internal Revenue Code is hereby deleted.

PACCAR 00101

"(c) The word 'three' appearing in the fourth line of paragraph 6 on page 4 of each of the Plans is hereby changed to read 'six.'"

RESOLVED FURTHER, that each of the officers of the corporation is hereby authorized to negotiate, execute and deliver one or more letter agreements with present key employees of the corporation pursuant to which any outstanding stock options held by such present key employee or employees is cancelled, if so desired by such key employee, and that each of the remaining outstanding stock options and stock option agreements relating thereto is amended in accordance with the foregoing amendments to the corporation's Stock Option Plans and to take such other action and do such other things as may be deemed proper and lawful to implement such amendments to such Option Plans of the corporation."

RESOLVED FURTHER, that it is the intention of the Board of Directors that if and to the extent that any of the options granted to key employees of the corporation in November, 1986 shall be invalid or asserted to be invalid for any reason, such options shall be treated and considered as having been specially granted as non-qualified options, subject to approval for listing on the New York Stock Exchange.

1986 CONTRIBUTIONS TO ESOP

Mr. Litschi reported on the Company's previously authorized contributions for 1986 to the Employee Stock Ownership Plan for which a total of 30,000 shares have been contributed in accordance with the June 26, 1986 authorization by the Board, leaving an additional 12,864 shares to be contributed to meet the Board's long standing practice of making at least a minimum contribution to the ESOP consistent with the Trico policy to provide certain "in lieu of pension" benefits to Company employees. Mr. Litschi's report to the Board dated January 7, 1987, a copy of which is attached to these minutes, was reviewed, considered and discussed and upon motion duly

PACCAR 00102

made, seconded and unanimously carried, the following resolution was adopted in that regard:

> RESOLVED, that the report and recommendations of the Trustees of the Trico Industries, Inc., Employee Stock Ownership Plan calling for a 1986 contribution of an additional 12,864 shares as a regular contribution and 8,896 shares as a PAYSOP contribution be and the same are hereby approved and adopted by the Board and the officers of the corporation are hereby authorized and directed to implement same as being consistent with long-established policies and practices of the Board of Directors with respect to ESOP contributions.

PROPOSED PACCAR, INC. MERGER AGREEMENT

The January 7, 1987 draft of the proposed Agreement and Plan of Merger distributed to the directors and presented for consideration at the meeting was reviewed, considered and discussed at length. Each director asked questions and made comments on the various provisions with the principal areas of concern being (i) Sections 6.1, 6.2 and 6.3 and the determination of the Board that all of the Board's legal powers and duties to make a full and fair disclosure and analysis to the shareholders of the Company of any competing offer to acquire the Company must be preserved. Mr. Pettitt, general counsel to the Company who was present at the meeting, explained the changes which had been made in these sections of the Merger Agreement to assure that the Board has reserved to it these prerogatives and responsibilities. Additionally, the Directors commented upon and Mr. Pettitt explained the application of the provisions of Section 6.10 dealing with indemnification of the

officers and directors to the fullest extent permitted by law and the effective joinder in that indemnification by Paccar, Inc., which provisions are recommended by special corporate and securities counsel, Gibson, Dunn & Crutcher, as being reasonable and fair protection to the officers and directors of the Company.

The Board next considered and discussed Section 6.11 dealing with employee benefits and directed that the parenthetical sentence at the end of Section 6.11 be deleted .

After further extended discussion, deliberation and consideration and upon motion by Mr. Gelles, duly seconded by Mr. Hoon and unanimously carried, the following resolutions were adopted:

> RESOLVED, that, consistent with the action taken by the Board of Directors on December 30, 1986 at the special meeting of the Board convened on that date, and after due deliberation and consideration, the Board of Directors of Trico Industries, Inc. hereby approves in principle the terms, provisions and conditions of the proposed Agreement and Plan of Merger as presented to and considered at this meeting.
>
> RESOLVED FURTHER, that a committee of this Board of Directors comprised of Messrs. Box, Wagner and Litschi be and it is hereby appointed, giving and granting to such Committee, by majority vote or written consent, full right, power and authority to do the following:
>
> 1. To negotiate, execute and deliver a final definitive Agreement and Plan of Merger between this corporation and Paccar, Inc., on such terms, provisions and conditions as shall be approved by a majority of the members of that Committee, such approval to be conclusively evidenced by execution of such Agreement and Plan of Merger by any two of the three members of that Committee.
>
> 2. To approve and authorize, execute and deliver such other instruments and documents and to approve, authorize and direct the taking of any and all other

action which the Committee by majority vote or written consent shall determine to be necessary or proper and lawful to complete and consummate each and all the terms, provisions and conditions of said Agreement and Plan of Merger, as so approved, and/or to take any and all other action with respect thereto determined by the Committee to be necessary, desirable, proper and/or lawful in respect of the proposed merger, including but not limited to approval and execution and filing of such proxy statements, notices, Hart-Scott Rodino Act filings and other documents, calling and convening a special meeting of shareholders of the Corporation and setting the agenda for same and any and all related matters, the determination as to the propriety of the execution and delivery of any and all such documents and/or the taking of any and all such action to be conclusively evidenced by such documents and/or the taking of such action.

RESOLVED FURTHER, that this corporation shall fully indemnify each of the officers and directors of the corporation in accordance with the provisions of Section 6.10 (a) of the Agreement and Plan of Merger which is by this reference incorporated herein.

There being no further business to come before the meeting, same was duly adjourned.

Approved:

W. T. Box, Chairman

Robert L. Litschi,
Secretary

AGREEMENT OF MERGER
BETWEEN
TRICO INDUSTRIES, INC.
AND
PACCAR HOLDINGS, INC.

This Agreement of Merger is made and entered into this 31 day of March, 1987, by and between TRICO INDUSTRIES, INC., a California corporation ("Trico"), and PACCAR HOLDINGS, INC., a California corporation ("PHI").

WHEREAS, PHI and Trico and the respective Boards of Directors thereof have approved as desirable and in the best interests of each corporation that PHI be merged with and into Trico by a statutory merger upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

FIRST: PHI shall be merged with and into Trico by a statutory merger (the "Merger") in accordance with the California Corporations Code and on the terms and conditions hereinafter expressed. At the Effective Time of the Merger (as hereinafter defined), the separate existence of PHI shall cease and Trico shall be the surviving entity (the "Surviving Entity"). The Merger shall have the effects specified in the California Corporations Code.

SECOND: The Merger shall be effective (the "Effective Time of the Merger") when this Agreement of Merger and appropriate certificates of its approval and adoption shall have been filed with the Secretary of State of the State of California in accordance with Section 1103 of the California Corporations Code.

THIRD: The manner of converting the shares of the common stock of PHI and Trico upon the Merger shall, by virtue of the Merger and without any action on the part of the holders thereof, be as follows:

(a) The shares of common stock of PHI which shall be outstanding immediately prior to the Effective Time of the Merger shall be converted into a like number of shares of common stock of the Surviving Entity.

(b) Each of the shares of Trico common stock which shall be outstanding immediately prior to the Effective Time of the Merger (the "Shares") shall,

without any action on the part of the holder thereof, cease to be outstanding and be converted into the right to receive an amount in cash (the "Conversion Amount") equal to $8.00 per share (except for Shares which are dissenting shares within the meaning of Section 1300(b) of the California Corporations Code and except for Shares held by PACCAR Inc, a Delaware corporation ("PACCAR"), PHI, or any direct or indirect subsidiary of PACCAR (collectively, the "PACCAR Companies")), without interest thereon, and holders of certificates which represent the Shares shall thereafter have no rights as shareholders of the Surviving Entity.

(c) The Shares held by any of the PACCAR Companies immediately prior to the Effective Time of the Merger shall cease to be outstanding, shall be canceled and retired without payment of any consideration therefor and shall cease to exist.

FOURTH: The Articles of Incorporation of Trico in effect immediately prior to the Effective Time of the Merger shall be the Articles of Incorporation of the the Surviving Entity after the Effective Time of the Merger.

FIFTH: The Bylaws of Trico in effect immediately prior to the Effective Time of the Merger shall be the Bylaws of the Surviving Entity after the Effective Time of the Merger.

SIXTH: The directors of PHI immediately prior to the Effective Time of the Merger shall, from and after the Effective Time of the Merger, be the directors of the Surviving Entity, each of whom shall serve until his death, resignation, removal, or his successor shall be elected in accordance with law and the Articles of Incorporation and Bylaws of the Surviving Entity.

SEVENTH: After the Effective Time of the Merger, as promptly as practicable after the surrender by a holder of certificates representing one or more Shares in accordance with instructions provided to the holder, an exchange agent appointed by PACCAR and reasonably satisfactory to Trico shall deliver to such holder the amount to which such holder is entitled as specified in THIRD above in exchange for such certificates so surrendered. Such amount shall be paid from immediately available funds deposited by PACCAR with such exchange agent prior to the Effective Time and held by such exchange agent as agent for holders of Shares.

EIGHTH: Prior to the filing of this Agreement of Merger with the Secretary of State of the State of

California, this Agreement of Merger may be amended or terminated by the agreement of the Boards of Directors of PHI and Trico notwithstanding approval of this Agreement of Merger by the shareholders of Trico and PHI, provided that no amendment hereof may change the Conversion Amount or change any other principal term hereof without the approval of Trico's and PHI's respective shareholders.

IN WITNESS WHEREOF the parties have executed this Agreement of Merger.

TRICO INDUSTRIES, INC.

By _____
President

By _____
Secretary

PACCAR HOLDINGS, INC.

By _____
Vice President

By _____
Assistant Secretary

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
PACCAR HOLDINGS, INC.

W. K. Smith and E. A. Carpenter certify that:

1. They are the Vice President and the Secretary, respectively, of PACCAR Holdings, Inc., a California corporation (the "Company").

2. The Company has only one class of shares and the total number of outstanding shares is 10,000,000.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement) were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each Class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 27, 1987

Place: Bellevue, Washington

W. K. Smith
Vice President

E. A. Carpenter
Secretary

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
TRICO INDUSTRIES, INC.

W.D. WAGNER and ROBERT L. LITSCHI certify that:

1. They are the President and Chief Executive Officer, and the Secretary, respectively, of Trico Industries, Inc., a California corporation (the "Company").

2. The number of outstanding shares of each class of the Company's Capital Stock is 8,332,159 shares of Common Stock and 0 shares of Preferred Stock.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement") were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 31, 1987
Los Angeles, California

W.D. Wagner
President

Robert L. Litschi
Secretary

5699v

STATE OF CALIFORNIA
FRANCHISE TAX BOARD
SACRAMENTO, CALIFORNIA 95857
TELEPHONE (916) 355-0895

Tax Clearance Certificate

MARCH 27, 1987

WILLIAM S. GREGORY
901 H STREET, STE 400
SACRAMENTO, CA., 95814

ISSUED TO: PACCAR HOLDINGS, INC.
CORP. NO.: 1575052

This certificate expires on JULY 15, 1987.

THIS IS TO CERTIFY THAT all taxes imposed on the above-named corporation under the Bank and Corporation Tax Law have been paid or are secured by bond, deposit or other security.

The issuance of this certificate does not relieve the taxpayer, or any person liable at law or in equity, of the liability for filing any return or the payment of any taxes, penalties, or interest imposed pursuant to the provisions of Chapter 2 of the Bank and Corporation Tax Law accrued or accruing for any period prior to the effective date of dissolution, merger or withdrawal as recorded by the Office of the Secretary of State.

Every corporation qualified to do business in this State is required to file a return and pay at least the minimum tax annually until its existence is terminated or its right to transact intrastate business is surrendered, with the Office of the Secretary of State.

It is the responsibility of the corporation to file appropriate documents with the Office of the Secretary of State (1230 J Street, Sacramento, CA 95814).

A copy of this tax clearance certificate has been sent to the Office of the Secretary of State at Sacramento, California. The original of this certificate may be retained for the files of the corporation.

FRANCHISE TAX BOARD

BR:11:JS:SRA

By Jerry Snyder
Authorized Signature
Corporation Audit
Tax Clearance Unit

SRA

FTB 2570 (4-80)

QUAD OT OSP

PACCAR 00111

PACCAR INC

OFFICER'S CERTIFICATE

The undersigned officer of PACCAR Inc, a Delaware corporation (the "Company"), hereby certifies as follows:

The representations and warranties of the Company contained in the Agreement and Plan of Merger dated as of January 9, 1987 ("the Agreement"), by and among Trico Industries, Inc., a California corporation, the Company and Paccar Holdings, Inc., a California corporation, are true and correct in all material respects on the date hereof, except for representations and warranties specifically relating to a time or times other than the date hereof (which are or were true and correct in all material respects at such time or times) with the same force and effect as if made on the date hereof, and the Company has performed or complied in all material respects with all other agreements and covenants required by the Agreement to be performed by it at or prior to the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate this 31 day of March, 1987.

W. K. Smith
Executive Vice President

TRICO INDUSTRIES, INC.

OFFICERS' CERTIFICATE

The undersigned officers of Trico Industries, Inc., a California corporation (the "Company"), hereby certify as follows:

1. The representations and warranties of the Company contained in the Agreement and Plan of Merger dated as of January 9, 1987 ("the Agreement"), by and among the Company, PACCAR Inc, a Delaware corporation ("PACCAR"), and Paccar Holdings, Inc., a California corporation, are true and correct in all material respects on the date hereof, except for representations and warranties specifically relating to a time or times other than the date hereof (which are or were true and correct in all material respects at such time or times) with the same force and effect as if made on the date hereof, and the Company has performed or complied in all material respects with all other agreements and covenants required by the Agreement to be performed by it at or prior to the date hereof.

2. All options granted prior to November, 1986, to purchase shares of the Common Stock of the Company have been redeemed and cancelled pursuant to the terms of the Agreement as of the date hereof.

3. All options granted after October, 1986, to purchase shares of the Common Stock of the Company have been converted into options to purchase shares of the Common Stock of PACCAR pursuant to the terms of the Agreement as of the date hereof.

IN WITNESS WHEREOF, the undersigned have executed this Officers' Certificate this 31 day of March, 1987.

W. D. Wagner
President

Robert L. Litschi
Secretary

PACCAR HOLDINGS, INC.

OFFICER'S CERTIFICATE

The undersigned officer of Paccar Holdings, Inc., a California corporation (the "Company"), hereby certifies as follows:

The representations and warranties of the Company contained in the Agreement and Plan of Merger dated as of January 9, 1987 ("the Agreement"), by and among Trico Industries, Inc., a California corporation, PACCAR Inc, a Delaware corporation, and the Company are true and correct in all material respects on the date hereof, except for representations and warranties specifically relating to a time or times other than the date hereof (which are or were true and correct in all material respects at such time or times) with the same force and effect as if made on the date hereof, and the Company has performed or complied in all material respects with all other agreements and covenants required by the Agreement to be performed by it at or prior to the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate this 31 day of March, 1987.

W. K. Smith
Vice President

part of 68.1

C T CORPORATION SYSTEM

JUL 1 '87

Associated with The Corporation Trust Company
1218 THIRD AVENUE, SEATTLE, WASH 98101 • (206) 622-4511

GGM
BNH
TCB
KRB
DGO
DBR
JMD
CJJ
TechAd
RWD
PEG
F/Up

June 26, 1987

Mr. Bruce Holliday
Assistant General Counsel
Legal Department
PACCAR Inc.
P.O. Box 1518
Bellevue, Washington 98009

Re: PACCAR Holdings, Inc.

Dear Mr. Holliday:

Enclosed please find evidence of merger between Trico Industries, Inc. and the above-referenced company in the state of California, effective March 31, 1987.

This concludes our services in connection with this filing and our statement, reflecting your advance, will follow in due course.

Thank you for the opportunity to be of assistance. If we may be of any additional service, please do not hesitate to call.

Very truly yours,

C T CORPORATION SYSTEM

Stuart Stout
Service Representative

enc.
SS/sp

State of California

OFFICE OF THE SECRETARY OF STATE

CORPORATION DIVISION

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

APR 1 1987

March Fong Eu

Secretary of State

ENDORSED
FILED
In the office of the Secretary of State
of the State of California

MAR 31 1987

MARCH FONG EU, Secretary of State

AGREEMENT OF MERGER
BETWEEN
TRICO INDUSTRIES, INC.
AND
PACCAR HOLDINGS, INC.

This Agreement of Merger is made and entered into this 31 day of March, 1987, by and between TRICO INDUSTRIES, INC., a California corporation ("Trico"), and PACCAR HOLDINGS, INC., a California corporation ("PHI").

WHEREAS, PHI and Trico and the respective Boards of Directors thereof have approved as desirable and in the best interests of each corporation that PHI be merged with and into Trico by a statutory merger upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

FIRST: PHI shall be merged with and into Trico by a statutory merger (the "Merger") in accordance with the California Corporations Code and on the terms and conditions hereinafter expressed. At the Effective Time of the Merger (as hereinafter defined), the separate existence of PHI shall cease and Trico shall be the surviving entity (the "Surviving Entity"). The Merger shall have the effects specified in the California Corporations Code.

SECOND: The Merger shall be effective (the "Effective Time of the Merger") when this Agreement of Merger and appropriate certificates of its approval and adoption shall have been filed with the Secretary of State of the State of California in accordance with Section 1103 of the California Corporations Code.

THIRD: The manner of converting the shares of the common stock of PHI and Trico upon the Merger shall, by virtue of the Merger and without any action on the part of the holders thereof, be as follows:

(a) The shares of common stock of PHI which shall be outstanding immediately prior to the Effective Time of the Merger shall be converted into a like number of shares of common stock of the Surviving Entity.

(b) Each of the shares of Trico common stock which shall be outstanding immediately prior to the Effective Time of the Merger (the "Shares") shall,

without any action on the part of the holder thereof, cease to be outstanding and be converted into the right to receive an amount in cash (the "Conversion Amount") equal to $8.00 per share (except for Shares which are dissenting shares within the meaning of Section 1300(b) of the California Corporations Code and except for Shares held by PACCAR Inc, a Delaware corporation ("PACCAR"), PHI, or any direct or indirect subsidiary of PACCAR (collectively, the "PACCAR Companies")), without interest thereon, and holders of certificates which represent the Shares shall thereafter have no rights as shareholders of the Surviving Entity.

(c) The Shares held by any of the PACCAR Companies immediately prior to the Effective Time of the Merger shall cease to be outstanding, shall be canceled and retired without payment of any consideration therefor and shall cease to exist.

FOURTH: The Articles of Incorporation of Trico in effect immediately prior to the Effective Time of the Merger shall be the Articles of Incorporation of the the Surviving Entity after the Effective Time of the Merger.

FIFTH: The Bylaws of Trico in effect immediately prior to the Effective Time of the Merger shall be the Bylaws of the Surviving Entity after the Effective Time of the Merger.

SIXTH: The directors of PHI immediately prior to the Effective Time of the Merger shall, from and after the Effective Time of the Merger, be the directors of the Surviving Entity, each of whom shall serve until his death, resignation, removal, or his successor shall be elected in accordance with law and the Articles of Incorporation and Bylaws of the Surviving Entity.

SEVENTH: After the Effective Time of the Merger, as promptly as practicable after the surrender by a holder of certificates representing one or more Shares in accordance with instructions provided to the holder, an exchange agent appointed by PACCAR and reasonably satisfactory to Trico shall deliver to such holder the amount to which such holder is entitled as specified in THIRD above in exchange for such certificates so surrendered. Such amount shall be paid from immediately available funds deposited by PACCAR with such exchange agent prior to the Effective Time and held by such exchange agent as agent for holders of Shares.

EIGHTH: Prior to the filing of this Agreement of Merger with the Secretary of State of the State of

California, this Agreement of Merger may be amended or terminated by the agreement of the Boards of Directors of PHI and Trico notwithstanding approval of this Agreement of Merger by the shareholders of Trico and PHI, provided that no amendment hereof may change the Conversion Amount or change any other principal term hereof without the approval of Trico's and PHI's respective shareholders.

IN WITNESS WHEREOF the parties have executed this Agreement of Merger.

TRICO INDUSTRIES, INC.

By _____
President

By _____
Secretary

PACCAR HOLDINGS, INC.

By _____
Vice President

By _____
Assistant Secretary

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
TRICO INDUSTRIES, INC.

W.D. WAGNER and ROBERT L. LITSCHI certify that:

1. They are the President and Chief Executive Officer, and the Secretary, respectively, of Trico Industries, Inc., a California corporation (the "Company").

2. The number of outstanding shares of each class of the Company's Capital Stock is 8,332,159 shares of Common Stock and 0 shares of Preferred Stock.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement") were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 31, 1987
Los Angeles, California

W.D. Wagner
President

Robert L. Litschi
Secretary

5699v

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
PACCAR HOLDINGS, INC.

W. K. Smith and E. A. Carpenter certify that:

1. They are the Vice President and the Secretary, respectively, of PACCAR Holdings, Inc., a California corporation (the "Company").

2. The Company has only one class of shares and the total number of outstanding shares is 10,000,000.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement) were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each Class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 27, 1987

Place: Bellevue, Washington

W. K. Smith
Vice President

E. A. Carpenter
Secretary

State of California

OFFICE OF THE SECRETARY OF STATE

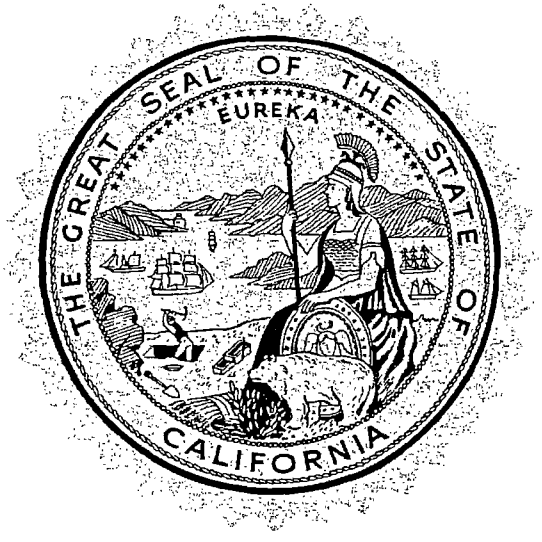
CORPORATION DIVISION

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

APR 1 1987



March Fong Eu

Secretary of State

SEC/STATE FORM CE-107

86 40888

PACCAR 00122

ENDORSED
FILED
In the office of the Secretary of State
of the State of California

MAR 31 1987

MARCH FONG EU, Secretary of State

AGREEMENT OF MERGER
BETWEEN
TRICO INDUSTRIES, INC.
AND
PACCAR HOLDINGS, INC.

This Agreement of Merger is made and entered into this 31 day of March, 1987, by and between TRICO INDUSTRIES, INC., a California corporation ("Trico"), and PACCAR HOLDINGS, INC., a California corporation ("PHI").

WHEREAS, PHI and Trico and the respective Boards of Directors thereof have approved as desirable and in the best interests of each corporation that PHI be merged with and into Trico by a statutory merger upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

FIRST: PHI shall be merged with and into Trico by a statutory merger (the "Merger") in accordance with the California Corporations Code and on the terms and conditions hereinafter expressed. At the Effective Time of the Merger (as hereinafter defined), the separate existence of PHI shall cease and Trico shall be the surviving entity (the "Surviving Entity"). The Merger shall have the effects specified in the California Corporations Code.

SECOND: The Merger shall be effective (the "Effective Time of the Merger") when this Agreement of Merger and appropriate certificates of its approval and adoption shall have been filed with the Secretary of State of the State of California in accordance with Section 1103 of the California Corporations Code.

THIRD: The manner of converting the shares of the common stock of PHI and Trico upon the Merger shall, by virtue of the Merger and without any action on the part of the holders thereof, be as follows:

(a) The shares of common stock of PHI which shall be outstanding immediately prior to the Effective Time of the Merger shall be converted into a like number of shares of common stock of the Surviving Entity.

(b) Each of the shares of Trico common stock which shall be outstanding immediately prior to the Effective Time of the Merger (the "Shares") shall,

without any action on the part of the holder thereof, cease to be outstanding and be converted into the right to receive an amount in cash (the "Conversion Amount") equal to $8.00 per share (except for Shares which are dissenting shares within the meaning of Section 1300(b) of the California Corporations Code and except for Shares held by PACCAR Inc, a Delaware corporation ("PACCAR"), PHI, or any direct or indirect subsidiary of PACCAR (collectively, the "PACCAR Companies")), without interest thereon, and holders of certificates which represent the Shares shall thereafter have no rights as shareholders of the Surviving Entity.

(c) The Shares held by any of the PACCAR Companies immediately prior to the Effective Time of the Merger shall cease to be outstanding, shall be canceled and retired without payment of any consideration therefor and shall cease to exist.

FOURTH: The Articles of Incorporation of Trico in effect immediately prior to the Effective Time of the Merger shall be the Articles of Incorporation of the the Surviving Entity after the Effective Time of the Merger.

FIFTH: The Bylaws of Trico in effect immediately prior to the Effective Time of the Merger shall be the Bylaws of the Surviving Entity after the Effective Time of the Merger.

SIXTH: The directors of PHI immediately prior to the Effective Time of the Merger shall, from and after the Effective Time of the Merger, be the directors of the Surviving Entity, each of whom shall serve until his death, resignation, removal, or his successor shall be elected in accordance with law and the Articles of Incorporation and Bylaws of the Surviving Entity.

SEVENTH: After the Effective Time of the Merger, as promptly as practicable after the surrender by a holder of certificates representing one or more Shares in accordance with instructions provided to the holder, an exchange agent appointed by PACCAR and reasonably satisfactory to Trico shall deliver to such holder the amount to which such holder is entitled as specified in THIRD above in exchange for such certificates so surrendered. Such amount shall be paid from immediately available funds deposited by PACCAR with such exchange agent prior to the Effective Time and held by such exchange agent as agent for holders of Shares.

EIGHTH: Prior to the filing of this Agreement of Merger with the Secretary of State of the State of

California, this Agreement of Merger may be amended or terminated by the agreement of the Boards of Directors of PHI and Trico notwithstanding approval of this Agreement of Merger by the shareholders of Trico and PHI, provided that no amendment hereof may change the Conversion Amount or change any other principal term hereof without the approval of Trico's and PHI's respective shareholders.

IN WITNESS WHEREOF the parties have executed this Agreement of Merger.

TRICO INDUSTRIES, INC.

By _____
President

By _____
Secretary

PACCAR HOLDINGS, INC.

By _____
Vice President

By _____
Assistant Secretary

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
TRICO INDUSTRIES, INC.

W.D. WAGNER and ROBERT L. LITSCHI certify that:

1. They are the President and Chief Executive Officer, and the Secretary, respectively, of Trico Industries, Inc., a California corporation (the "Company").

2. The number of outstanding shares of each class of the Company's Capital Stock is 8,332,159 shares of Common Stock and 0 shares of Preferred Stock.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement") were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 31, 1987
Los Angeles, California

W.D. Wagner
President

Robert L. Litschi
Secretary

5699v

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
PACCAR HOLDINGS, INC.

W. K. Smith and E. A. Carpenter certify that:

1. They are the Vice President and the Secretary, respectively, of PACCAR Holdings, Inc., a California corporation (the "Company").

2. The Company has only one class of shares and the total number of outstanding shares is 10,000,000.

3. The principal terms of the Agreement of Merger in the form attached (the "Agreement) were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each Class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 27, 1987

Place: Bellevue, Washington

W. K. Smith
Vice President

E. A. Carpenter
Secretary

ENDORSED
FILED
In the office of the Secretary of State
of the State of California

MAR 31 1987

MARCH FONG EU, Secretary of State

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BETWEEN
TRICO INDUSTRIES, INC.
AND
PACCAR HOLDINGS, INC.

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IN WITNESS WHEREOF the parties have executed this Agreement of Merger.

TRICO INDUSTRIES, INC.

By _____
President

By _____
Secretary

PACCAR HOLDINGS, INC.

By _____
Vice President

By _____
Assistant Secretary

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OF
AGREEMENT OF MERGER
BY
PACCAR HOLDINGS, INC.

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3. The principal terms of the Agreement of Merger in the form attached (the "Agreement) were duly approved by the Board of Directors and shareholders of the Company by the vote of a number of shares of each Class which equaled or exceeded the vote required.

4. The percentage vote required of each class is more than 50% of the outstanding shares of the Company.

5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 27, 1987

Place: Bellevue, Washington

W. K. Smith
Vice President

E. A. Carpenter
Secretary

CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER
BY
TRICO INDUSTRIES, INC.

W.D. WAGNER and ROBERT L. LITSCHI certify that:

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5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our knowledge.

Dated: March 31, 1987
Los Angeles, California

W.D. Wagner
President

Robert L. Litschi
Secretary

5699v

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("Agreement"), dated as of October 9, 1997, is by and between EVI, Inc., a Delaware corporation ("Purchaser"), and PACCAR Inc, a Delaware corporation ("Seller").

Seller is interested in selling and Purchaser is interested in purchasing all of the issued and outstanding shares of stock of Trico Industries, Inc.

NOW, THEREFORE, Seller and Purchaser agree as follows:

ARTICLE I
DEFINITIONS

As used herein, the following terms shall have the following meanings:

1.1 Assumed Liabilities. The term "Assumed Liabilities" means those liabilities described in Section 2.2 hereof.

1.2 Benefit Plan. The term "Benefit Plan" means any collective bargaining agreement or any bonus, pension, profit sharing, deferred compensation, incentive compensation, stock ownership, stock purchase, stock option, phantom stock, retirement, vacation, severance, disability, death benefit, hospitalization, medical dependent care, cafeteria, employee assistance, scholarship program or other plan, arrangement or understanding (whether or not legally binding) providing benefits to any current or former employee or director of the Company or a Subsidiary of the Company, except for the Excluded Assets and Liabilities.

1.3 BMW. The term "BMW" means BMW Monarch (Lloydminster) Ltd.

1.4 Closing Date. The "Closing Date" means October 31, 1997. If the expiration of the waiting period under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, as amended ("HSR Act"), occurs after October 31, then the Closing Date shall be the fifth day after the date on which the waiting period expires unless Seller or Purchaser has terminated this Agreement under Section 10.1. The Closing Date may be changed by mutual agreement of the parties.

1.5 Code. The term "Code" means the Internal Revenue Code of 1986, as amended.

1.6 Company. The term "Company" shall mean Trico Industries, Inc.

1.7 Company Assets. The term "Company Assets" means all of the Company's and Kobe's properties, assets, rights, obligations and liabilities, whether tangible or intangible, real or personal, contingent or otherwise, as of the Closing Date (except the Excluded Assets and Liabilities) and which are used or have arisen in connection with the business of the Company, including without limitation, the following:

1.7.1 All real property, plants, buildings, cranes and other improvements, and the interests in real property under any option or lease ("Real Property"), which are further identified on Schedule 1.7.1 hereto, except for the Excluded Assets and Liabilities;

1.7.2 All machinery, equipment (including without limitation, all transportation, laboratory, testing, and office equipment), fixtures, trade fixtures, tools, jigs, dies, furniture, inventory racks and other tangible property of any kind, except for the Excluded Assets and Liabilities;

1.7.3 All raw materials, work-in-process, finished goods, inventories of parts, and other inventories of the Company, including inventories consigned with dealers or customers, if any;

1.7.4 All office, production, and other miscellaneous supplies of the Company;

1.7.5 All rights, liabilities and obligations existing under leases of personal property (both as lessor and as lessee), contracts, options, licenses, permits, distribution agreements, domestic and foreign dealer agreements, sales agreements, purchase agreements (including customer purchase orders), vehicle lease agreements, parts support agreements, product availability commitments, performance commitments, and all other agreements and business arrangements entered into in the normal course of business ("Contracts") which are further described on Schedule 1.7.5 hereto by category, with each contract with an outstanding obligation in excess of $50,000 identified separately;

1.7.6 All patents and patent applications, registered and unregistered trademarks, service marks, trade names and similar rights to names, marks and slogans, common law and registered copyrights which are further identified on Schedule 1.7.6 hereto, and all applications for any of the foregoing, together with all rights to use all of the foregoing forever, and all goodwill associated with any of the foregoing;

1.7.7 All inventions, discoveries, improvements, processes, methods, designs, formulae (secret or otherwise), data, engineering, technical and shop drawings, specifications, trade secrets, confidential information, know-how and ideas, whether patentable or not, shop rights, licenses and other similar rights and all drawings, records or other indicia, however evidenced, of the foregoing, together with all rights to use all of the foregoing and any goodwill associated with any of the foregoing;

1.7.8 All computer software resident on computers included in the Company Assets and used solely for the business of the Company, except the Excluded Assets and Liabilities, provided that Company has the legal right to continue using such software after a change in ownership of Company;

1.7.9 All bank and trust accounts and accounts receivable of the Company, except the Excluded Assets and Liabilities;

1.7.10 All deposits and prepayments or prepaid expenses reflected on the Statement of Net Assets, except the Excluded Assets and Liabilities;

1.7.11 All shares of stock in subsidiaries and other corporations owned by Company and described in Schedule 1.7.11, except for the Excluded Assets and Liabilities, (the "Subsidiaries");

1.7.12 All of the Company's records pertaining to products, customers, suppliers or personnel and all other files and business records of every kind, including financial records;

1.7.13 All advertising materials and all other printed or written materials;

1.7.14 All governmental and other licenses, permits, franchises, approvals and certificates, to the extent transferable;

1.7.15 All goodwill, including that arising from business acquisitions, and all other intangible properties; and

1.7.16 All other assets and liabilities of the Company not referred to in 1.7.1 to 1.7.15 above which are reflected or noted on the Statement of Net Assets or have arisen in the ordinary course of the business of the Company, except for the Excluded Assets and Liabilities.

1.8 Company Stock. The term "Company Stock" means all of the issued and outstanding shares of stock of the Company.

1.9 Damages. The term "Damages" means any and all liabilities, losses, damages, demands, assessments, claims, awards, judgments, penalties, settlements, fines, interest, costs and expenses (including, without limitation, reasonable fees and expenses of attorneys, consultants and other professionals incurred in connection with investigating and defending any claims or causes of action), but excluding incidental, consequential (including without limitation loss of profits or loss of business opportunities), punitive or exemplary damages, other than those imposed in connection with a third party claim.

1.10 Employees. The term "Employees" means all of the employees of the Company and Kobe on or before the Closing Date.

1.11 Encumbrance. The term "Encumbrance" means any security interest, mortgage, pledge, trust, claim, lien, charge, option, defect, restriction, encumbrance or other right or interest of any third party of any nature whatsoever.

1.12 Environmental Laws. The term "Environmental Laws" means any and all laws, statutes, ordinances, rules, regulations, orders, or determinations of any Governmental Entity pertaining to health, safety or the environment applicable to (i) the Company's business or operations, (ii) the Company Assets, or (iii) the disposal of any hazardous substance by the Company, including, but not limited to, the Clean Air Act, as amended, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, the Federal Water Pollution Control Act, as amended, the Resource Conservation and Recovery Act of 1976, as amended ("RCRA"), the Safe Drinking Water Act, as amended, the Toxic Substances Drinking Water Act, as amended, and the Superfund Amendments and Reauthorization Act of 1986, as amended. The term "hazardous substance" has the meaning specified in CERCLA, and the term "disposal" (or "disposed") has the meaning specified in RCRA; provided that, to the extent the laws of the state in which any Company Assets are located establish a meaning for "hazardous substance" or "disposal" which is broader than that specified in CERCLA or RCRA, such broader meaning shall apply with respect to such assets in such state.

1.13 Excluded Assets and Liabilities. The term "Excluded Assets and Liabilities" means the following assets and any related liabilities and obligations of the Company as of the Closing Date (whether liquidated or unliquidated, known or unknown, material or immaterial, fixed or contingent), which are not included in the Company Assets and will not be acquired by Purchaser hereunder, all of which are described below:

1.13.1 The real property listed in Schedule 1.13.1 attached hereto;

1.13.2 All computer software licensed under a master agreement with Seller or any affiliate of Seller (other than the Company) or resident on any computer not owned or leased by the Company, even if it is also used by the Company;

1.13.3 All bank and trust accounts listed on Schedule 1.13.3(a) and all cash in the bank accounts listed in Schedule 1.13.3(b);

1.13.4 All insurance recoveries for environmental claims pending prior to the Closing concerning insurance policies issued for years 1975 through 1988;

1.13.5 All intercompany receivables and payables between Seller and Company or Kobe;

1.13.6 Taxes pertaining to or attributable to the Company or any of its subsidiaries with respect to any and all taxable periods or portions thereof ending on or before the Closing Date, but only to the extent such Taxes arise from or relate to the inclusion of the Company or such subsidiaries in a Tax Return of the Seller;

1.13.7 All letters of credit ("LC's") established by Seller or relying on the credit of Seller for the benefit of Company, as listed on Schedule 1.13.7;

1.13.8 Any amounts owing to any Employees under any deferred compensation plan maintained by Seller for any period prior to the Closing and which is not transferred to Purchaser under the terms of this Agreement;

1.13.9 The shares of stock in any subsidiaries of Company listed on Schedule 1.13.9, which will be sold or assigned separately prior to the Closing, (the "Excluded Subsidiaries"), any proceeds from such sale or assignment, and all documents, records and other information of any kind or nature concerning the business and operations of the Excluded Subsidiaries;

1.13.10 All Seller proprietary items including without limitation internal telephone directories, Seller trademarked items, Seller promotional materials, compliance and policy materials, and similar items;

1.13.11 The sponsorship of and all assets and liabilities related to the Company and Seller Benefit Plans listed on Schedule 1.13.11;

1.13.12 All machinery, equipment, tooling, jigs, and fixtures used solely in connection with the manufacture for Seller by Company of the products and components listed on Schedule 1.13.12 ("Seller's Components"), and all designs, specifications, copyrights and trademarks of Seller and any other intangibles related solely to Seller's Components, but excluding any rights to the name "Trico" and any derivation thereof;

1.13.13 Any deferred intercompany gain as defined in Treasury Regulation Section 1.1502-13;

1.13.14 All product liability, warranty and other claims, actions, litigation or other proceedings listed on Schedule 1.13.14, including any cross-claims, counter-claims, third party claims and claims for indemnity or contribution related to the subject matter of such listed proceeding; and

1.13.15 Any claim, obligation, liability or action (i) related to the disposal of hazardous substances by the Company, Kobe or any of their respective predecessors or subsidiaries prior to Closing, (ii) related to any remediation, cleanup or other legal obligation or obligation for contribution related to the ownership, use or lease of any property, except for the Real Property, prior to the Closing by the Company, Kobe or any

of their respective predecessors or subsidiaries, (iii) related to the exposure of a third party (other than a present or former employee of the Company, Kobe or any of their respective predecessors or subsidiaries) to a hazardous substance prior to the Closing as a result of an action or omission by the Company, Kobe or any of their respective predecessors or subsidiaries, and (iv) related to the exposure of a present or former employee of the Company, Kobe or any of their respective predecessors or subsidiaries to a hazardous substance in the workplace prior to the Closing as a result of an action or omission by the Company, Kobe or any of their respective predecessors or subsidiaries, but only to the extent that such injury or illness is not covered by the applicable worker's compensation laws.

1.14 Final Statement of Net Assets. The term "Final Statement of Net Assets" means the final statement of net assets of the Company, prepared as set forth in Section 3.3, as of the later of October 31, 1997 or the end of the calendar month preceding the Closing Date. The Final Statement of Net Assets shall include reserve amounts that have been determined in accordance with GAAP and calculated in a manner consistent with those shown on Schedule 1.20(b).

1.15 GAAP. The term "GAAP" means United States generally accepted accounting principles as they apply to a statement of net assets for a subsidiary with exceptions consistent with those used for the preparation of the Statement of Net Assets. GAAP does not include footnote disclosures required by generally accepted accounting principles.

1.16 Governmental Entity. The term "Governmental Entity" means the United States of America and any state, county, city, municipality and any subdivision thereof, and any court, administrative or regulatory agency, commission, department or other governmental authority or instrumentality.

1.17 Kobe. The term "Kobe" means Kobe International Ltd.

1.18 Material Adverse Effect. The term "Material Adverse Effect" means an adverse change in the financial condition, business or operations of the Company or Kobe which, when taken together with all other matters having a similar effect, is materially adverse, or will result in a change which is materially adverse, to the Company and Kobe, taken as a whole.

1.19 Net Assets. The term "Net Assets" means, with reference to the Statement of Net Assets and Final Statement of Net Assets, the difference between total assets and total liabilities (including deferred income tax liabilities and capital lease obligations) of the Company and Kobe on a consolidated basis determined in accordance with GAAP; provided, however, there shall be excluded from the calculation of Net Assets the Excluded Assets and Liabilities, and there shall be excluded from the calculation of Net Assets for the Final Statement of Net Assets any increase or decrease in the items listed on Schedule 1.19 from the amounts shown for such items on the Statement of Net Assets or Schedule 1.20(b).

1.20 Statement of Net Assets. The term "Statement of Net Assets" means the adjusted statement of net assets of the Company as of August 31, 1997, which is attached as Schedule 1.20(a) hereto. Adjustments to the Statement of Net Assets for Excluded Assets and Liabilities and corporate reserves are also described in Schedule 1.20(a). The Statement of Net Assets also includes the reserves described on Schedule 1.20(b).

1.21 Taxes. The term "Taxes" means all federal, state, local, foreign and other taxes, assessments or duties, including, but not limited to, all income, gross receipts, ad valorem, sales, use, franchise, transfer, profits, value added, withholding, payroll, employment, excise, estimated severance, property, windfall profits and other taxes, assessments or duties of any kind whatsoever, imposed or collected by any Governmental Entity or pursuant to any governmental requirement, together with any interest, penalty, addition to tax, fine or other additional amounts imposed thereon or related thereto, and the term "Tax" means any one of the foregoing items.

1.22 Tax Returns. The term "Tax Returns" means all returns (including information returns), declarations, reports, statements and other documents of, relating to, or required to be filed in respect of, any and all Taxes based in whole or in part on net income (including but not limited to the Texas franchise tax), and the term "Tax Return" shall mean any one of the foregoing Tax Returns.

ARTICLE II
PURCHASE OF COMPANY STOCK AND ASSUMPTION OF LIABILITIES

2.1 Purchase of Company Stock. Upon the terms and subject to the conditions contained herein, Seller will sell, transfer, assign and deliver to Purchaser and Purchaser will acquire the Company Stock, free and clear of all Encumbrances, effective as of the end of business on the Closing Date.

2.2 Obligations and Liabilities Assumed by Company. Purchaser shall cause the Company to assume, effective as of the close of business on the Closing Date, all of the obligations and liabilities of Seller with respect to the Company, the Company Assets and the Company's business except for the Excluded Assets and Liabilities (the "Assumed Liabilities"), including without limitation:

2.2.1 all liabilities and obligations accruing or becoming due or payable to the Employees after the Closing Date (even if the claim arose or relates to a period prior to the Closing Date) for compensation or other benefits related to the employment or termination of employment of such Employees, including without limitation, liabilities and obligations, if any, for worker's compensation, unemployment compensation or termination of employment benefits, or under any of Seller's or Company's employee health and benefit plans, pension and supplemental pension plans, annuities, or employment contracts; and

2.2.2 all guarantees, loans, commitments, contracts and other obligations made or entered into by Company or Seller in connection with the business and operations of Company.

Purchaser shall indemnify, defend and hold Seller harmless (according to the provisions of Section 9.8 hereof) from all Damages, (whether or not arising out of third-party claims) arising from or otherwise related to any of the Assumed Liabilities.

2.3 Obligations and Liabilities Assumed by Seller. Seller shall assume, effective as of the close of business on the Closing Date, all Excluded Assets and Liabilities. Seller shall indemnify, defend and hold the Company and the Purchaser harmless (according to the provisions of Section 9.8 hereof) from all Damages, (whether or not arising out of third-party claims) arising from or otherwise related to any of the Excluded Assets and Liabilities.

2.4 Purchase Price and Adjustment. Upon the terms and subject to the conditions contained herein, the purchase price for the sale, transfer, assignment, conveyance and delivery of the Company Stock ("Purchase Price") shall be One Hundred and Five Million Dollars ($105,000,000.00). There shall be an adjustment to the Purchase Price equal to the amount, if any, by which the absolute value of the sum of items (i) and (ii) below exceeds $1,000,000. If the sum is positive, Purchaser shall pay the adjustment to Seller; if it is negative, Seller shall pay the adjustment to Purchaser.

(i) The amount remaining after the value of the "Net Assets" shown on the Statement of Net Assets is subtracted from the value of the "Net Assets" shown on the Final Statement of Net Assets; plus

(ii) Two Hundred Twenty-Five Thousand U.S. Dollars ($225,000) per month (with a prorata portion for any part of a month) from August 31, 1997 to the Closing Date, as the agreed adjustment for Seller's share of the earnings of BMW during this period.

Payment of any amount due in adjustment of the Purchase Price hereunder shall be paid by wire transfer of immediately available funds to the account designated by Seller or Purchaser, as the case may be. Any adjustment to the Purchase Price shall be received within five days after the acceptance of the Final Statement of Net Assets pursuant to Section 3.3.

ARTICLE III
CLOSING

3.1 Closing. The Closing of the transactions contemplated herein (the "Closing") shall be held on the Closing Date at Seller's corporate offices in Bellevue, Washington.

3.2 Deliveries at Closing.

3.2.1 The Purchase Price shall be paid by Purchaser to Seller on the Closing Date in immediately available funds, by wire transfer to Seller's account as designated by Seller in writing prior to the Closing.

3.2.2 To effect the transfers referred to in Article II hereof, Seller will deliver to Purchaser on the Closing Date:

(i) All certificates for the Company Stock and duly executed stock assignment(s);

(ii) All of the Company's books, records and files not already located at the Company's offices; and

(iii) Any other instruments reasonably requested by Purchaser to vest in Purchaser good and marketable title to the Company Stock.

All instruments executed and delivered to Purchaser pursuant hereto shall be reasonably satisfactory to Purchaser in form and substance.

3.3 Final Statement of Net Assets.

3.3.1 The amount for "Net Assets" shown on the Statement of Net Assets and on the Final Statement of Net Assets has been and shall be, respectively, determined consistently by Seller from the books and records of the Company, in accordance GAAP, but subject to the limitations on adjustment set forth in Section 1.19 hereof.

3.3.2 As soon as practicable after the Closing Date (but in no event later than 30 days thereafter), Seller shall deliver the Final Statement of Net Assets to Purchaser. Purchaser shall allow Seller reasonable access to the Company's facilities, books and records and shall cooperate with Seller as necessary to allow Seller to prepare the Final Statement of Net Assets. Purchaser may, at its expense, review the Final Statement of Net Assets, and Purchaser shall have access to the work papers used in preparing the Final Statement of Net Assets. Purchaser shall have the right to object, by written notice to Seller, to the amount set forth as the "Net Assets" on the Final Statement of Net Assets, if Purchaser's review reveals that (i) the amounts included on the Final Statement of Net Assets for the accounts receivable, accounts payable, inventories, machinery and equipment, or any other assets (except for items listed on Schedule 1.19 hereof) are not equal to the amounts which should have been included for such items to conform to GAAP or (ii) the amounts included on the Final Statement of Net Assets for the liabilities (except for items listed on Schedule 1.19 hereof) are not equal to the amounts which should have been included for such items to conform to GAAP. If Purchaser does not give Seller such notice within 20 days after receipt of the Final Statement of Net Assets,

Purchaser shall be deemed to have accepted the Final Statement of Net Assets for all purposes of this Agreement.

3.3.3 If Purchaser does give Seller notice of an objection, Purchaser and Seller shall meet to resolve the objections. If disputes with respect to the Final Statement of Net Assets cannot be resolved within 30 calendar days after Purchaser's delivery of a notice of objection, then, at the request of Purchaser or Seller, the specific matters in dispute shall be submitted to Ernst & Young or such other independent accounting firm as may be approved by Seller and Purchaser. Such accounting firm shall render its opinion as to the matters submitted to it, and its determination shall be final and binding on the parties hereto. The fees and expenses of such accounting firm shall be borne one-half by Seller one-half by Purchaser.

3.4 Assumption Documents.

3.4.1 Upon the reasonable request of Seller and subject to the terms and conditions contained herein, Purchaser shall or shall cause the Company to deliver to Seller on the Closing Date or at any time thereafter any documents reasonably requested by Seller evidencing Company's assumption of the Assumed Liabilities. All such documents shall be reasonably satisfactory to Seller and Purchaser in form and substance.

3.4.2 Upon the reasonable request of Purchaser and subject to the terms and conditions contained herein, Seller shall deliver to Purchaser on the Closing Date or at any time thereafter any documents reasonably requested by Purchaser evidencing Seller's assumption of the Excluded Assets and Liabilities. All such documents shall be reasonably satisfactory to Seller and Purchaser in form and substance.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Purchaser that:

4.1 Organization of Seller. Seller is duly organized, validly existing and in good standing under the laws of the State of Delaware.

4.2 Organization of Company and Kobe. Company is duly organized, validly existing and in good standing under the laws of the State of California, and has full corporate power and authority to conduct its business as it is presently being conducted and to own and lease its properties and assets. Kobe is a corporation duly organized, validly existing and in good standing under the laws of The Bahamas and has the requisite corporate power and authority to carry on its business as it is now being conducted.

4.3 Authorization. Seller has full corporate power and authority to enter into this Agreement, to consummate the transactions contemplated hereby and to perform its obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Seller have been duly authorized by all requisite corporate action on the part of Seller, and no approval of the stockholders of Seller is required in connection herewith. When this Agreement has been duly executed and delivered by Seller, it will be a valid and binding obligation of Seller enforceable against it in accordance with its terms.

4.4 No Conflict or Violation. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in (i) a violation of or a conflict with any provision of the Certificate of Incorporation or Bylaws of Seller or the Company, (ii) a breach of or a default under any term or provision of any contract, agreement, lease, commitment, license, franchise, permit, authorization or concession to which Seller or the Company is a party or an event which with notice, lapse of time, or both, would result in any such breach or default, or (iii) a violation by Seller or the Company of any statute, rule, regulation, ordinance, code, order, judgment, writ, injunction, decree, or award, or an event which with notice, lapse of time, or both, would result in any such violation.

4.5 Title to Company Stock. Seller has good and marketable title to the Company Stock, and the Company Stock will be transferred to Purchaser free and clear of all Encumbrances. There are no outstanding options, warrants, convertible securities, calls, rights, commitments, preemptive rights, agreements, arrangements or understandings of any character obligating the Company (i) to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock of the Company or any securities or obligations convertible into or exchangeable for such shares or (ii) to grant, extend or enter into any such option, warrant, convertible security, call, right, commitment, preemptive right, agreement, arrangement or understanding described in clause (i) above.

4.6 Title to Subsidiaries' Stock. Except for the Excluded Subsidiaries, the Subsidiaries are the only entities in which the Company owns any direct or indirect equity or similar ownership interest. Except as set forth in Schedule 4.6, the shares of stock in the Subsidiaries set forth on Schedule 1.7.11 are owned by the Company free and clear of all Encumbrances, including voting trusts or stockholders agreements. There are no outstanding options, warrants, convertible securities, calls, rights, commitments, preemptive rights, agreements, arrangements or understandings of any character obligating Kobe (i) to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other equity interests of Kobe or any securities or obligations convertible into or exchangeable for such shares or equity interests or (ii) to grant, extend or enter into any such option, warrant, convertible security, call, right, commitment, preemptive right, agreement, arrangement or understanding described in clause (i) above.

4.7 Financial Records.

4.7.1 Seller has delivered to Purchaser the Statement of Net Assets, and will deliver to Purchaser the Final Statement of Net Assets, each of which has been or will be prepared (as the case may be) in accordance with GAAP, except as otherwise provided in this Agreement.

4.7.2 Seller has made and kept (and will make and keep) books, records and accounts which accurately and fairly reflect in reasonable detail its activities and the transactions and dispositions of its assets for the period following the preparation of the Statement of Net Assets.

4.8 Company Assets. The Company and Kobe own all of the Company Assets, other than those that are leased, with respect to which they have valid and enforceable leases. None of the Company Assets is subject to any Encumbrance, except as reflected on the Statement of Net Assets or Schedule 4.8 and those which individually or in the aggregate do not exceed $50,000.

4.9 Real Property. Schedule 1.7.1 hereto contains a description of all Real Property which is owned or leased by Company, except for the Excluded Assets and Liabilities. Seller has good and marketable title to all Real Property owned by the Company, and such Real Property is owned free and clear of all Encumbrances, except for Encumbrances of record or as noted on Schedule 4.9 hereto.

4.10 Certain Agreements. Except as set forth in Schedule 4.10, neither Company nor any of the Company Assets is a party to or bound by any agreement, contract or commitment (i) relating to the borrowing of funds, (ii) relating to any loan or advance to, or investment in, any person or entity or any agreement, contract, commitment or understanding relating to the making of any such loan, advance or investment, (iii) relating to any guarantee or financial assurance of any obligation or other contingent liability with respect to any indebtedness or obligation of any unrelated person or entity, (iv) relating to any management service, employment, consulting or other similar type contract or agreement, (v) that would limit the freedom of the Company or Purchaser, or any affiliate thereof, following the Closing, to engage in any line of business, to own, operate, sell, transfer, pledge or otherwise dispose of or encumber any of their respective assets or to compete with any person or entity or to engage in any business or activity in any geographic area, or (vi) obligating the Company to provide indemnification or contribution with respect to any matter outside the ordinary course of business.

4.11 Contracts. Except as otherwise disclosed in Schedule 4.11 hereto, and to the best of Seller's knowledge and belief, Company is not in breach or default under any Contract, and no event has occurred which constitutes, or would constitute with the lapse of time or the giving of notice, a breach or default under any such Contract.

4.12 Patents, Trademarks, Etc. To the best of Seller's knowledge and belief, Schedule 1.7.6 hereto contains a true and complete list of all of the patents, trademarks, trade names, service marks and copyrights, and applications therefor, which are used in connection with the business, products or processes of the Company. Except as otherwise disclosed in Schedule 4.12 hereto, and to the best of Seller's knowledge or belief, Company owns, or is licensed or otherwise has the right to use, all patents, trademarks, trade names, service marks, copyrights, technology, know-how, processes, methods and designs used in or necessary for the conduct of the business of the Company as presently being conducted. The consummation of the transactions contemplated by this Agreement will not result in the loss of any licenses or rights to use any patents, trademarks, trade names, service marks, copy rights, technology, know-how or processes and will not conflict with, or constitute a breach, violation or termination of, any agreement or understanding, whether written or otherwise, relating to any licenses or rights to use any patents, trademarks, trade names, service marks, copy rights, technology, know-how or processes necessary for the conduct of the business by the Company as currently conducted.

4.13 Accounts Receivable. The accounts receivable and other receivables of the Company represent bona fide indebtedness arising out of the ordinary course of business, and to the best of Seller's knowledge and belief, except as otherwise disclosed in Schedule 4.13 hereto, all such receivables will be collectable according to their terms and at the book amounts thereof, less any reserve for bad debts shown on the Statement of Net Assets.

4.14 Litigation and Proceedings. To the best of Seller's knowledge and belief, Schedule 1.13.14 hereto contains a list and brief description of all litigation relating to product liability, warranty and other claims, actions, or other proceedings pending, threatened against or otherwise affecting the Company or Kobe and which involve any claim for injunctive relief or for damages in excess of $10,000.

4.15 Licenses, Permits and Authorizations. Except as otherwise disclosed in Schedule 4.15 hereto, the Company has obtained all approvals, authorizations, consents, licenses, franchises, orders and other permits and has made all filings with any Governmental Entity which are required for the conduct of the business of the Company as presently being conducted, except those where the failure to have any such approval, authorization, consent, license, franchise, order or permit would not have a Material Adverse Effect.

4.16 Compliance with Law. Except as otherwise disclosed in Schedule 4.16 hereto, the Company is in compliance in all material respects (i.e., where noncompliance would have a Material Adverse Effect) with all applicable statutes, rules, regulations, ordinances, codes, orders, licenses, franchises, permits, authorizations and concessions, as such apply to the Company.

4.17 Environmental Condition.

4.17.1 Except as otherwise disclosed in Schedule 4.17 hereto, on the Closing Date there is and will be no material contamination of the soil and groundwater of the

Real Property which would serve as a basis for claims for injury to third persons, damage to property of others or claims by governmental agencies requiring remediation of contamination on such property.

4.17.2 Except as otherwise disclosed in Schedule 4.17 hereto, the Company is in compliance with all applicable limitations, restrictions, conditions, standards, prohibitions, requirements and obligations of Environmental Laws and any related orders of any Governmental Entity, except where the failure to so operate in compliance would not have a Material Adverse Effect.

4.17.3 Except as listed on Schedule 4.17, there are no existing, pending or, to the best knowledge of Seller, threatened actions, suits, claims, investigations, inquiries or proceedings by or before any Governmental Entity directed against the Company or any of the Company Assets which pertain or relate to (i) any remedial obligations under any applicable Environmental Law, (ii) violations of any Environmental Law, (iii) personal injury or property damage claims relating to the release of hazardous substances or (iv) response, removal or remedial costs under CERCLA or any similar state law.

4.17.4 No portion of the Company Assets is part of a Superfund site under CERCLA or any similar ranking or listing under any similar state law, and, except for the Excluded Assets and Liabilities, to the best of Seller's knowledge no real property previously owned or leased by the Company is part of a Superfund site under CERCLA or any similar ranking or listing under any similar state law.

4.18 Consents and Approvals. To the best of Seller's knowledge and belief and except for the applicable requirements of the HSR Act and any matters set forth on Schedule 4.18 hereto, no other consent, approval, authorization, declaration, filing or registration with any Governmental Entity or any other person or entity is required to be made or obtained by Seller or the Company in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

4.19 No Broker's Fees. Seller represents and warrants that neither Seller nor Company have taken any action which would give any third party a right to claim a broker's or finder's fee or commission in connection with the transactions contemplated herein.

4.20 Pension and Benefit Plans.

4.20.1 Schedule 4.20 contains a list and brief description of all "employee pension benefit plans" (as defined in Section 3(2) of ERISA) (sometimes referred to herein as "Pension Plans"), "employee welfare benefit plans" (as defined in Section 3(1) of ERISA) and all other Benefit Plans maintained, or contributed to, by the Company for the benefit of any Employees, except for the Excluded Assets and Liabilities. Seller has made available to Purchaser true, complete and correct copies of (i) each Benefit Plan (or, in the case of any unwritten Benefit Plans, descriptions thereof), (ii) the most recent three

annual reports on Form 5500 filed with the IRS with respect to each Benefit Plan (if any such report was required), (iii) the most recent IRS determination letter, if any, and any rulings or determinations requested subsequent to the date of that letter, (iv) the most recent actuarial report for each Benefit Plan for which an actuarial report is required, (v) the most recent summary plan description for each Benefit Plan for which such summary plan description is required and each summary of material modifications prepared after the last summary plan description, (vi) each trust agreement and group annuity contract relating to any Benefit Plan and (vii) all material correspondence for the last three years with the IRS or Department of Labor relating to plan qualification, filing of required forms, or pending, contemplated or announced plan audits. No Pension Plan maintained or contributed to by the Company is, or has been during the last five years, subject to any enforcement action under Title IV of ERISA or Section 412 of the Code.

4.20.2 Except as set forth in Schedule 4.20, all Pension Plans have been the subject of determination letters from the IRS to the effect that such Pension Plans are qualified and exempt from Federal income taxes under Section 401(a) and 501(a), respectively, of the Code and no such determination letter has been revoked nor, to the best knowledge of Seller, has revocation been threatened, nor has any such Pension Plan been amended since the date of its most recent determination letter or application therefor in any respect that would adversely affect its qualification.

4.20.3 Except as set forth in Schedule 4.20, each Benefit Plan that has been or is sponsored, participated in or contributed to by the Company: (i) is in compliance in all material respects with all reporting and disclosure requirements of ERISA, including, but not limited to, Part 1 of Subtitle B of Title I of ERISA, (ii) has had the appropriate Form 5500 filed timely for each year of its existence, if required, (iii) has at all times complied with the bonding requirements of Section 412 of ERISA, if required, and (iv) to the knowledge of Seller, has no controversy pending with any Governmental Entity (other than the payment of benefits in the normal course and controversies disclosed on Schedule 4.20, nor any controversy resolved adversely to the Company, which may subject the Company to the payment of any penalty, interest, tax or other obligation.

4.20.4 All voluntary employee benefit associations under United States law of the Company have been submitted to and approved as exempt from Federal income tax under Section 501 (c)(9) of the Code by the IRS.

4.20.5 Except as set forth in Schedule 4.20, the execution of this Agreement or the consummation of the transactions contemplated by this Agreement will not give rise to any, or trigger any, change of control, severance or other similar provision in any Benefit Plan.

4.20.6 Except as set forth in Schedule 4.20, the Company does not provide employee post-retirement medical or health coverage or contributes to or maintains any employee welfare benefit plan which provides for health benefit coverage following

termination of employment except as is required by Section 4980B(f) of the Code or other applicable statute, nor has it made any representations, agreements, covenants or commitments to provide that coverage.

4.20.7 Except as set forth in Schedule 4.20, to the best knowledge of Seller, none of the Company, any officer of the Company or any of the Benefit Plans which are subject to ERISA, including the Pension Plans, or any trusts created thereunder, or any trustee or administrator thereof, has engaged in a "prohibited transaction" (as such term is defined in Section 406, 407 or 408 of ERISA or Section 4975 of the Code) or any other breach of fiduciary responsibility that could subject the Company or Kobe or any officer of the Company or Kobe to any material tax or penalty on prohibited transactions imposed by such Section 4975 or to any material liability under Section 502(l)(1) of ERISA.

4.20.8 With respect to any Benefit Plan that is an employee welfare benefit plan, (i) no such Benefit Plan includes a welfare benefits fund, as such term is defined in Section 419(e) of the Code and (ii) each such Benefit Plan that is a group health plan, as such term is defined in Section 5000(b)(1) of the Code, complies in all material respects with the applicable requirements of Section 4980B(f) of the Code.

4.21 Taxes.

4.21.1 Except as set forth in Schedule 4.21, (i) all Tax Returns of or with respect to any Tax that are required to be filed on or before the Closing Date by or with respect to the Company or any affiliated group of corporations of which the Company was a member at any time during the five year period ending on the Closing Date (a "Seller Affiliated Group") have been or will be duly and timely filed, (ii) all items of income, gain, loss, deduction and credit or other items required to be included in each such Tax Return have been or will be so included and all information provided in each such Tax Return is true, correct and complete in all material respects, (iii) all Taxes which have become or will become due with respect to the period covered by each such Tax Return have been or will be timely paid in full, (iv) all withholding Tax requirements imposed on or with respect to the Company have been or will be satisfied in full, and (v) no penalty, interest or other charge is or will become due with respect to the late filing of any such Tax Return or late payment of any such Tax.

4.21.2 All Tax Returns of, or with respect to the Company or any Seller Affiliated Group have been audited by the applicable governmental authority, or the applicable statute of limitations has expired, for all periods up to and including the periods set forth in Schedule 4.21.

4.21.3 There is no claim against the Company or any Seller Affiliated Group for any Taxes, and no assessment, deficiency or adjustment has been asserted or proposed with respect to any Tax Return of or with respect to the Company or any Seller Affiliated

Group, other than those disclosed (and to which are attached true and complete copies of all audit or similar reports) in Schedule 4.21.

4.21.4 Except as set forth in Schedule 4.21, there is not in force any extension of time with respect to the due date for the filing of any Tax Return of or with respect to the Company or any Seller Affiliated Group or any waiver or agreement for any extension of time for the assessment or payment of any Tax of or with respect to the Company or any Seller Affiliated Group.

4.21.5 Schedule 4.21 contains a true and complete copy of each written Tax allocation or sharing agreement and a true and complete description of each unwritten Tax allocation or sharing arrangement with any Seller Affiliated Group affecting the Company. All such agreements shall be terminated prior to the Closing Date and no payments are due or will become due by the Company or any Subsidiary on or after the Closing Date pursuant to any such agreement or arrangement.

4.21.6 Except as set forth in Schedule 4.21, none of the property of the Company is held in an arrangement that could be classified as a partnership for Tax purposes, and the Company does not own any interest in any controlled foreign corporation (as defined in Section 957 of the Code), passive foreign investment company (as defined in Section 1296 of the Code) or other entity the income of which is required to be included in the income of the Company.

4.21.7 Except as set forth in Schedule 4.21, none of the property of the Company is subject to a safe-harbor lease (pursuant to Section 168(f)(8) of the Internal Revenue Code of 1954 as in effect after the Economic Recovery Tax Act of 1981 and before the Tax Reform Act of 1986) or is "tax-exempt use property" (within the meaning of Section 168(h) of the Code) or "tax-exempt bond financed property" (within the meaning of Section 168(g)(5) of the Code).

4.21.8 Except as set forth in Schedule 4.21, the Company will not be required to include any amount in income for any taxable period beginning the Closing Date as a result of a change in accounting method for any taxable period ending on or before the Closing Date or pursuant to any agreement with any Tax authority with respect to any such taxable period.

4.21.9 The Company has not consented to have the provisions of Section 341 (f)(2) of the Code apply with respect to a sale of its stock.

4.22 Effective Date of Representations and Warranties. All representations and warranties of Seller contained in this Agreement are and shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller as follows:

5.1 Organization of Purchaser. Purchaser is duly organized, validly existing and in good standing under the laws of the State of Delaware.

5.2 Authorization. Purchaser has full corporate power and authority to enter into this Agreement, to consummate the transactions contemplated hereby and to perform its obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Purchaser have been duly authorized by all requisite corporate action on the part of Purchaser. When this Agreement has been duly executed and delivered by Purchaser, it will be a valid and binding obligation of Purchaser enforceable against it in accordance with its terms.

5.3 No Conflict or Violation. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in (i) a violation of or a conflict with any provision of the Certificate of Incorporation or Bylaws of Purchaser, (ii) a breach of or a default under any term or provision of any contract, agreement, lease, commitment, license, franchise, permit, authorization or concession to which Purchaser is a party or an event which with notice, lapse of time, or both, would result in any such breach or default, or (iii) a violation by Purchaser of any statute, rule, regulation, ordinance, code, order, judgment, writ, injunction, decree, or award, or an event which with notice, lapse of time, or both, would result in any such violation, except, in each case, for violations, conflicts, breaches or defaults which in the aggregate would not materially hinder or impair the consummation of the transactions contemplated by this Agreement.

5.4 Consents and Approvals. To the best of Purchaser's knowledge and belief and except for the applicable requirements of the HSR Act and any matters set forth on Schedule 5.4 hereto, no other consent, approval, authorization, declaration, filing or registration with any Governmental Entity or any other person or entity is required to be made or obtained by Purchaser in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

5.5 No Broker's Fees. Purchaser represents and warrants that Purchaser has not taken any action which would give any third party a right to claim a broker's or finder's fee or commission in connection with the transactions contemplated herein, except for any such fee payable solely by Purchaser.

5.6 Effective Date of Representations and Warranties. All representations and warranties of Purchaser contained in this Agreement are and shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date.

ARTICLE VI
ACTIONS BY SELLER AND PURCHASER PRIOR TO THE CLOSING

Seller and Purchaser covenant as follows for the period from the date of this Agreement through the Closing Date:

6.1 Maintenance of Company. Except as described on Schedule 6.1 hereto or as otherwise agreed to in writing by Purchaser, Seller shall and shall cause the Company and Kobe to comply with the provisions set forth below :

6.1.1 The Company and Kobe shall conduct its business in the ordinary and usual course and in the manner heretofore conducted.

6.1.2 The Company and Kobe shall not, except in accordance with past practices, (i) grant or agree to grant any bonuses to any employee, (ii) grant any general increase in the rates of salaries or compensation of its or their employees or any specific increase to any employee, including executive officers of the Company, (iii) provide for any new pension, retirement or other employment benefits to any of its or their employees or any increase in any existing benefits or (iv) terminate or amend in any respect or provide for any material increase in benefits under any Benefit Plan.

6.1.3 Neither the Company nor Kobe shall amend its charter or by-laws or enter into any merger or consolidation agreement.

6.1.4 Neither the Company nor Kobe shall authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any capital stock of any class or any other securities or equity equivalents or amend any of the terms of any such securities or agreements.

6.1.5 Neither the Company nor Kobe shall sell, assign or dispose of any of the Company Assets, including the stock of the Subsidiaries, or incur or assume any liabilities or enter into any sale/leaseback or similar transaction, except for sales and dispositions of inventory made, or liabilities incurred, in the ordinary course of business consistent with past practices.

6.1.6 Consent to a sale of stock of BMW to any person or entity other than Purchaser or an affiliate of Purchaser.

6.1.7 Neither the Company nor Kobe shall assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for

the obligations of any other person or entity except in the ordinary and usual course of business consistent with past practice.

6.1.8 The Company shall not implement or adopt (i) any change in its accounting methods or principles or the application thereof (including depreciation lives) or (ii) any material change in their tax methods or principles or the application thereof (including depreciation lives).

6.1.9 Neither the Company nor Kobe shall (i) declare or pay any dividend on or make any other distribution in respect of any of its capital stock or other ownership interests, except as necessary with respect to Seller's retention of the Excluded Assets and Liabilities, (ii) split, combine or reclassify any of its capital stock or other ownership interests or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of, its capital stock or other ownership interests, (iii) purchase, redeem or otherwise acquire any shares of its capital stock or other ownership interests, (iv) advance or otherwise loan any funds to Seller or any affiliate of the Company or Seller other than the Company or Kobe or (v) take any preliminary action with respect to the foregoing.

6.2 Confidentiality and Noninterference. Before either party issues an initial press release disclosing this Agreement or the transactions proposed herein, the parties shall agree on the text of such press release before any public announcement or disclosure. Thereafter and until the Closing, the parties shall consult with each other concerning any subsequent public statements.

6.3 Access to Information. Upon Purchaser's request to a contact person identified by Seller, Seller shall provide to Purchaser, from time to time, reasonable information concerning the business, property, books and records of the Company. All information furnished to Purchaser and its representatives under this Section 6.3 shall be kept confidential by such persons in accordance with the Confidentiality Agreement dated August 6,1997, between the Purchaser and Seller, as amended from time to time (the "Confidentiality Agreement").

6.4 HSR Filing.

6.4.1 Purchaser and Seller (collectively, the "HSR Parties") shall make all premerger notification and report form filings required under the HSR Act with respect to the transactions contemplated hereby as promptly as reasonably possible following execution and delivery of this Agreement. Each of the HSR Parties agrees to use reasonable efforts to promptly respond to, and fully address, any formal or informal inquiry or request for information by a Governmental Entity regarding the transactions contemplated hereby. Each HSR Party will keep the other HSR Party apprised of the status of any inquiries made by any governmental agency or authority with respect to this Agreement or the transactions contemplated hereby.

6.4.2 Each of the HSR Parties will furnish one another copies of all correspondence, filings or communications (or memoranda setting forth the substance thereof (collectively, "HSR Documents")) between such HSR Party, or any of its respective representatives, on the one hand, and any Governmental Entity, or members of the staff of such agency or authority, on the other hand, with respect to this Agreement or the transactions contemplated hereby; provided, however, that (i) with respect to documents and other materials filed by or on behalf an HSR Party with the Antitrust Division of the Department of Justice, the Federal Trade Commission or any state attorneys general that are otherwise available for review by the other HSR Parties, copies will not be required to be so provided, (ii) the other HSR Parties may delete all revenue figures relating to any service not provided or any product not manufactured or sold by the other HSR Parties or any of their respective subsidiaries (according to such other HSR Party's HSR Documents) and (iii) with respect to any HSR Party's Documents (a) that contain any information which, in the reasonable judgment of such HSR Party's counsel, should not be furnished to such other HSR Party because of antitrust considerations or (b) relate to a request for additional information pursuant to Section (e)(1) of the HSR Act, the obligation of an HSR Party to furnish any such HSR Documents to the other HSR Party shall be satisfied by the delivery of such HSR Documents on a confidential basis to such other HSR Parties' counsel pursuant to an appropriate confidentiality agreement to be entered into by Fulbright & Jaworski L.L.P., on behalf of Purchaser, and Rogers and Wells on behalf of Seller.

6.4.3 Notwithstanding the foregoing provisions in this Section 6.4, nothing contained in this Agreement shall be construed so as to require any of the HSR Parties or any of their respective subsidiaries or affiliates to sell, license, dispose of or hold separate, or to operate in any specified manner, any of their respective assets or businesses (or to require any of the HSR Parties or any of their respective subsidiaries or affiliates to agree to any of the foregoing). The obligations of each HSR Party under this Section 6.4 to use reasonable efforts with respect to antitrust matters shall be limited to compliance with the reporting provisions of the HSR Act and with its obligations under this Section 6.4.

ARTICLE VII
CONDITIONS TO SELLER'S OBLIGATION

The obligations of Seller to consummate the transactions provided for herein are subject to the satisfaction of each of the following conditions on or before the Closing Date:

7.1 Representations True and Correct. The representations and warranties of Purchaser set forth in this Agreement shall be true and correct in all material respects at and as of the Closing Date.

7.2 Performance of Agreements. Purchaser shall have performed all agreements and covenants required hereby to be performed prior to or at the Closing Date.

7.3 Certificates. Purchaser will furnish Seller with such certificates of Purchaser's officers and others as may be reasonably requested by Seller to evidence compliance with the conditions set forth in this Article VII.

7.4 Governmental Approvals. The waiting period (and any extension thereof) under the HSR Act shall have expired or been terminated. No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits Seller from consummating the transactions contemplated hereby and no suit, action, investigation or other proceeding shall have been instituted or threatened seeking to restrain or prohibit Purchaser or Seller from consummating the transactions contemplated hereby.

7.5 Further Action. All consents, approvals, authorizations, exemptions and waivers set forth in Schedule 4.18 hereto shall been obtained and be effective and all other consents, approvals, authorizations, exceptions and waivers from third persons that shall be required in order to enable Seller to consummate the transactions contemplated hereby shall have been obtained.

7.6 Legal Opinion. Seller shall have been furnished an opinion of Fulbright & Jaworski L.L.P., counsel to Purchaser, that (i) this Agreement and the transactions contemplated hereby have been authorized by all necessary corporate action on the part of Purchaser, and (ii) this Agreement is a valid and binding obligation of the Purchaser.

ARTICLE VIII
CONDITIONS TO PURCHASER'S OBLIGATIONS

The obligations of Purchaser to consummate the transactions provided for herein are subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions:

8.1 Representations True and Correct. The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects at and as of the Closing Date.

8.2 Performance of Agreements. Seller shall have performed all agreements and covenants required hereby to be performed prior to or at the Closing Date.

8.3 Certificates. Seller shall furnish Purchaser with such certificates of Seller's officers and others as may be reasonably requested by Purchaser to evidence compliance with the conditions set forth in this Article VIII.

8.4 Governmental Approvals. The waiting period (and any extension thereof) under the HSR Act shall have expired or been terminated. No statute, rule or regulation or order of any court or administrative agency shall be in effect which prohibits the Purchaser from consummating the transactions contemplated hereby and no suit, action, investigation or other proceeding shall have been instituted or threatened seeking to restrain or prohibit Purchaser or Seller from consummating the transactions contemplated hereby.

8.5 Further Action. All consents, approvals, authorizations, exemptions and waivers set forth in Schedule 5.4 hereto shall been obtained and be effective and all other consents, approvals, authorizations, exceptions and waivers from third persons that shall be required in order to enable Purchaser to consummate the transactions contemplated hereby shall have been obtained.

8.6 Legal Opinion. The Purchaser shall have been furnished an opinion of G. Glen Morie, Vice President and General Counsel of Seller, that (i) this Agreement and the transactions contemplated hereby have been authorized by all necessary action on the part of the Seller, (ii) this Agreement is valid and enforceable according to its terms, subject to rules of general application concerning equitable principles and debtor's rights, and (iii) all of the outstanding shares of Company Stock have been duly authorized and validly issued and are fully paid and nonassessable and free and clear of any Encumbrances.

ARTICLE IX
ACTIONS BY SELLER AND PURCHASER AFTER THE CLOSING

9.1 Transfer of Excluded Assets and Liabilities. Purchaser shall cause Company to take whatever actions are necessary or useful to transfer to Seller any portion of the Excluded Assets and Liabilities which may be in or come into Company's possession at any time after the Closing.

9.2 Books and Records. Seller and Purchaser agree that so long as any books, records and files retained by either party relating to the Company's business and the Company Assets for any period prior to the Closing are available, each party (at its expense) shall have the right to inspect and to make copies at any time during business hours for any proper purpose. Neither of the parties hereto will destroy any of such books, records and files without first having offered to deliver such books and records to the other party. Each party agrees that it will cooperate with and make available to the other party during normal business hours any books, records, information and employees necessary and useful in connection with (i) any tax inquiry, audit, investigation or dispute, (ii) any litigation or investigation, (iii) any environmental investigation or proceeding, or (iv) any other reasonable business purpose requiring access to such books, records, information or employees. The party requesting any such books, records, information or employees shall bear all of the out-of-pocket costs and expenses (including without limitation attorney's fees, but excluding reimbursement for salaries and employee benefits) reasonably incurred in connection with providing such books, records, information or employees.

9.3 Employee Matters. Except for the Employees listed on Schedule 9.3 attached hereto, Seller shall not employ or offer employment to any of the Employees for a period of one year after the Closing Date, without the prior written consent of Purchaser. Any employee who receives an offer from Seller as permitted herein may decide to continue his employment with Company or to accept the offer from Seller. Any Employee who leaves their assets in the PACCAR Savings Investment Plan until January 1, 1998 will receive the matching contribution from PACCAR for their contributions made during 1997 while a member of the Plan.

9.4 Environmental Remediation. Seller will remediate any contamination of the soil or groundwater listed in Schedule 4.17 to the level necessary to satisfy applicable mandatory federal, state and local requirements. All such remediation efforts shall be conducted by Seller at Seller's expense and in a reasonable time period after the Closing, taking into account the cost, urgency and effectiveness of the remediation efforts and inconvenience to the Company's operations at such location. Purchaser will cooperate with Seller and allow Seller access to any affected property in order to remediate any such contamination. Seller shall be responsible for any fines or penalties imposed because of the contamination listed on Schedule 4.17 or related to the remediation thereof by Seller.

9.5 Survival of Representations and Warranties. The several representations and warranties of the parties to this Agreement shall survive the Closing Date and shall remain in full force and effect for a period of 6 months following the Closing Date (the "Survival Period"), except that the representations and warranties set forth in Sections 4.1, 4.2, 4.3, 4.5, 4.6, 4.19, 5.1, 5.2 and 5.5 shall survive the Closing Date without limitation. Any claim for a breach of a representation or warranty must be made by the delivery to the breaching party of a written notice providing specific details of the alleged breach within the Survival Period. Any claim for breach of a representation or warranty made during the Survival Period shall be timely, notwithstanding such claim may not be resolved within the Survival Period. All representations and warranties made by the parties shall not be affected by any investigation heretofore or hereafter made by or on behalf of any party, except for matters specifically disclosed in one of the Schedules to this Agreement or to the extent taken into account in determining the "Net Assets" on the Final Statement of Net Assets.

9.6 Survival of Covenants and Agreements. All covenants and agreements contained herein shall survive the Closing without limitation; provided, however, that such survival shall not operate to expand the indemnification obligations set forth in Section 9.8.

9.7 Breach of Representations and Warranties by Seller. Subject to the Survival Period limitation contained in Section 9.5 and the Threshold Requirement of Section 9.9, in the event any representation or warranty made by Seller herein in connection with the following matters shall be proved to be incorrect when made, Purchaser's sole remedy shall be as follows:

9.7.1 If the representation or warranty related to any of the Company Assets, Purchaser's sole remedy shall be to have the Purchase Price adjusted as set forth in this

Section 9.7.1. No adjustment shall be made under this section for any change or alleged change in the value of any specific Company Assets. The adjustment shall be determined by reference to the amount (if any) by which the "Net Assets" as shown on the Final Statement of Net Assets exceeds the amount which would have been shown as "Net Assets" on the Final Statement of Net Assets, if it had been prepared according to Section 3.3 based on the true facts and not in reliance on the incorrect representation or warranty; provided that, if Company does not own the shares of stock of BMW on the Closing Date free and clear of all Encumbrances (except for agreements with the other shareholders of BMW), such shares shall be valued at Fifteen Million U.S. Dollars ($15,000,000) for the purposes of the adjustment to the Purchase Price.

9.7.2 If the representation or warranty related to the environmental condition of the Real Property under Section 4.17, Purchaser's sole remedy shall be to have Seller remediate such contamination to the level necessary to satisfy applicable mandatory federal, state and local requirements. All remediation efforts shall be conducted by Seller at Seller's expense and in a reasonable time period, taking into account the cost, urgency and effectiveness of the remediation efforts and inconvenience to the Company's operations at such location. Purchaser will cooperate with Seller and allow Seller access to any affected property in order to remediate any such contamination. Seller shall be responsible for any fines or penalties imposed because of such contamination or related to the remediation thereof by Seller.

9.8 Indemnification.

9.8.1 By Seller. Except as otherwise provided in Section 9.7 hereof, and subject to the Survival Period limitation contained in Section 9.5 and the Threshold Requirement of Section 9.9, Seller shall indemnify, defend and hold harmless Purchaser, its affiliates and subsidiaries, and its and their respective employees, representatives, officers, directors and agents from and against any and all Damages (whether or not arising out of third-party claims) incurred in connection with or arising out of or resulting from or incident to:

(i) any breach of any of Seller's representations, warranties or obligations under this Agreement; or

(ii) any Excluded Assets and Liabilities.

9.8.2 By Purchaser or Company. Purchaser shall (or shall cause Company to) indemnify, defend and hold harmless Seller, its affiliates and subsidiaries, and its and their respective employees, representatives, officers, directors and agents from and against any and all Damages (whether or not arising out of third-party claims) incurred in connection with or arising out of or resulting from or incident to:

(i) any breach of any of Purchaser's representations, warranties or obligations under this Agreement;

(ii) any Assumed Liability; or

(iii) any obligation, liability, claim or cause of action arising from or relating to the Company or its business, unless such obligation, liability, claim or cause of action arises from or relates to (i) the Excluded Assets and Liabilities, (ii) Seller's obligations under Sections 9.4 and 9.7.2 hereof, or (iii) a breach of Seller's representations, warranties or obligations which Seller is obligated to indemnify Purchaser for under Section 9.8.1 of this Agreement.

9.8.3 Defense of Claims. If any lawsuit or enforcement action is filed against any party entitled to the benefit of indemnity hereunder, written notice thereof shall be given to the indemnifying party as promptly as practicable (and in any event within fifteen (15) days after the service of the citation or summons); provided that the failure of any indemnified party to give timely notice shall not affect the right to indemnification hereunder except to the extent that the indemnifying party demonstrates actual prejudice caused by such failure. After such notice, the indemnifying party shall take control of the defense and investigation of such lawsuit or action and any appeal arising therefrom and shall pay any resulting judgment or settlement, all at its sole cost and expense; provided, however, that the indemnified party, at its own cost, may participate in such investigation, trial and defense of such lawsuit or action and any appeal arising therefrom without affecting the indemnifying party's obligations hereunder. If the indemnifying party fails to provide a defense to such suit or action, the indemnified party may defend itself and compromise or settle the lawsuit or action on any commercially reasonable basis, at the full risk and expense of the indemnifying party.

9.9 Materiality and Threshold Requirement.

9.9.1 There shall be no adjustment to the Purchase Price under Section 9.7.1 or indemnification under Section 9.8.1 for a breach of any representation or warranty, except only the representations and warranties in Sections 4.3, 4.5 and 4.6 hereof, unless and until the Damages for all breaches of representations and warranties by Seller exceed $1,000,000 in the aggregate (the "Threshold Requirement"), and once all such Damages exceed the Threshold Requirement, Seller shall be obligated only for Damages for such breaches of representations and warranties in the aggregate in excess of the Threshold Requirement. The Threshold Requirement shall not apply to indemnification for breaches of the representations and warranties under Sections 4.3, 4.5 and 4.6 hereof or to indemnification claims under Section 9.8.1(i) for breaches of obligations under this Agreement or under Section 9.8.1(ii), which indemnification shall be without limitation.

9.9.2 For purposes of determining the right of a party to make a claim for an adjustment to the Purchase Price under Section 9.7.1 or for indemnification for a breach

of representation or warranty under Section 9.8.1, all representations and warranties that have been made subject to a materiality or dollar qualification (including any Material Adverse Effect) shall be deemed to have been made without that qualification; it being understood and agreed that the Threshold Requirement provided for under Section 9.9.1 is intended to be the only materiality qualification for such matters for purposes of indemnification.

9.10 Waiver of Contribution.

9.10.1 Seller acknowledges and agrees that it shall not seek or receive indemnification or contribution from the Company, Kobe or BMW with respect to any claim for indemnification properly made against Seller under Section 9.8.1.

9.10.2 Purchaser (on its own behalf and on behalf of the Company) acknowledges and agrees that it shall not seek or receive indemnification or contribution from Seller with respect to any claim for indemnification properly made against Purchaser (or the Company) under Section 9.8.2.

9.11 **EXPRESS NEGLIGENCE. THE INDEMNIFICATIONS TO BE PROVIDED UNDER SECTION 9.8 SHALL APPLY NOTWITHSTANDING THAT ANY MATTER FOR WHICH INDEMNIFICATION IS TO BE PROVIDED MAY RELATE TO THE ORDINARY SOLE OR CONTRIBUTORY NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR VIOLATION OF LAW BY THE INDEMNITEE, INCLUDING ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, AND FOR LIABILITIES BASED ON THEORIES OF STRICT LIABILITY, AND SHALL BE APPLICABLE WHETHER OR NOT NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE IS ALLEGED OR PROVEN. IT IS THE INTENTION OF THE PARTIES TO ALLOCATE THE RISKS AND OBLIGATIONS AS SET FORTH IN THIS AGREEMENT AND TO INDEMNIFY ANY SUCH INDEMNITEE FROM AND AGAINST ITS ORDINARY SOLE AND CONTRIBUTORY NEGLIGENCE AND GROSS NEGLIGENCE, AS WELL AS FOR LIABILITIES BASED ON THE WILLFUL ACTIONS OR OMISSIONS OF THE INDEMNIFIED PARTY AND LIABILITIES BASED ON THEORIES OF STRICT LIABILITY.**

9.12 Release. As of the Closing Date, except for the provisions of this Agreement and for matters set forth on Schedule 9.12 hereto, Seller does hereby for itself and its successors and assigns release and forever discharge Purchaser, the Company and their respective affiliates, successors and assigns, from any and all claims, causes of action, liabilities and obligations of every nature whatsoever, liquidated or unliquidated, known or unknown, matured or unmatured, fixed or contingent, that Seller or its affiliates now has, owns or holds or has at any time previously had, owned or held against such parties, including without limitation all liabilities created as a result of the negligence, gross negligence and willful acts of the Company and its respective employees and agents, or under a theory of strict liability, existing as of the Closing Date or relating to any action,

omission or event occurring on or prior to the Closing Date.

9.13 Transition Period.

9.13.1 During a transition period lasting through March 31, 1998, Seller will provide any administrative services, including without limitation fixed asset management, payroll and benefits, worker's compensation, computing services, and credit, tax and legal services, reasonably requested by Purchaser, at charges not to exceed the fair market value of such services. Purchaser shall reimburse Seller for all costs and expenses incurred and indemnify Seller from any claims and causes of action which may arise in connection with the services to be provided under this section.

9.13.2 Seller, if requested by Purchaser, shall cooperate and assist in preparing such audited financial statements of the Company that Purchaser may reasonably require in order to permit Purchaser to timely file a Current Report on Form 8-K with the Securities and Exchange Commission in accordance with the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder in connection with the transactions contemplated hereby and to comply with any financial statement requirements with respect to the Company applicable to Purchaser under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder. The cost of such audit shall be borne by Purchaser. Seller will cooperate with and assist Purchaser in preparing such other audited financial statements for the Company as may be specified by Purchaser. In addition, the Seller will provide federal tax information to Purchaser as necessary for Purchaser to prepare the first federal income tax return of the Company due after the Closing.

9.14 Letters of Credit. Seller has established various LC's listed in Schedule 1.13.7 for the benefit of the Company or the benefit of Seller and its affiliates (including the Company) in connection with the Greenville Industrial Revenue Bond ("IRB") and workers' compensation programs. Seller will terminate these LC's (or terminate coverage of the Company under such LC's) effective the Closing Date. Purchaser understands and agrees that it will replace these LC's or make other arrangements in order to comply with the requirements of the IRB and these other programs. Purchaser will indemnify Seller from and costs and expenses Seller incurs after the Closing in connection with these matters, until Purchaser has established replacement programs.

9.15 Covenants Not to Compete. Seller agrees that, for a period of two (2) years following the Closing Date, Seller and its affiliates shall not directly or indirectly manufacture or distribute anywhere in the world any products that compete with products presently manufactured or distributed by Company, but this restriction shall not apply to any Seller's Components. The parties acknowledge and agree that any breach of this Section 9.15 will result in irreparable harm to Purchaser and that a remedy at law will be inadequate. Purchaser shall, in addition to any other remedy that may be available to it, be entitled to specific performance and injunctive and other equitable relief in case of any such breach or attempted breach. The parties acknowledge that this covenant not to compete are being provided as an inducement to Purchaser

to engage in the transactions set forth herein and that this Section 9.15 contains reasonable limitations as to time, geographical area and scope of activity to be restrained that do not impose a greater restraint than is necessary to protect the goodwill or other business interest of Purchaser. In the event that the provisions of this Section 9.15 should ever be deemed to exceed the time or geographic limitations permitted by applicable laws, then such provision shall be reformed to the maximum time or geographic limitations permitted by applicable law.

9.16 Tax Basis. Within 3 months of the Closing, Seller will provide to Purchaser information as to the tax basis for federal income tax purposes of all Company Assets and liabilities as of the date of the Final Statement of Net Assets. If the tax basis information provided by Seller differs from the basis information used to calculate deferred taxes for purposes of the Final Statement of Net Assets and such difference would result in a lower net deferred tax asset or in a higher net deferred tax liability, then the difference, multiplied by 0.37 (37%), will be considered as if it were Damages caused by a breach of a representation or warranty made by Seller herein.

9.17 Taxes. All sales, use, excise, or other transfer taxes, if any, which are imposed on the transfer of the Company Stock or are imposed on the Company because of the transfer of the Company Stock as set forth herein shall be paid by the Purchaser, except for any taxes imposed by the State of Washington which shall be paid by Seller.

9.18 Further Assurances and Cooperation. On and after the Closing Date, Seller and Purchaser will take all appropriate actions and execute any documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out or to assist the other party to carry out any of its or their obligations under the provisions of this Agreement.

ARTICLE X
MISCELLANEOUS

10.1 Termination. If any condition precedent to Seller's obligations hereunder is not satisfied and such condition is not waived by Seller at or prior to the Closing Date, or if any condition precedent to Purchaser's obligations hereunder is not satisfied and such condition is not waived by Purchaser at or prior to the Closing Date, Seller or Purchaser, as the case may be, may terminate this Agreement at its option by notice to the other party, unless the party intending to give such notice is in default under its obligations hereunder. If the approval conditions under Sections 7.4 and 8.4 hereof have not been satisfied by December 31, 1997, either party may terminate this Agreement by giving 5 days written notice to the other party, and this Agreement shall automatically terminate at the end of the notice period unless the conditions have been satisfied by then. In the event of the termination of this Agreement by either party as above provided, neither party shall have any liability hereunder of any nature whatsoever (other than pursuant to Sections 6.2 and 10.2 hereof) to the other party. In the event that a condition precedent to its obligations is not satisfied, nothing contained herein shall be deemed to require any party to terminate this Agreement, rather than to waive such condition precedent and proceed

with the Closing.

10.2 Confidential Information. In connection with the negotiation of this Agreement and the preparation for the consummation of the transactions contemplated herein, each party has had access to confidential information relating to the other party. Each party agrees to restrict such information (including knowledge of this Agreement and the transactions contemplated herein) to those and only those employees, attorneys, accountants, advisors and consultants who need to know such information. Each party shall treat all such information as confidential, shall preserve the confidentiality thereof and shall not duplicate or use such information except in connection with the transactions contemplated hereby. In the event of the termination of this Agreement for any reason whatsoever, each party shall return to the other all documents, work papers and other material (including all copies thereof) obtained in connection with the transactions contemplated hereby and will use all reasonable efforts, including instructing its employees who have had access to such information, to keep confidential and not to use any such information, unless such information is now or is hereafter disclosed, through no act or omission of such party, in any manner making it available to the general public.

10.3 Assignment. Neither this Agreement nor any of the rights and obligations hereunder may be assigned by either party without the prior written consent of the other. The foregoing notwithstanding, the Purchaser may assign all of its rights under this Agreement after the Closing, but such assignment shall not release Purchaser from its obligations under this Agreement.

10.4 Notices. Unless otherwise provided herein, any notice, request, instruction or other document to be given hereunder by either party to the others shall be in writing and delivered personally, by facsimile (with confirmed transmission status) or mailed by certified mail, postage prepaid, return receipt requested (such mailed notice to be effective on the date such receipt is acknowledged), as follows:

If to Seller, addressed to:
PACCAR Inc
P.O. Box 1518
Bellevue, WA 98009
Attention: Richard P. Fox, Senior Vice President
Facsimile: (425) 455-7464, until 10/20/97; (425) 468-8230 thereafter
Telephone: (425) 453-5936, until 10/20/97; (425) 468-7999 thereafter

With copies to:
PACCAR Inc
P.O. Box 1518
Bellevue, WA 98009
Attention: G. Glen Morie, Vice President and General Counsel
Facsimile: (425) 455-7421, until 10/20/97; (425) 468-8228 thereafter
Telephone: (425) 453-7499, until 10/20/97; (425) 468-7499 thereafter

If to Purchaser, addressed to:

EVI, Inc.
5 Post Oak Park, Suite 1760
Houston, Texas 77027
Attention: James G. Kiley
Facsimile: (713) 297-8488
Telephone: (713) 297-8400

With copies to:

Fulbright & Jaworski L.L.P.
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
Attention: Curtis W. Huff
Facsimile: (713) 651-5246
Telephone: (713) 651-5151

or such other place and with such other copies as any party may designate by written notice to the others.

10.5 Choice of Law and Interpretation. This Agreement shall be construed and interpreted and the rights of the parties determined in accordance with the laws of the State of Washington. Both parties acknowledge that this Agreement has been negotiated and prepared with the participation of legal counsel for both parties, and they agree that the Agreement shall be interpreted and construed without reference to either party as being the author or preparer of the Agreement.

10.6 Entire Agreement; Amendments and Waivers. This Agreement, together with all Exhibits and Schedules hereto, constitutes the entire Agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof, and the waiver of any default shall not be deemed to be a waiver of any other or subsequent default.

10.7 Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.8 Expenses. Each party hereto shall pay its own expenses incident to this Agreement and to any action taken by such party in performing its obligations under this Agreement.

10.9 Invalidity. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any provision of this Agreement shall be prohibited by or invalid, illegal or unenforceable under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, illegality or unenforceability without affecting the remaining provisions of this Agreement. If any provision of this Agreement shall, for any reason, be judged by any court of competent jurisdiction to be invalid or unenforceable, such judgment shall not affect, impair or invalidate the other provisions of this Agreement, but shall be confined in its operation to the provision directly involved in the controversy in which such judgment shall have been rendered.

10.10 Headings. The headings of the Articles and Sections are not intended to be a part of this Agreement.

10.11 Resolution of Disputes. In the event of any dispute concerning this Agreement, the parties shall attempt in good faith to settle the dispute among themselves, and if this is not successful, they shall seek alternative methods to resolve the dispute in a cost effective manner before commencing litigation.

10.12 Legal Fees. In the event of any arbitration or litigation concerning the enforcement of this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers, thereunto duly authorized, in multiple originals, all as of the day and year first above written.

SELLER: PACCAR Inc

By: _____

Title: Senior V.P.

PURCHASER: EVI, Inc.

By: _____

Title: Vice President

LIST OF SCHEDULES

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1.7.5	Contracts with Obligations in Excess of $50,000
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1.19	Items Excluded from Adjustment of Net Assets
1.20(a)	Statement of Net Assets
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4.12	Exceptions to Patents, Trademarks, Etc. Representations
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4.15	Exceptions to Licenses, Permits and Authorizations Representations
4.16	Exceptions to Compliance Representations
4.17	Environmental Disclosures
4.18	Seller's Required Consents and Approvals
4.20	Pension and Benefit Plans
4.21	Taxes and Tax Returns
5.4	Purchaser's Required Consents and Approvals
6.1	Exceptions to Ordinary Course Transactions
9.3	Employees to Whom Seller May Make Offer of Employment
9.12	Company Obligations to Seller to Survive Closing

Schedule 1.7.1

Real Property

A. Owned Property

1. 11357 Loving Hwy., Artesia, NM
2. 6325 Trico Lane, Greenville, TX
3. 1020 Fennell St., Houston, TX
4. 3356 Lime Ave., Long Beach, CA
5. 3310 W. Loop 338, Odessa, TX
6. 2503 Hunter Rd., San Marcos, TX
7. 205 E. 8th, Smackover, AR

B. Leased Property

1. 1909 W. 48th, Anchorage, AK
2. 901 S. Main St., Andrews, TX
3. 618 Tillery, Austin, TX
4. 4501 District Blvd., Bakersfield, CA
5. 3406 East FM 700, Big Spring, TX
6. 804 South 12th, Broken Arrow, OK
7. 1818 N. Justin Morgan Road, Casper, WY
8. Highway 45 North, Citronelle, AL
9. 2798 5th Ave. W., Dickinson, ND
10. 2803 Inland St., Farmington, NM
11. 4825 Old Airport Rd., Giddings, TX
12. 3307 E. 2nd St., Gillette, WY
13. 1237 N. Main, Grayville, IL
14. Mini Warehouse in Greenville, TX
15. South Highway 76, Healdton, OK
16. Highway 81 South, Hennessey, OK
17. 1802 W. Marland, Hobbs, NM
18. 333 N. Belt. #870, Houston, TX
19. Storage space in Keene, ND
20. 2704. Highway 42, Kilgore, TX
21. 3724 Pinhook Rd., Broussard, LA
22. 2932 Industrial Drive, Laurel, MS
23. 201 S.E. 3rd St., Lindsay, OK
24. 202 E. Fannin St., Luling, TX
25. 101 N. Main St., Medicine Lake, MT
26. 731 W. Wadley, Suite 220, Midland, TX
27. 1900 S.E. 25th, Oklahoma City, OK
28. 846 Road 7 ½, Powell, WY

29. 603 S. Reed, Robinson, IL
30. 1557 South 2000 West, Roosevelt, UT
31. Highway 16 South, Sidney, MT
32. 1001 S. Slaughter, Sundown, TX
33. 302 Second St. S.E., Tioga, ND
34. 296 Westside Drive, Vidalia, LA
35. Frontier Road & Pioneer Drive, Watford City, ND
36. 6013 Jacksboro Hwy, Wichita Falls, TX
37. 477 Amazones Ave., #813 Amazon River Bldg., Quito, Ecuador
38. 477 Amazones Ave., #815 Amazon River Bldg., Quito, Ecuador
39. 12th Floor, Wisma Metropolitan Jl. Jend. Sudirman-KAV 29 Jakarta, Indonesia
40. Apartment space in Jakarta, Indonesia

Schedule 1.7.11

Shares of Stock in Subsidiaries

1. 30 shares of Class A Common Stock of BMW Monarch (Lloydminster) Ltd., representing 30% of the issued and outstanding shares.

2. 995 shares in stock of Kobe International Ltd., representing 99.5% of the issued and outstanding shares.

Schedule 1.13.1

Excluded Real Property

1. 21, 43, 49 & 57 Holley Avenue, Bradford, PA 16701
2. 15707 South Main Street, Gardena, CA 90247
3. 10702 Painter Avenue, Santa Fe Springs, CA 90670
4. 1206 West 196th Street, Torrance, CA 90502
5. 3040 East Slauson Avenue, Huntington Park, CA 90255
6. 1250 North Olive Street, Ventura, CA 93001
7. 3212 & 3218 Kermit Highway, Odessa, TX 79764

Schedule 1.13.3(a)

Excluded Bank and Trust Accounts

1. Seafirst Bank Account No. 67144311
2. Seafirst Bank Account No. 67392118
3. First Union National Account No. 207-998-521-4186
4. Bank of America Account No. 1233-054124
5. Bank of America Account No. 1233-354132
6. Trust Account with Aeltus Investment Management, Inc. for B&W Plan
7. Frank Russell Trust Company Trust Account No. 156352 for Huntington Park Certain Employees Money Purchase Pension Plan

Schedule 1.13.3(b)

Excluded Cash

1. Texas Commerce Bank Account No. 001-01764802
2. NationsBank Account No. 514-005267-0
3. Bank of America Account No. 1233-454127
4. Bank of America Account No. 1233-854125
5. Banco Internacional Account No. 650000200

Schedule 1.13.7

Excluded Letters of Credit

1. A letter of credit with ABN Amro supporting the Greenville Industrial Revenue Bond.

2. A letter of credit with ABN Amro required under California law for employers with self-insuring worker's compensation insurance.

Schedule 1.13.9

Excluded Stock in Subsidiaries

1,221,815 shares of common stock of Wood Group ESP, Inc., representing 21% of the issued and outstanding shares, and any proceeds from the sale or assignment of such shares.

Schedule 1.13.11

Excluded Company and Seller Benefit Plans

1. Profit Sharing Plan for Nonbargaining Employees of B&W, a division of Trico Industries, Inc.
2. Huntington Park Certain Employees Money Purchase Plan and Trust.
3. Trico Industries, Inc. Employee Stock Ownership Plan.
4. PACCAR Savings Investment Plan
5. PACCAR Computer Purchase Plan
6. PACCAR Employee Stock Purchase Plan
7. Paul Pigott Scholarship Foundation
8. PACCAR Foundation Educational Matching Gifts
9. PACCAR Business Travel Accident Plan
10. PACCAR Inc Long Term Incentive Plan
11. Life Insurance Plan
12. Accidental Death & Dismemberment Plan
13. Long-Term Disability Plan

Schedule 1.13.12

Seller's Components

Stabilizer Bars and any related components for Kenworth proprietary suspensions.

Schedule 1.13.14

Litigation

1. Jerry Wyrick v. Trico – a driver injured when bands securing load being unloaded by Trico broke and fell on him (Harris County District Court, Texas).

2. Oilwell Hydraulics, Inc. v. Trico – a Trico competitor claiming that Trico made false allegations about it to a customer, Petroecuador, in Ecuador and is engaging in anti-competitive conduct to exclude it from Ecuadorian market, and also alleging tortious interference, defamation, and violations of the Lanham Act, the Sherman Act, and the Clayton Act (U.S. District Court in Houston, Texas).

3. Aguirre v. Trico – a toxic tort action against 35 companies, including Trico (U.S. District Court in Los Angeles, CA).

4. Eduardo Santos v. Kobe International, Inc. – a former attorney for Kobe suing for $500,000, alleging that he is entitled to more compensation and claiming that Kobe's success in Ecuador was due to his services (court in Ecuador).

5. Possible claim by Donald Smith, who allegedly injured his back from slipping on some oil spilled by a Trico shipper.

Schedule 1.19

Items Excluded From Adjustment of Net Assets

1. LIFO Reserve
2. Defined Benefit Plan
3. Special Award Benefit Plan
4. Retiree Medical Benefit Plan
5. Intangible assets listed in Sections 1.7.6, 1.7.7, and 1.7.15
6. The carrying value of the Company's investment in BMW
7. The Contingent Reserve on Schedule 1.20(b) shall not be reduced
8. Translation Adjustments
9. Purchase price adjustments of any assets acquired by the Company or Kobe
10. The carrying value of any investments or securities to reflect the current market value thereof
11. Any increase or decrease in equity as a result of changes in accounting principles

Schedule 1.7.5

Contracts with Obligations in Excess of $50,000

1. License Agreement between Harold H. Palmour and Trico, dated February 1, 1997, licensing patent "Reciprocating Rod Pump Seal Assembly" to Trico.

2. Loan Agreement between Hunt County Industrial Development Corporation and Trico, dated October 1, 1987.

3. International Sales Backlog as of August 31, 1997:

Trico Order No.	Customer Name	Balance
22078	N.V. Turkse Perenco	$ 64,882
22192	Halliburton Ene.	$ 117,382
22253	Petroecuador	$ 227,070
22254	O.G.D.C.	$1,481,467
22265	N.V. Turkse Perenco	$ 160,540
21974	PT DSDP/PT Caltex	$ 129,559
22013	PT DSDP/PT Caltex	$ 50,252
22062	PT DSDP/ASAMER	$ 145,921
22068	PT DSDP/PT Caltex	$ 53,193
22104	Ecopetrol-Emp	$ 84,033
22128	PT DSDP/PT Caltex	$ 80,189
22129	Riyam Engineering	$ 156,556
22161	East West Tech	$ 352,140
22202	PT DSDP/ASAMER	$ 169,740
22217	PT DSDP/PT Caltex	$ 80,189
22245	PT DSDP/PT Caltex	$ 71,546
21886	Kobe International	$ 60,002
21906	Kobe International	$ 83,604
22162	Kobe International	$ 317,738
22218	Kobe International	$ 166,730

4. Quotes to Customers as of August 31, 1997:

Quote No.	Customer Name	Price
0797-612	Flow Control Equipment	$ 383,010
0897-632	National-Oilwell	$ 80,254
0897-608	Kazakstan	$ 292,856
0597-581	Petroecuador	$ 227,070
0897-901	Kobe International	$ 166,730
0897-645	Gulf Resources (Ramba)	$ 335,250
0897-554	Pakistan Oilfield, Ltd.	$ 150,133
0897-628	Gulf Resources (Ramba)	$ 123,801

0897-652	Boen International	$ 105,109
0897-616	PT DSDP/PT Caltex	$ 80,189
0897-629	PT DSDP/PT Caltex	$ 71,546
0897-651	Boen International	$ 71.071
0597-529	O.G.D.C.	$1,220,844
0897-649	Riyam Engineering	$ 154,877
0897-635	Midco Deutschland	$ 94,179
0897-634	Midco Deutschland	$ 74,608
0897-511	N.V. Turkse Perenco	$ 231,217

5. Open Orders With Vendors as of August 31, 1997:

Vendors	Open Order Amount
Foote-Jones Gears	$ 49,478
Honetreat Company	$353,354
National Oilwell	$330,676
OMG Americas	$296,280
Earle M. Jorgensen	$274,083
Federal Carbide	$145,774
Olin Brass	$130,485
A-1 Carbide	$ 71,905
Oilfield Equipment	$ 71,563
Alloy Ball & Seat	$ 57,393
California Drop Forge	$ 53,790
Dura Tech	$ 53,099
Charparral Steel Co.	$723,865
Briggs-Weaver, Inc.	$ 58,816
Reed Rolled Thread Die Co.	$ 55,944

Schedule 1.7.6

Patents and Trademarks

1. "BMW Monarch" – refer to Shareholder Agreement among Trico, Makelki, Christie, White, and BMW Monarch (Lloydminster) Ltd., dated December 31, 1982.

2. License Agreement between Harold H. Palmour and Trico, dated February 1, 1997, licensing patent "Reciprocating Rod Pump Seal Assembly" to Trico.

3. Summary of patents and patent applications:

Country	Description	Registered Dated
USA 4260658	Erosion Resistant Surface	04/07/81
USA 4304410	Sealing Structure Reciprocating Pistons	12/08/81
USA 4292011	Turbo Pump Gas Compressor	09/29/81
USA 4273509	Self Powered Cleaning Unit	06/16/81
USA 4227865	Constant Fluid Film Thickness	10/14/80
USA 4253524	High Flow Check Valve Apparatus	03/03/81
USA 4259041	High Flow Standing Valve	03/31/81
USA 4280662	Erosion Resistant Jet Pump	07/28/81
USA 4297087	Apparatus for Pumping Fluid from Well	10/27/81
USA 4297088	Pump Assembly Comprising Gas Spring Means	10/27/81
USA 4310288	Method Apparatus/ Improving Erosion Resistance	01/12/82
USA 4381175	Jet Electric Pump	04/26/83
USA 4285401	Electric Hydraulic Powered Thermal Stimulation	08/25/81
USA 4269872	Method of Producing Erosion Resistant Surface	05/26/81
USA 4323285	Dual Thrust Bearing for a Shaft	04/06/82
USA 5,064,355	Multiple Engine Deep Well Pump	11/12/91
USA 5,209,651	Multiple Engine Deep Well Pump	05/11/93

USA 5,509,482	Perforation Trigger Bypass Assembly and Method	04/23/96
USA 5,667,364	Downhole Hydraulic Pump Apparatus Having a "Free" Jet Pump and Safety Valve Assembly and Method	09/06/97
USA 080/308,600	"Free" Coil Tubing Downhole Jet Pump Apparatus and Method	Pending
USA 08/568,458	"Free" Coil Tubing Downhole Jet Pump Apparatus and Method (Continuation of 308,600)	Pending
PCT US95/11928 Great Britain	Free Coil Tubing Downhole Jet Pump Apparatus and Method	Pending
EPC 95933162.0 Argentina	Free Coil Tubing Downhole Jet Pump Apparatus and Method	Pending

4. Summary of trademarks:

Trademark	Country	App./Reg. No.	Renewal Date
FreePump	Japan	580723 (Reg.)	10/02/01
Kob	Germany	801522 (Reg.)	04/06/01
Kobe and Design	Argentina	1.068.455 (Reg.)	01/02/94
Kobe and Design	Bolivia	C-57708 (Reg.)	12/01/04
Kobe and Design	Canada	124,192 (Reg.)	11/03/06
Kobe and Design	Colombia	47286 (Reg.)	10/23/00
Kobe and Design	Ecuador	686-74 (Reg.)	09/07/03
Kobe and Design	Italy	401164 (Reg.)	04/15/00
Kobe and Design	Nigeria	24572 (Reg.)	09/21/08
Kobe and Design	Peru	97381 (Reg.)	05/13/02
Kobe and Design	Spain	724,779 (Reg.)	10/03/97
Kobe and Design	Trinidad	8230 (Reg.)	11/07/01
Kobe and Design	U.S.A.	1,070,121 (Reg.)	07/26/97
Kobe and Design	Venezuela	40248F (Reg.)	08/25/06
Kobe and Design	Yugoslavia	22845 (Reg.)	02/05/98
Trico	Argentina	1,419,784 (Reg.)	02/26/03
Trico	Bolivia	57560-C (Reg.)	11/18/04
Trico	Indonesia	287,687 (Reg.)	12/30/01
Trico	Peru	97622 (Reg.)	06/02/02
Trico	Russia	94000327 (Reg.)	01/13/04
Unidraulic	U.S.A.	983,253 (Reg.)	05/07/04

Schedule 1.20 (b)
Statement of Reserves
(000's omitted)
As of August 31, 1997

Other Reserves		**Amount**
Field Training for Hydraulic Line	$	77
Legal - Ecuador		110
Relocation		101
Accrued Franchise Tax		165
Bonus Accrual		508
General Liability		120
Contingent Liabilities		478
Medical & Dental		180
Workers Compensation		700
SERP		890
Accrued Pension Contribution		369
Special Award Retirement Annuities		700
Retiree Medical (APBO)		1,290
Property Tax		405
Sales/Property Tax Audits		63
Warranty		60
Total Other Reserves	$	6,216
Inventory Reserves		
S&O Inventory Reserve	$	1,318
LIFO Reserve		3,316
Inventory Shrink Reserve		503
Total Inventory Reserves	$	5,137
Bad Debt Reserve	$	142
Deferred Taxes		
Deferred Tax Asset		1,987
Deferred Tax Liability		(1,825)
Net Deferred Tax	$	162

Schedule 4.6

Encumbrances on Stock of Subsidiaries
(Including Shareholders' Agreements)

BMW Monarch (Lloydminster) Ltd., ("BMW"), shareholder agreements:

Trico has entered into various agreements, either as a party or as a successor to another party to such agreement, concerning (i) the ownership and transfer of ownership of shares in BMW, (ii) the operations of BMW, and (iii) participation in the management of BMW. These Prior Agreements include:

A. The Agreement dated April 30, 1975 (the "1975 Agreement") among BMW, Makelki, Christie and two predecessors of Trico.

B. The Agreement dated April 4, 1978 (the "1978 Agreement") among BMW, Makelki, Christie, Trico and a predecessor of Trico, amending the 1975 Agreement.

C. The Agreement dated September 27, 1979 (the "1979 Sale Agreement") among BMW, Makelki, Christie and White, selling shares of BMW to White and containing certain buy-sell provisions.

D. The Agreement dated September 27, 1979 (the "1979 Amendment Agreement") among BMW, Makelki, Christie, White, Trico and a predecessor of Trico, making White a party to the 1975 Agreement, amending the 1975 Agreement, and containing certain buy-sell provisions.

E. The Agreement dated December 31, 1982 (the 1982 Agreement") among BMW, Makelki, Christie, White and Trico, amending the 1975 Agreement and containing certain operations, management and buy-sell provisions.

Schedule 4.8

Encumbrances on Company Assets

Real property at 6325 Trico Lane, Greenville, Texas is subject to the Industrial Revenue Bond.

Schedule 4.9

Encumbrances of Real Property

1. Utility Easement to the City of San Marcos (see attached)

2. For all owned properties – Boundary and utility easement encroachments, if any, which an accurate survey would disclose.

After Recording return to:

City of San Marcos, Engineering Depart.
630 East Hopkins
San Marcos, TX 78666

UTILITY EASEMENT

Trico Industries, Inc., a California Corporation ("GRANTOR"), in consideration of the sum of One Dollar ($1.00) and other valuable consideration, receipt of which is hereby acknowledged, hereby quit-claims unto the City of San Marcos, a Texas municipal corporation ("GRANTEE"), a nonexclusive easement to construct, operate, maintain, reconstruct, inspect and remove a water main line and appurtenant vales and connections upon a portion of GRANTOR's land, situated in Hays County, State of Texas, described as follows:

A 25-FEET WIDE PRIVATE EASEMENT ADJOINING THE WEST RIGHT-OF-WAY LINE OF UNION PACIFIC/MISSOURI KANSAS RAILROAD CONTAINING 2,000.00 SQUARE FEET, MORE OR LESS, LOCATED IN SAN MARCOS, HAYS COUNTY, TEXAS. SAID EASEMENT BEING ACROSS A PORTION OF THE 77.85 ACRE TRACT CONVEYED TO TRICO, BY DEED RECORDED IN VOLUME 1107 PAGE 115 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a iron rod found on the western right-of-way of the Missouri-Pacific Railroad, said rod being the southeast corner of the TRICO tract.

THENCE N 45° 15' W, 40.00 feet, thence N 47° 13' E, 37.50 feet to the PLACE OF BEGINNING of the Private Easement centerline described herein;

THENCE N 45° 15' E, 80.00 feet to the end of the easement and containing 2,000.00 square feet, more or less.

Bearings for the description are based upon the deed recorded in Volume 1107 Page 115 of the Deed Records of Hays County, Texas,

PACCAR 00187

as such parcel is more particularly shown cross-hatched on the map attached hereto as Exhibit A and by this reference incorporated herein (said parcel herein referred to as the "Easement Area"),

TO HAVE AND TO HOLD said easement unto GRANTEE and its successors and assigns forever, subject to the covenants and conditions hereof, which GRANTEE by its acceptance of this easement (as evidenced by recordation) agrees to fully perform.

1. Subject only to the rights expressly granted in this easement, GRANTOR reserves all rights with respect to the Easement Area including, without limitation, the right to grant additional easements, licenses and permits therein to others, the right to install utilities and other fixtures or improvements over, upon, across and under the Easement Area; and the right to locate structures with permanent foundations within the Easement Area; PROVIDED HOWEVER, that no surface structures shall be located within 5 feet horizontally of GRANTEE's utilities installed under this easement without GRANTEE's prior written consent (which consent GRANTEE agrees not to withhold unreasonably). GRANTOR shall not be liable to GRANTEE, or to GRANTEE's employees, agents, contractors or users of GRANTEE's property, for loss or injury resulting from any damage or destruction of GRANTEE's facilities directly or indirectly caused by GRANTOR's use of the Easement Area or GRANTOR's facilities on the Easement Area, excepting only loss or injury which results solely from GRANTOR's failure to exercise reasonable case not to damage or destroy GRANTEE's facilities installed within the Easement Area.

2. GRANTOR shall not be liable to GRANTEE, or to GRANTEE's employees, agents, contractors or users of GRANTEE's property, for loss or injury resulting from any damage or destruction of GRANTEE's facilities directly or indirectly caused by GRANTOR's use of the Easement Area or GRANTOR's facilities in the Easement Area, excepting only loss or injury which results solely from GRANTOR's failure to exercise reasonable care not to damage or destroy GRANTEE's facilities installed within the Easement Area.

2. GRANTEE does hereby release, indemnify and promise to defend and save harmless GRANTOR from and against any and all liability, loss, damage, expense, actions and claims, including costs and reasonable attorneys' fees incurred by GRANTOR in defense thereof, asserted or arising directly or indirectly on account of or out of acts or omissions of GRANTEE and GRANTEE's servants, agents, employees and contractors in the exercise of the rights granted herein; PROVIDED, HOWEVER, this paragraph does not purport to indemnify GRANTOR against liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of GRANTOR or GRANTOR's agents or employees.

3. GRANTEE shall at all times maintain the Easement Area in good and safe condition and repair.

4. If the Easement Area ceases to be used by GRANTEE to provide water main service to the property served thereby (being the south San Marcos area) for a period of twelve (12) consecutive months, then the easement herein granted shall automatically terminate, and all rights, interests and privileges granted hereunder shall revert to the GRANTOR, its successors and assigns. Upon any termination of this easement, GRANTEE shall promptly remove from the terminated Easement Area any facilities installed by GRANTEE, and shall restore the Easement Area to its condition prior to such removal.

5. Notices given under this easement shall be given as follows:

If to GRANTOR:	Trico Industries, Inc. 2503 Hunter Road San Marcos, TX 78666 Attn: Executive Vice President
If to GRANTEE:	The City of San Marcos Environment & Engineering Department 630 East Hopkins San Marcos, TX 78666

Either party may change the address to which notices may be given by giving notice as above provided.

This easement has been executed as of this 15th day of May 1996.

GRANTOR:

(SEAL)

Trico Industries, Inc.

By: _____
Its Chairman

Attest: _____
Assistant Secretary

Exhibit A: Water Main Line Easement Drawing - Sheet 12 dated August 23, 1996 Hearn & Associates Project SMCPTL

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 15 day of May 1997, before me personally appeared M. A. Tembreull and Bruce N Holliday, to me known to be the Chairman and Assistant Secretary, respectively, of Trico Industries, Inc., the corporation that executed the within and foregoing instrument, and acknowledged the same to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year first above written.

(SEAL)

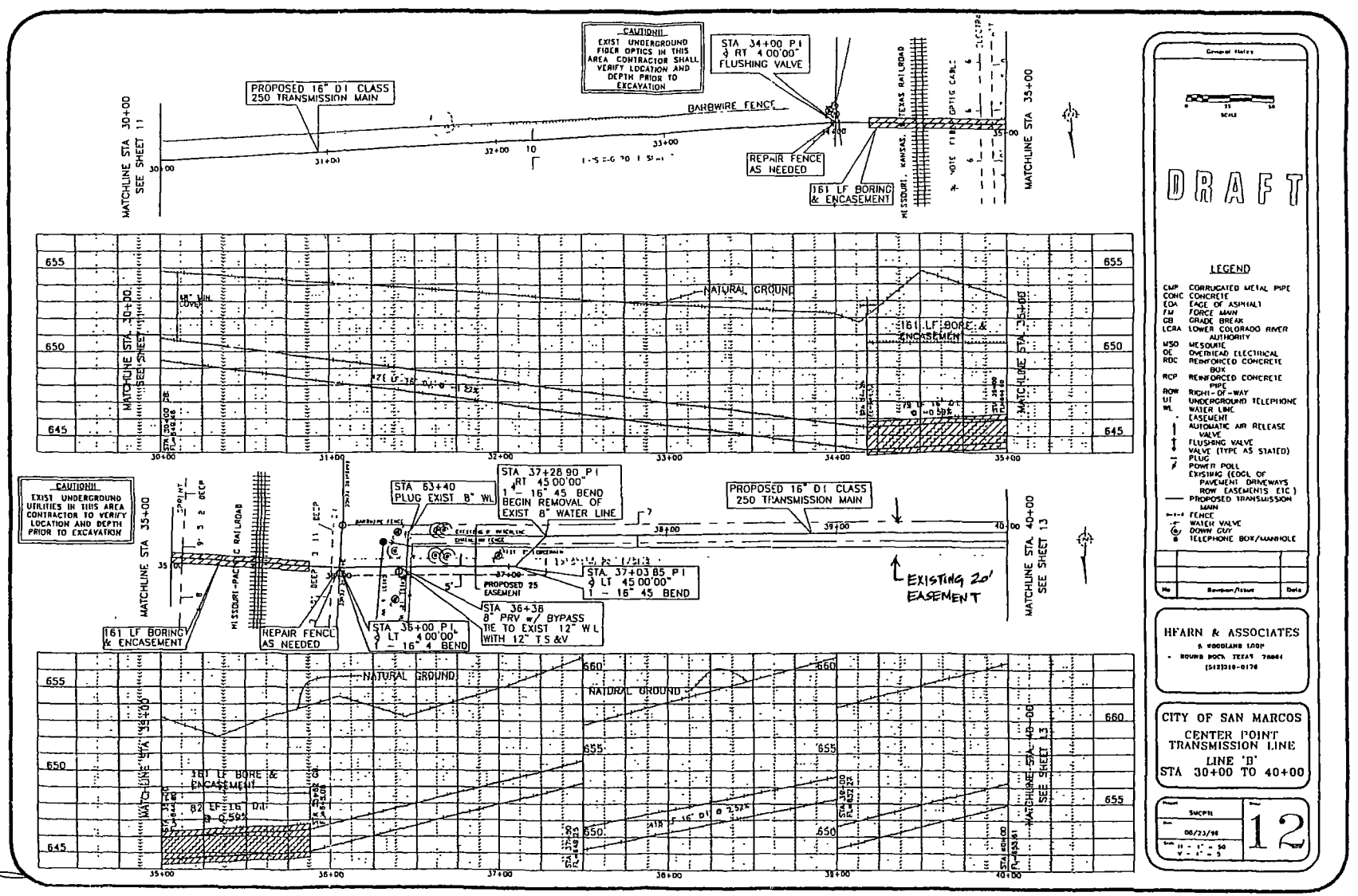
Linda M. Della Rossa
Notary Public in and for the State
of Washington, residing at Bellevue
Linda M Della Rossa
My commission expires: 8-17-98.

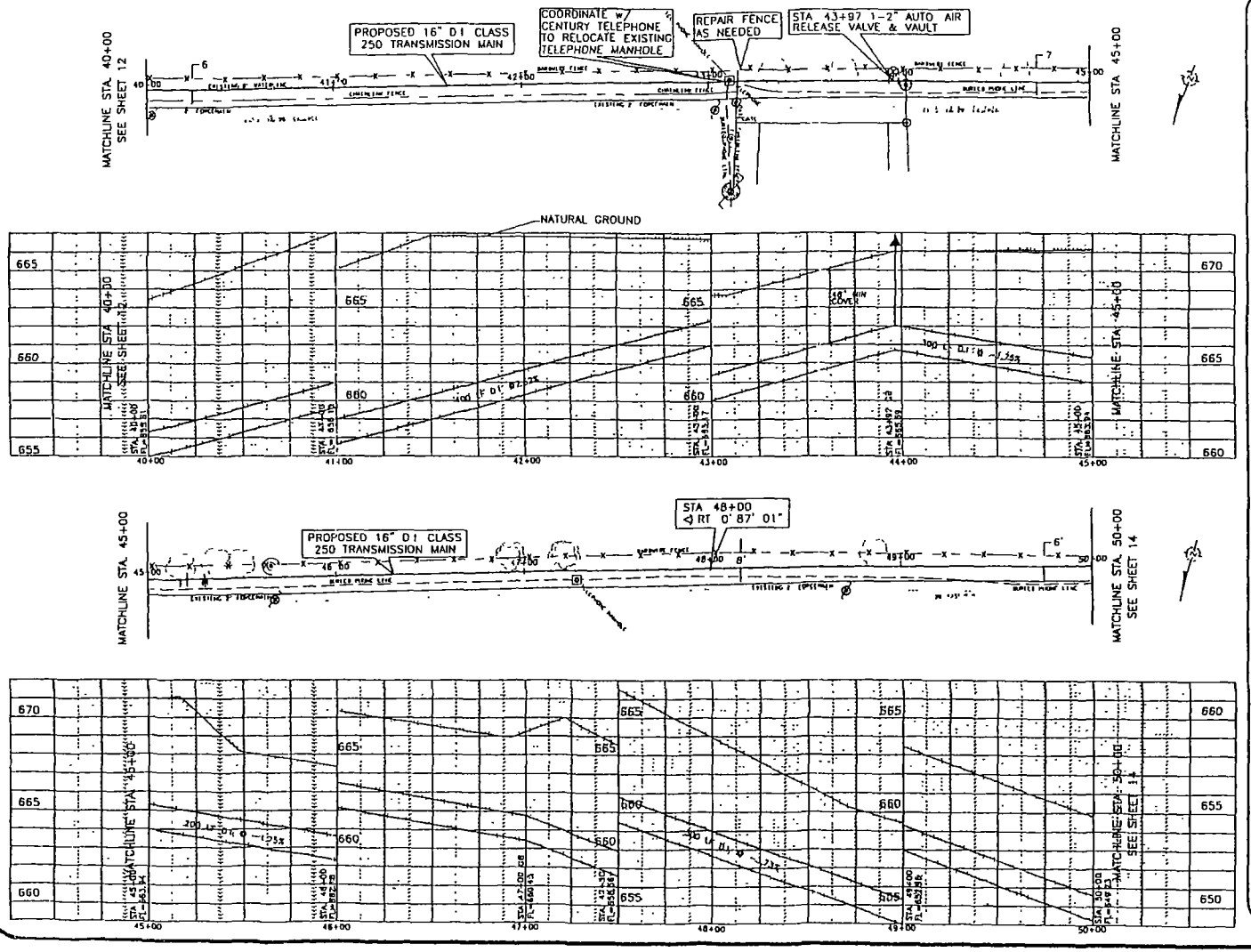
EXHIBIT A

to

Storm Drain Line Easement

Trico Industries, Inc. - City of San Marcos


CAUTION!!
EXIST UNDERGROUND FIBER OPTICS IN THIS AREA CONTRACTOR SHALL VERIFY LOCATION AND DEPTH PRIOR TO EXCAVATION
PROPOSED 16" DI CLASS 250 TRANSMISSION MAIN
STA 34+00 PI
RT 4 00'00"
FLUSHING VALVE
BARBWIRE FENCE
REPAIR FENCE AS NEEDED
161 LF BORING & ENCASEMENT
MISSOURI, KANSAS, TEXAS RAILROAD
MATCHLINE STA 30+00 SEE SHEET 11
MATCHLINE STA 35+00
NATURAL GROUND
161 LF BORE & ENCASEMENT
CAUTION!!
EXIST UNDERGROUND UTILITIES IN THIS AREA CONTRACTOR TO VERIFY LOCATION AND DEPTH PRIOR TO EXCAVATION
STA 63+40
PLUG EXIST 8" WL
STA 37+28 90 PI
RT 45 00'00"
1 - 16" 45 BEND
BEGIN REMOVAL OF EXIST 8" WATER LINE
PROPOSED 16" DI CLASS 250 TRANSMISSION MAIN
STA 37+03 85 PI
LT 45 00'00"
1 - 16" 45 BEND
PROPOSED 25 EASEMENT
STA 36+38
8" PRV w/ BYPASS TIE TO EXIST 12" W L WITH 12" T S &V
STA 35+00 PI
LT 4 00'00"
1 - 16" 4 BEND
EXISTING 20' EASEMENT
MISSOURI-PACIFIC RAILROAD
MATCHLINE STA 40+00 SEE SHEET 13
DRAFT
LEGEND
CMP CORRUGATED METAL PIPE
CONC CONCRETE
EOA EDGE OF ASPHALT
FM FORCE MAIN
GB GRADE BREAK
LCRA LOWER COLORADO RIVER AUTHORITY
MSO MESQUITE
OE OVERHEAD ELECTRICAL
RDC REINFORCED CONCRETE BOX
RCP REINFORCED CONCRETE PIPE
ROW RIGHT-OF-WAY
UT UNDERGROUND TELEPHONE
WL WATER LINE EASEMENT
AUTOMATIC AIR RELEASE VALVE
FLUSHING VALVE
VALVE (TYPE AS STATED)
PLUG
POWER POLE
EXISTING (EDGE OF PAVEMENT DRIVEWAYS ROW EASEMENTS ETC)
PROPOSED TRANSMISSION MAIN
FENCE
WATER VALVE
DOWN GUY
TELEPHONE BOX/MANHOLE
HFARN & ASSOCIATES
CITY OF SAN MARCOS
CENTER POINT TRANSMISSION LINE
LINE 'B'
STA 30+00 TO 40+00
08/23/98
12



General Notes

SCALE

DRAFT

LEGEND

CMP	CORRUGATED METAL PIPE
CONC	CONCRETE
EOA	EDGE OF ASPHALT
FM	FORCE MAIN
GB	GRADE BREAK
LCRA	LOWER COLORADO RIVER AUTHORITY
MSO	MESQUITE
OH	OVERHEAD ELECTRICAL
RBC	REINFORCED CONCRETE BOX
RCP	REINFORCED CONCRETE PIPE
ROW	RIGHT-OF-WAY
UT	UNDERGROUND TELEPHONE
WL	WATER LINE EASEMENT
	AUTOMATIC AIR RELEASE VALVE
	FLUSHING VALVE
	VALVE (TYPE AS STATED)
	MUDC
	POWER POLE
	EXISTING (EDGE OF PAVEMENT DRIVEWAYS ROW EASEMENTS ETC.)
	PROPOSED TRANSMISSION MAIN
	FENCE
	WATER VALVE
	DOWN GUY
	TELEPHONE BOX/MANHOLE

No	Revision/Issue	Date

HEARN & ASSOCIATES
8 WOODLAND LOOP
ROUND ROCK TEXAS 78664
(512)310-8178

CITY OF SAN MARCOS
CENTER POINT TRANSMISSION LINE
LINE 'B'
STA 40+00 TO 50+00

Project: SMCPTL
Date: 08/23/96
Scale: H - 1" = 50', V - 1" = 5'
Sheet 13

PACCAR 00193

Schedule 4.10

Exceptions to Certain Agreements

i) Greenville Facility Industrial Revenue Bond

ii) None

iii) None

iv) Real Resolution for MIS Programming. $3,600/month minimum
Expires 12/31/97

Bill Selvig for Consulting. $3,000/month
Expires 11/30/97

v) None

vi) None

Schedule 4.11

Exceptions to Contract Representations

None

Schedule 4.12

Exceptions *to* Patents, Trademarks, Etc. Representations

None

Schedule 4.13

Exceptions to Accounts Receivable Representations

None

Schedule 4.15

Exceptions to Licenses, Permits and Authorizations Representations

None

Schedule 4.16

Exceptions to Compliance Representations

None

Schedule 4.17

Environmental Disclosures

Exceptions to no Environmental Contamination

1. 3356 Lime Ave., Signal Hill, California 90807: Awaiting agency approval for closure after remediation of VOC's and TPH in concrete paved equipment storage yard located on the northern end of the property.

2. Highway 45 N., Citronelle, Alabama 36522: Possible additional remediation of TPH in area of removal of 330 gallons waste oil underground tank (removal December, 1991). Agency approval delayed pending issuance of new regulations.

Exceptions to Environmental Compliance

None

Exceptions to Environmental Claims

Aguirre vs. Trico

Schedule 4.18

Seller's Required Consents and Approvals

The lease of the Roosevelt, Utah branch include a requirement for the landlords consent to an assignment of the lease, including transfer of the lease by change of ownership of stocks.

Schedule 4.20

Section 4.20.1 Benefit Plans

Document	Document Number
Employee Handbook	1
Medical Plan	2
Dental Plan	2
Health Maintenance Organization – Gulf Coast	6
Health Maintenance Organization – Southwest	7
Health Maintenance Organization – Southern California	8
Section 125 Plan	9
Pre-65 Retiree Medical Plan	10
Post-65 Retiree Medical Plan	11
Incentive Compensation Plan	12
Severance Policy	13
Educational Assistance Plan	14
Trico Industries Retirement Plan	15
Trico Industries Supplemental Retirement Plan	16
Special Award Retirement Annuity	17

Schedule 4.20

Section 4.20.2 Tax Qualification Exception

None except for Trico Retirement Plan Amendment dated January 1, 1996.

Schedule 4.20

Section 4.20.3 ERISA Exception

None.

Schedule 4.20

Section 4.20.4 VEBA

None.

Schedule 4.20

Section 4.20.5 Change of Control

The attached Trico Industries, Inc. Severance Agreement (aggregate amount if exercised $1,432,340) and the PACCAR Special Bonus Agreement have been made with the individuals listed below:

Greg Anderson
Kieth Dupen
Dan Eshom
Barry Farris
Jim Fasciotti
Gene Haight
Ron Hamel
Ron Kuegler
Bob Litschi
Red Mathieu
Gary Moore
Lonnie Owen
Ed Preas
Adil Siddiqui
Phil Sutton
Dave Wallis
Ray Whalon
Benny Williams

PACCAR Inc

SPECIAL BONUS AGREEMENT

Whereas, PACCAR Inc ("PACCAR") is planning to sell its Trico Industries, Inc subsidiary ("Trico"); and

Whereas, PACCAR desires cooperation of certain Employees in pursuing potential opportunities for sale.

It is agreed as follows:

1. (Employee") in addition to current employment responsibilities will use his best efforts to further the sale of Trico to potential buyers by providing assistance as requested by PACCAR management from time to time.

2. In the event a third party purchases all or substantially all of the assets of Trico within one year from the date hereof, Employee, if still employed on the date of closing, shall receive a special bonus in the amount of $ (minus applicable taxes).

3. This bonus will be payable in a lump sum within 10 days of the date of closing date of the sale.

4. In addition, an employee participating in the Incentive Compensation program and employed on the date of closing shall receive a minimum of 100% of his or her 1997 Incentive Compensation bonus, as it relates to Trico, if the sale closes in 1997 and may receive a pro rata portion of the 1998 bonus if the sale closes in 1998. The bonus will be payable no later than the first quarter of year following.

5. Notwithstanding any other provision of this Agreement, each bonus provided in paragraphs 2 and 4 of this Agreement will be forfeited in the event that:

a. The employee commits an act of embezzlement, fraud or theft;

P.O. Box 1518 Bellevue Washington 98009 Telephone (206) 455-7400
PACCAR Building 777-108th Avenue N.E. Bellevue Washington 98004

b. The employee disregards employee polices of PACCAR in such a manner as to cause material loss, damage or injury to PACCAR;

c. The employee makes an unauthorized disclosure of information related to the sale of Trico or other PACCAR confidential information;

d. The employee engages in conduct which constitutes unfair competition with PACCAR or seeks employment with a competitor of PACCAR or Trico;

e. The employee induces customers or suppliers of PACCAR to breach any contracts with PACCAR; or

f. In the sole opinion of PACCAR management, the employee fails to perform in a manner that promotes the sale of Trico.

A good faith determination by PACCAR management of the existence of any facts justifying forfeiture under this paragraph shall be considered conclusive and binding on all persons.

6. This Agreement does not extend to the Employee any right to continued employment with PACCAR nor does it limit the corporation's right to terminate the Employee's employment at any time. This Agreement does not create a trust of any kind or any fiduciary relationship.

7. The right of Employee to receive any cash payment from PACCAR pursuant to this Agreement is expressly declared to be personal and not assignable and not transferable.

8. This Agreement shall in all respects be governed by and construed in accordance with the law of the State of Washington and shall expire on the first anniversary date hereof.

Jon

9. It is clearly understood that in the event no sale of Trico is completed within one year, this Agreement shall be null and void.

10. This Agreement contains the entire agreement between the parties and supersedes any prior agreements. It may be amended only by a written document signed by the Employee and a designated Company official.

In witness whereof, the parties have signed this Agreement on the _____ day of _____, 1997.

PACCAR Inc

By: _____

EMPLOYEE

_____

TRICO INDUSTRIES, INC.

EXECUTIVE SEVERANCE AGREEMENT

This Agreement is made between Trico Industries, Inc. (the "Company"), and (the "Employee"), as of the day of , 1997.

The Company is presently exploring opportunities for the sale of Trico Industries, Inc. Employee is employed at Trico. The parties have entered into this Agreement in order to provide financial security to Employee and encourage Employee's full dedication and attention to performance of his duties during this period of transition.

NOW, THEREFORE, IT IS HEREBY AGREED:

1. Definitions.

A "Change of Control" means that within one year from the date of this Agreement a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, but excluding any entity affiliated with the Company, becomes the owner of all or substantially all of the assets of Trico.

The Effective Date means the first day following the date ownership passes pursuant to a Change of Control.

2. Severance.

a. Subject to the provisions of Section 3, the Company will pay severance if Employee is terminated or deemed terminated (as defined in Section 2(b) by the Company within one year of a Change of Control. Such severance shall be equal to the Employee's base salary (subject to applicable taxes) for the 12 consecutive month period immediately preceding the Effective Date. This payment shall be made in a lump sum within 30 days of the Employee's last day of employment. In the event the Employee voluntarily agrees to be rehired within one year of termination, he shall reimburse the Company for the severance received on a prorata basis.

b. An Employee is deemed Terminated if he resigns within 15 days after a substantial reduction in duties or responsibilities, a reduction in title, a reduction in compensation or benefits, or a relocation beyond 50 miles from his present place of employment.

c. If the Employee has been employed less than 12 months at the time of a Change in Control, severance shall be calculated by annualizing the Employee's average base monthly salary prior to the Change in Control.

d. Unless specifically agreed to in writing between the parties, the Employee shall not be eligible for or receive any additional compensation or benefits upon a Change of Control.

3. Eligibility of Severance

An Employee shall not be eligible for severance if:

a. The Employee dies, becomes physically or mentally disabled, or retires at or after the normal retirement date under the Company's retirement plans.

b. The Employee is terminated for cause. Cause is defined as any of the following: (1) an act of embezzlement, fraud or theft, (2) deliberate disregard for the rules of the Company in such a manner as to cause material loss, damage or injury to or otherwise endanger the property of the Company, (3) any unauthorized disclosure of any of the secrets or confidential information of the Company, (4) any conduct which constitutes unfair competition with the Company, (5) inducing any customers of the Company to breach any contracts with the Company.

c. The Employee resigns, unless the resignation occurs within 15 days after an event deemed to be a Termination under Section 2(b) hereof.

4. Exhaustion of Remedies.

The Company shall provide reasonable procedures for review of claims made under this Agreement and shall inform a claimant of its decision within 60 days of

receiving the claim. No legal or equitable action for benefits under this Agreement shall be brought until the claimant has exhausted its remedies under this Agreement. The claimant shall have 90 days after notification in writing that his claim has been denied to file any legal or equitable action to enforce any of the provisions of this Agreement.

5. Employment Rights.

The Company agrees to continue the Employee in its employ, and the Employee hereby agrees to remain in the employ of the Company or its successor, for the period commencing on the Effective Date and ending on the first anniversary of the Effective Date unless terminated under paragraph 2 or 3. During this period, Employee shall be eligible for participation in and shall receive benefits under medical, welfare and other employee benefit programs substantially the same as those available on the date the Agreement is executed. Except as set out in the preceding sentence, the Employee and Company acknowledge that the employment of the Employee by the Company is "at will," and, prior to the Effective Date, may be terminated by either Employee or the Company at any time. Upon a terminatiion prior to the Effective Date there shall be no further rights under this Agreement. This Agreement does not create a trust or fiduciary relationship of any kind between the parties.

6. No Assignment of Rights.

Employee's rights under this Agreement shall be nontransferable except by will or the laws of descent and distribution.

7. Unfunded Agreement.

All amounts payable under this Agreement are provided on an unfunded basis and are not intended to meet the qualification requirements of Section 401 of the Internal Revenue Code. The Company shall not be required to segregate any assets with respect to amounts payable under this Agreement. The Company shall not be deemed to be a trustee of any amounts to be paid under the Agreement. Any liability of the Company to any Employee with respect to any benefit shall be based solely upon any contractual obligations created by this Agreement. All benefits under this

Agreement shall be payable solely from the general assets of the Company, and no obligation created by this Agreement shall be deemed to be secured by any pledge or any encumbrance on any property of this Company.

8. Successors.

This Agreement shall inure to the benefit of and be binding upon the Company and its successors, transferees and assigns.

The Company will require any successor to Trico by purchase or otherwise of all or substantially all the business and assets of Trico to assume expressly and agree to perform this Agreement.

9. Severability.

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability, without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10. Controlling Law.

This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

Trico Industries, Inc.
a subsidiary of PACCAR Inc

By: _____

Employee

_____

Schedule 4.20

Section 4.20.6 Post-Employee Medical Coverage

None except for plans disclosed in Section 4.20.1

Schedule 4.20

Section 4.20.7 Prohibited Transactions

None.

Schedule 4.20

Section 4.20.8 Employee Welfare Benefit Plan

None.

Schedule 4.21

Section 4.21.1

Nothing to set forth.

Schedule 4.21

Section 4.21.2

The following years have been audited or the statute of limitations has expired:

Federal	1992
Alabama	1992
Alaska	1993
Arkansas	1993
California	1991
Colorado	1992
Illinois	1993
Louisiana	1993
Mississippi	1993
Montana	1990
New Mexico	1993
North Dakota	1993
Oklahoma	1993
Pennsylvania	1995
Texas	1992
Utah	1993
West Virgina	1993

Schedule 4.21

Section 4.21.3

Assessments and proposed adjustments:

Federal (1993-1994)	NOPA 007-0001 (attached) NOPA 007-0002 (attached)
Alabama (1994-1996)	Audit report attached

Substitute for
Form 5701

Depa nt of the Treasury - Internal Revenue Servi
NOTICE OF PROPOSED ADJUSTMENT

Name and Address of Taxpayer
PACCAR INC AND SUBSIDIARIES
PO BOX 1518

BELLEVUE WA 98009

S.S.N. or E.I.N.: 91-0351110

Issue No: 007-0001
SAIN: 301/526-22
Date Issued: 08/21/97

Entity No: 000007 Entity: TRICO INDUSTRIES, INC.

Proposed By: DOUGLAS M. ODELL Title: REVENUE AGENT

Submitted To: STEVE BOUCHEE Title: TAX MANAGER Response Due: 09/04/97

Authorized Representative's Action:
✓ Agree ___Agree In Part ___Disagree ___Have Additional Information; Will Submit By: _____

Richard Blacker TAX MANAGER 8/26/97
Authorized Signature Title Date

Based on the information we now have available and our discussions with you, we believe the proposed adjustment listed below should be included in the revenue agent's report. However, if you have additional information that would alter or reverse this proposal, please furnish this information as soon as possible.

Year	Issue Raised	Category	Amount
9312	ENVIRONMENTAL CLEANUP RESERVE	MEMO	0.00
9412	ENVIRONMENTAL CLEANUP RESERVE	OTHER DEDUCTIONS	357,552.00

For Explanation Of Items See Attached Pages

Case Manager: Douglas M. O'Dell for CHUCK HEINO 8/21/97
Date

PACCAR 00220

ATTACHMENT TO NOTICE OF PROPOSED ADJUSTMENT 007-0001

RICO INDUSTRIES, INC.
YCLE: 9312/9412

SSUE: ENVIRONMENTAL CLEANUP RESERVE

MOUNT: $357,552 INCREASE TAXABLE INCOME (1994)

ACTS: During 1994, Trico accrued $500,000 for Environmental Cleanup costs for various locations. The actual expenses incurred during 1994 totalled $142,448; thus, there was an ending reserve balance of $357,552 (Acct # 035.035.000.0000.180). There was a zero beginning balance from 1993. There was no M-1 adjustment made by Trico for this account.

AW: The timing of a deduction is governed by IRC 461 and Regulations thereunder. In general, with the exception of "Recurring Items", no deduction is allowed for tax purposes with regards to "estimated expenses" and the like. In general, all expenses must meet the "all events test" in order to be deductible.

In this case, Trico did not make the proper M-1 adjustment to prevent this reserve account balance from being deducted for tax purposes. As agreed to last cycle, environmental cleanup costs do not qualify for the "Recurring Item Exception".

'/P POSITION: Agreed - Paccar reported this adjustment to the IRS on 6/9/97, the computation of which is shown on the attached schedule. The amounts shown on this schedule have been verified and accepted.

:ONCLUSION: 1994 Taxable Income is INCREASED by $357,552. No adjustment to 1993.

Substitute for
Form 5701

Depa- ut of the Treasury - Internal Revenue Service
NOTICE OF PROPOSED ADJUSTMENT

Name and Address of Taxpayer
PACCAR INC AND SUBSIDIARIES
PO BOX 1518

BELLEVUE WA 98009

S.S.N. or E.I.N.: 91-0351110

Issue No: 007-0002

Date Issued: 08/27/97

Entity No: 000007 Entity: TRICO INDUSTRIES, INC.

Proposed By: DOUGLAS M. ODELL Title: REVENUE AGENT

Submitted To: STEVE BOUCHEE Title: TAX MANAGER Response Due: 09/10/97

Authorized Representative's Action:
✓ Agree __Agree In Part __Disagree __Have Additional Information; Will Submit By: _____

Richard Blacker TAX MANAGER 9/3/97
Authorized Signature Title Date

Based on the information we now have available and our discussions with you, we believe the proposed adjustment listed below should be included in the revenue agent's report. However, if you have additional information that would alter or reverse this proposal, please furnish this information as soon as possible.

Year	Issue Raised	Category	Amount
9312	PYA - WARRANTY RESERVES	OTHER DEDUCTIONS	(52,312.00)
9412	PYA - WARRANTY RESERVES	MEMO	0.00

For Explanation Of Items See Attached Pages

Case Manager: Douglas M. Odell BOT
CHUCK HEINO

8/27/97
Date

PACCAR 00222

ATTACHMENT TO NOTICE OF PROPOSED ADJUSTMENT 007-0002

PACCAR INC. AND SUBS
ENTITY: TRICO INDUSTRIES, INC.
ISSUE: WARRANTY RESERVES - PYA CORRECTION
SAIN: 801

	1993
ADJUSTMENT:	($52,312)

FACTS:

An adjustment was proposed in the prior cycle (NOPA 007-0004) in which the Service concluded that Paccar failed to make a certain M-1 adjustment concerning accrued Warranty Reserves. Upon further inspection, it was determined that Paccar DID in fact make the appropriate M-1 adjustments in both 1991 and 1992, adding back to income excess accruals.

The "net" adjustment last cycle was a $52,312 increase to taxable income. In a good faith effort to correct this situation, the Service proposes a catch-up adjustment in the current cycle; thus, taxable income is DECREASED by the net amount of last cycles adjustment, or $52,312.

LAW: IRC Section 461

T/P POSITION: T/P agrees with this audit adjustment.

CONCLUSION: Taxable Income is DECREASED by $52,312.

H. E. "GENE" MONROE, JR.
Commissioner

State of Alabama
Department of Revenue

Montgomery, Alabama 36132

SEP 9 1997

GEORGE E. MINGLEDORFF III
Assistant Commissioner
LEWIS A. EASTERLY
Secretary

September 4, 1997

Steven L. Bouchee,
Manager, Federal & State Income Tax
PACCAR, Inc.
P. O. Box 1518
Bellevue, WA 98009

Re: Alabama Franchise Tax Audit 1994-1996
TRICO Industries, Inc. 887268

Enclosed is a corrected copy of the franchise tax audit for the above company. For each of the three years in the original copy left with you the amount of tax refund was not deducted from the amount of franchise tax paid on line 29 or 30 of the Auditors Adjustment Sheet I had to return to the office to verify that the refunds were made. The corrections result in a net tax due of $102.15 plus any applicable penalties and interest.

I am submitting the audit to our Review Section for review and processing. If you have any questions, please contact me. Thank you for your assistance and cooperation.

Sincerely,

C. Stanley Coker

C. Stanley Coker,
Corporate Audit Specialist
4314 Gordon Persons Bldg.
50 Ripley Street
Montgomery, AL 36132
Phone: 334-242-1612
FAX : 334-353-8046

AN AFFIRMATIVE ACTION / EQUAL OPPORTUNITY EMPLOYER

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME TRICO Industries, Inc. Approved _____

DATE 04-Sep-97 ACCOUNT # 887268

AUDITOR(S) S Coker/B.Johnson FEIN # 94-0934500

1994 FOREIGN CORPORATION FRANCHISE TAX

SCHEDULE C : APPORTIONMENT DATA FOR 1993

	As Filed			As Adjusted		
	EVERYWHERE	ALABAMA	PERCENT	EVERYWHERE	ALABAMA	PERCENT
1 Cost of Mfg	12,554,018 00	0 00	0 0000%	12,554 018 00	0 00	0 0000%
2 Sales	62 146 908 00	1 283,427 00	2 0652%	61 746 147 00	1 283 427 00	2 0786%
3 Gross Income	0 00	0 00	0 0000%	0 00	0 00	0 0000%
4 Contracts	0 00	0 00	0 0000%	0 00	0 00	0 0000%
5 Mileage	0	0	0 0000%	0	0	0 0000%
6 Salaries	16 084,884.00	107 825 00	0 6703%	16,084 884 00	107 825 00	0 6703%
7 Property and Inventories	70,173 966 00	320 054 00	0 4561%	70,298 132 00	320 054 00	0 4553%

SCHEDULE D: APPORTIONMENT

As Filed			As Adjusted		
Factor	3		Factor	Manufacturing 3	
Item 1&2		1 0326%		Items 1 & 2 (avg)	1 0393%
Item	6	0 6703%		Item 6.	0 6703%
Item	7	0 4561%		Item 7	0.4553%
	Average	0 7197%		Average	0 7216%

SCHEDULE E. FRANCHISE TAX AND PERMIT FEE COMPUTATION	As Filed	Per Audit	Adjustments
1 Outstanding Capital Stock	21 135 000 00	21 135 000 00	0 00
2 Surplus	37 905,954 00	38 211 180.00	305,226.00
3 Accelerated Depreciation or Amortization	0 00	0 00	0 00
4 Bonds notes debentures or other evidences of indebtedness maturing in more than 1 year.	9,139 243 00	9 139 243.00	0 00
5 Bonds notes debentures or other evidences of indebtedness including open accounts payable and/or advances, maturing and payable at the time to:			
a) Any individual stockholder owning 10% or more of the capital stock	0 00	0 00	0 00
b) Another corporation owning more than 50% of the capital stock	0 00	0 00	0 00
c) Another corporation more than 50% of which is owned by such foreign corporation and which other corporation referred to in (b) or (c) is not required to pay franchise tax to Alabama	2,521 423 00	2,521,423.00	0 00
6 Total capital everywhere	70,701 620 00	71,006 846 00	
EXCLUSIONS			
7 Investment in capital of Alabama corporations	0 00	0 00	0 00
8. Investment in capital of other foreign corporations paying Alabama franchise tax	0 00	0 00	0 00
9 Investment in subsidiaries operating exclusively outside Alabama	1,303 666.00	127,103 00	(1,176 563 00)
10. Total exclusions	1,303 666 00	127,103 00	
11 Net capital subject to allocation	69,397,954 00	70,879,743.00	
12 Apportion @	0 7197%	0 7216%	0 0019%
13 Alabama Capital	499,457 07	511 468 23	
DEDUCTIONS			
14 Investment in securities issued by State of Alabama or political subdivision thereof	0 00	0 00	0 00
15 Mortgages receivable on Alabama real estate on which recording privilege tax has been paid	0.00	0 00	0 00
16 Book value of air or water pollution control devices placed in operation in Alabama	0 00	0 00	0 00
17. Book value of capital invested under Section 40-14-41(d)(2)d	0 00	0.00	0 00
18. Book value of capital invested under Section 40-14-41(d)(2)e	0 00	0 00	0 00
19 Total deductions	0 00	0 00	
20. ALABAMA FRANCHISE TAX BASE	499,457 07	511 468.23	
21. Franchise tax due	1 498 37	1 534 40	
22. Alabama Enterprise Zone Credit	0 00	0 00	0 00
23. SSAR due	10 00	10 00	
24. Permit fee due	100 00	100 00	
25 Franchise tax due	1 498 37	1,534 40	
26. Total amount due	1 608 37	1 644 40	
27. SSAR paid	10.00		
28 Permit fee paid	100 00		
29 Franchise tax paid	1,498 00		
30 Total amount paid	$1 608 00		
31. Additional Tax due			$36 40

JEK 9/4/97

PACCAR 00225

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME	TRICO Industries, Inc			Approved_____
DATE	04-Sep-97	ACCOUNT #	887268	
AUDITOR(S)	S Coker/B Johnson	FEIN #	94-0934500	

1994 FOREIGN CORPORATION FRANCHISE TAX

Remarks

Franchise Tax Paid

The company paid $1 525 in franchise tax with the return and was refunded $27 plus interest on 1/11/95 for a net payment of $1.498

Apportionment Category

The company manufactures and sells oilfield equipment everywhere The manufacturing apportionment category seems to be proper The company only sells in Alabama

Sales Factor

The amount of destination sales in the return did not agree with the amount of destination sales in the apportionment workpapers A review of the apportionment workpapers shows that receipts other than sales were included in the amount in the return Under Alabama Reg 810-2-3- 13(1)(d)1. A taxpayer employing capital primarily in Manufacturing, Processing, or Fabricating shall use the average of the Alabama percentages determined by averaging Allocation Factors 1 - Cost of Manufacturing, and 2 - Sales Allocation Factor 6 and Allocation Factor 7, Schedule C. The amount of receipts other than destination sales were removed during the audit The amount was changed to agree with destination sales in the apportionment workpapers A copy of the apportionment workpapers is included in the audit workpapers

Property Factor

The company did not include the amount of construction in progress in the everywhere property factor Under Alabama Regulation 810-2-3- 13(1)(c)7 Tangible property (original cost) which shall include all depreciable property, land depletable property, oil and gas leases, interest in partnerships, total dollar amount of active construction contracts and inventories The amount of contruction in progress of $124,166 was included during the audit

Line 1, Capital Stock

Company did not include capital surplus of $305 226 shown on Line 23 of the Federal 1120 in this line Under Alabama Code Section 40-14-41(b)(1) capital includes The outstanding capital stock and any additional paid-in capital, whether positive or negative, but excluding the taxpayer's cost of its treasury stock. The capital surplus was included during the audit.

Line 9, Investment in Subsidiaries Operating Outside Alabama

In accordance with Section 40-14-41(d)(2) of the Code of Alabama, 1975 and regulation 810-2-3- 03 an exclusion is allowed for the investments held by foreign corporations in operating subsidiaries not commercially domiciled in Alabama and operating exclusively outside Alabama The The following tests must be met in order to qualify the investment in a subsidiary as an exclusion: (a) The reporting corporation's franchise tax return must contain unconsolidated operational data. (b) The investment in a subsidiary must be included in the balance sheet in all instances. (c) The reporting corporation must own at least 51% of each class of stock. (d) Loans or advances to a subsidiary are not allowed as a deduction (e) The investment must be in a operating subsidiary which is regularly engaged in normal and recognized business activities and not a dormant corporation. A schedule is shown below for the correct amount on this line.

Amount of deduction in return	1,303 666	
Less BMW Monarch	(1,059,650)	Less than 50% owned
Drayton Valley	(116,750)	Less than 50% owned
Misc	(163)	Adjusting amount
Total for this line	**127,103**	

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME TRICO Industries, Inc. Approved_____

DATE 04-Sep-97 ACCOUNT # 887268

AUDITOR(S) S Coker/B Johnson FEIN # 94-0934500

1995 FOREIGN CORPORATION FRANCHISE TAX

SCHEDULE C : APPORTIONMENT DATA FOR 1994

	As Filed			As Adjusted		
	EVERYWHERE	ALABAMA	PERCENT	EVERYWHERE	ALABAMA	PERCENT
1 Cost of Mfg	14 343 550 00	0 00	0 0000%	14 343 550 00	0 00	0 0000%
2 Sales	64 048.677 00	1 191.188 00	1 8598%	63 497 388 00	1 191 188 00	1 8760%
3 Gross Income	0 00	0 00	0 0000%	0 00	0 00	0 0000%
4 Contracts	0 00	0.00	0 0000%	0 00	0 00	0 0000%
5 Mileage	0	0	0 0000%	0	0	0 0000%
6 Salaries	17 050.396 00	111 996 00	0 6569%	17 050.396 00	111.996 00	0 6569%
7 Property and Inventories	81.569.887 00	372.516 00	0 4567%	81 874 437 00	372 516 00	0 4550%

SCHEDULE D: APPORTIONMENT

As Filed.			As Adjusted.		
Factor	3		Factor	Manufacturing 3	
Item 1&2		0.9299%		Items 1 & 2. (avg)	0.9380%
Item	6	0 6569%		Item 6	0.6569%
Item	7	0 4567%		Item 7	0 4550%
	Average	0 6812%		Average	0.6833%

SCHEDULE E FRANCHISE TAX AND PERMIT FEE COMPUTATION	As Filed	Per Audit	Adjustments
1 Outstanding Capital Stock	21 134.822 00	21,134 822 00	0 00
2 Surplus	989 404 00	989 404 00	0 00
3 Undivided profit or retained earnings	34 618 508 00	34 618.508.00	0 00
4 Accelerated Depreciation or Amortization	0 00	0 00	0 00
5 Bonds notes debentures or other evidences of indebtedness maturing in more than 1 year	9 108 908 00	9 108.908 00	0 00
6. Bonds notes debentures or other evidences of indebtedness including open accounts payable and/or advances, maturing and payable at the time to:			
a) Any individual stockholder owning 10% or more of the capital stock	0 00	0 00	0 00
b) Another corporation owning more than 50% of the capital stock	0 00	0 00	0 00
c) Another corporation more than 50% of which is owned by such foreign corporation and which other corporation referred to in (b) or (c) is not required to pay franchise tax to Alabama	2.521.423.00	2.521.423 00	0 00
7 Total capital everywhere	68 373 065 00	68.373.065 00	
EXCLUSIONS			
8. Investment in capital of Alabama corporations	0 00	0 00	0 00
9 Investment in capital of other foreign corporations paying Alabama franchise tax	0.00	0 00	0 00
10. Investment in subsidiaries operating exclusively outside Alabama	1 466.703 00	127 103.00	(1,339 600 00)
11 Total exclusions	1 466.703.00	127.103 00	
12. Net capital subject to allocation	66 906.362.00	68 245.962.00	
13. Apportion @	0 6812%	0.6833%	0 0021%
14 Alabama Capital	455.766 14	466.324 66	
DEDUCTIONS			
15. Investment in securities issued by State of Alabama or political subdivision thereof	0.00	0.00	0 00
16. Mortgages receivable on Alabama real estate on which recording privilege tax has been paid	0 00	0.00	0 00
17 Book value of air or water pollution control devices placed in operation in Alabama	0 00	0.00	0 00
18. Book value of capital invested under Section 40-14-41(d)(2)d	0 00	0.00	0 00
19 Book value of capital invested under Section 40-14-41(d)(2)e	0 00	0 00	0 00
20. Total deductions	0 00	0 00	
21 ALABAMA FRANCHISE TAX BASE	455 766 14	466,324 66	
22. Franchise tax due	1 367 30	1 398 97	
23 Alabama Enterprise Zone Credit	0.00	0 00	0 00
24. SSAR due	10 00	10 00	
25 Permit fee due	100 00	100 00	
26. Franchise tax due	1,367 30	1,398 97	
27 Total amount due	1 477 30	1.508 97	
28 SSAR paid	10 00		
29. Permit fee paid	100 00		
30 Franchise tax paid	1,367 00		
31. Total amount paid	$1 477 00		
32. Additional Tax due			$31 97

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9/4/97

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME.	TRICO Industries. Inc.			Approved_____
DATE	04-Sep-97	ACCOUNT #	887268	
AUDITOR(S)	S Coker/B Johnson	FEIN #	94-0934500	

1995 FOREIGN CORPORATION FRANCHISE TAX

Remarks

Franchise Tax Paid

The company paid $1,440 in franchise tax with the return, and was refunded $73 plus interest on 2/7/97 for a net payment of $1,367

Apportionment Category

The company manufactures and sells oilfield equipment everywhere The manufacturing apportionment category seems to be proper The company only sells in Alabama

Sales Factor

The amount of destination sales in the return did not agree with the amount of destination sales in the apportionment workpapers A review of the apportionment workpapers shows that receipts other than sales were included in the amount in the return Under Alabama Reg 810-2-3- 13(1)(d)1 A taxpayer employing capital primarily in Manufacturing, Processing, or Fabricating shall use the average of the Alabama percentages determined by averaging Allocation Factors 1 - Cost of Manufacturing, and 2 - Sales. Allocation Factor 6 and Allocation Factor 7. Schedule C. The amount of receipts other than destination sales were removed during the audit. The amount was changed to agree with destination sales in the apportionment workpapers A copy of the apportionment workpapers is included in the audit workpapers.

Property Factor

The company did not include the amount of construction in progress in the property factor. Under Alabama Regulation 810-2-3- 13(1)(c)7. Tangible property (original cost) which shall include all depreciable property, land, depletable property oil and gas leases interest in partnerships. total dollar amount of active construction contracts. and inventories The amount of construction in progress of $304 550 was included during the audit.

Line 10, Investment in Subsidiaries Operating Outside Alabama

In accordance with Section 40-14-41(d)(2) of the Code of Alabama. 1975 and regulation 810-2-3- 03 . an exclusion is allowed for the investments held by foreign corporations in operating subsidiaries not commercially domiciled in Alabama and operating exclusively outside Alabama. The The following tests must be met in order to qualify the investment in a subsidiary as an exclusion: (a) The reporting corporation's franchise tax return must contain unconsolidated operational data (b) The investment in a subsidiary must be included in the balance sheet in all instances. (c) The reporting corporation must own at least 51% of each class of stock. (d) Loans or advances to a subsidiary are not allowed as a deduction. (e) The investment must be in a operating subsidiary which is regularly engaged in normal and recognized business activities and not a dormant corporation A schedule is shown below for the correct amount on this line

Amount of deduction in return	1,466,703	
Less. BMW Monarch	(1,203,300)	Less than 50% owned
Drayton Valley	(136,300)	Less than 50% owned
Total for this line	127,103	

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME	TRICO Industries, Inc			Approved_____
DATE	04-Sep-97	ACCOUNT #	887268	
AUDITOR(S).	S Coker/B Johnson	FEIN #	94-0934500	

1996 FOREIGN CORPORATION FRANCHISE TAX

SCHEDULE C : APPORTIONMENT DATA FOR 1995

	As Filed			As Adjusted		
	EVERYWHERE	ALABAMA	PERCENT	EVERYWHERE	ALABAMA	PERCENT
1 Cost of Mfg	13,609 299 00	0 00	0 0000%	13 609,299 00	0 00	0 0000%
2 Sales	78 272 028 00	1 200 244 00	1 5334%	77,714 055 00	1 200 244 00	1 5444%
3 Gross Income	0 00	0 00	0 0000%	0 00	0 00	0 0000%
4 Contracts	0 00	0 00	0 0000%	0.00	0 00	0 0000%
5 Mileage	0	0	0 0000%	0	0	0 0000%
6. Salaries	21,767 869.00	139,049 00	0 6388%	21 767,869 00	139 049.00	0 6388%
7 Property and Inventories	76,996,933 00	417,580 00	0 5423%	76,996,933 00	417 580 00	0 5423%

SCHEDULE D: APPORTIONMENT

As Filed			As Adjusted		
Factor		3	Factor	Manufacturing	3
Item 1&2		0 7667%		Items 1 & 2 (avg)	0 7722%
Item	6	0 6388%		Item 6.	0 6388%
Item	7	0 5423%		Item 7.	0 5423%
	Average	0 6493%		Average	0 6511%

SCHEDULE E FRANCHISE TAX AND PERMIT FEE COMPUTATION	As Filed	Per Audit	Adjustments
1 Outstanding Capital Stock and any additional paid in capital, whether positive or negative but excluding the taxpayer's cost of treasury stock	22,813 165 00	22 813,165 00	0 00
2 Retained earnings, whether positive or negative	34 645 165 00	34 645 165.00	0 00
3 Accelerated Depreciation or Amortization	0 00	0 00	0 00
4 Bonds notes debentures or other evidences of indebtedness maturing in more than 1 year	9,045 003 00	9,045 003 00	0 00
5 Bonds notes debentures or other evidences of indebtedness including open accounts payable and/or advances, maturing and payable at the time to:			
a) Any individual stockholder owning 10% or more of the capital stock	0 00	0 00	0 00
b) Another corporation owning more than 50% of the capital stock	0 00	0.00	0 00
c) Another corporation more than 50% of which is owned by such foreign corporation unless the other corporation referred to in (b) or (c) is also required to pay a franchise tax to Alabama	2,521 423 00	2,521,423.00	0 00
6 Total capital everywhere	69 024,756 00	69,024 756 00	
EXCLUSIONS			
7 Investment in capital of Alabama corporations	0 00	0 00	0 00
8 Investment in capital of other foreign corporations paying Alabama franchise tax	0 00	0 00	0 00
9 Investment in the capital of any other corporation that does not pay a franchise tax to Alabama if the taxpayer owns more than 50% of the outstanding capital stock of the other corporation, unless the other corporation is dormant and not regularly engaged in one or more business activity	1,659,703 00	127,103.00	(1,532,600 00)
10. Total exclusions	1 659,703.00	127 103.00	
11 Net capital subject to allocation	67,365,053 00	68,897,653.00	
12. Apportion @	0 6493%	0 6511%	0 0018%
13. Alabama Capital	437,401 29	448,592.62	
DEDUCTIONS			
14 Investment in securities issued by State of Alabama or political subdivision thereof	0 00	0 00	0 00
15 Mortgages receivable on Alabama real estate on which recording privilege tax has been paid	0 00	0 00	0 00
16 Book value of air or water pollution control devices placed in operation in Alabama	0.00	0 00	0 00
17 Book value of capital invested under former Section 40-14-41(d)(2)d	0 00	0 00	0 00
18. Book value of capital invested under current Section 40-14-41(d)(2)d	0 00	0.00	0 00
19 Total deductions	0 00	0 00	
20 ALABAMA FRANCHISE TAX BASE	437,401 29	448,592.62	
21. Franchise tax due	1,312.20	1 345 78	
22. Alabama Enterprise Zone Credit	0 00	0.00	0 00
23. SSAR due	10.00	10.00	
24 Permit fee due	100 00	100 00	
25 Franchise tax due	1,312.20	1,345 78	
26. Total amount due	1,422.20	1,455.78	
27 SSAR paid	10 00		
28. Permit fee paid	100 00		
29 Franchise tax paid	1 312.00		
30. Total amount paid	$1.422 00		
31. Additional Tax due			$33 78

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9/4/97

AUDITORS ADJUSTMENT SHEET

CORPORATE NAME.	TRICO Industries. Inc			Approved_____
DATE	04-Sep-97	ACCOUNT #	987268	
AUDITOR(S).	S Coker/B Johnson	FEIN #	94-0934500	

1996 FOREIGN CORPORATION FRANCHISE TAX

Remarks

Franchise Tax Paid

The company paid $1,390 in franchise tax with the return, and was refunded $78 plus interest, on 1/2/97 for a net payment of $1,312

Apportionment Category

The company manufactures and sells oilfield equipment everywhere The manufacturing apportionment category seems to be proper The company only sells in Alabama.

Sales Factor

The amount of destination sales in the return did not agree with the amount of destination sales in the apportionment workpapers A review of the apportionment workpapers shows that receipts other than sales were included in the amount in the return Under Alabama Reg 810-2-3- 13(1)(d)1 A taxpayer employing capital primarily in Manufacturing, Processing, or Fabricating shall use the average of the Alabama percentages determined by averaging Allocation Factors 1 - Cost of Manufacturing, and 2 - Sales, Allocation Factor 6, and Allocation Factor 7 Schedule C. The amount of receipts other than destination sales were removed during the audit The amount was changed to agree with destination sales in the apportionment workpapers. A copy of the apportionment workpapers is included in the audit workpapers.

Line 9, Investment in Subsidiaries Operating Outside Alabama

In accordance with Section 40-14-41(d)(2) of the Code of Alabama, 1975 and regulation 810-2-3- 03 , an exclusion is allowed for the investments held by foreign corporations in operating subsidiaries not commercially domiciled in Alabama and operating exclusively outside Alabama. The The following tests must be met in order to qualify the investment in a subsidiary as an exclusion: (a) The reporting corporation's franchise tax return must contain unconsolidated operational data. (b) The investment in a subsidiary must be included in the balance sheet in all instances (c) The reporting corporation must own at least 51% of each class of stock (d) Loans or advances to a subsidiary are not allowed as a deduction (e) The investment must be in a operating subsidiary which is regularly engaged in normal and recognized business activities and not a dormant corporation. A schedule is shown below for the correct amount on this line

Amount of deduction in return	1 659,703	
Less. BMW Monarch	(1,372,900)	Less than 50% owned
Drayton Valley	(159,700)	Less than 50% owned
Total for this line	**127,103**	

Schedule 4.21

Section 4.21.4

Waivers or extension of time for assessments -

Jurisdiction	Years	Expires
Federal	1993	9/14/98
California	1992	10/15/98
Alabama	1993	12/31/97
Montana	1991	11/17/98
Illinois	1993-1995	10/15/98

Schedule 4.21

Section 4.21.5

Federal Tax Allocation -

1. The income tax of each subsidiary of PACCAR Inc is computed as if a separate return was filed.

2. Each subsidiary corporation will pay the tax computed to PACCAR Inc or will receive a payment from PACCAR Inc for any refund computed.

3. State Tax Allocation - See Attached.

PACCAR Inc

ACCOUNTING PROCEDURE BULLETIN

A. P. No. 75
Revised: November 1995

SUBJECT: Intercompany State Income Tax Allocation

Some states require the filing of combined income tax returns. Generally, all U.S. corporations are required to be included in the combined return. The income tax liability is computed on the combined taxable income of the included corporations.

A. ALLOCATION POLICY

In states where a combined income tax return is filed, the income tax liability will be shared by the corporations that have a taxable presence in the state.

B. METHOD OF ALLOCATION

The amount of the state income tax shown on a combined return shall be allocated as follows:

1. The income tax of each subsidiary corporation with a taxable presence in the state shall be computed as if a separate return was filed.

2. Each subsidiary corporation will pay the tax computed to PACCAR Inc or will receive a payment from PACCAR Inc for any refund computed.

C. RECORDING OF ALLOCATION

During the year, each corporation will book an estimated amount for state income taxes on a monthly basis. After the tax returns are filed, the state income allocation will be computed and the intercompany payments will be made.

PACCAR Inc

G. D. Hatchel
Vice President-Controller

Schedule 4.21

Section 4.21.6

Controlled foreign corporation - Kobe International Limited

Schedule 4.21

Section 4.21.7

1. Safe Harbor Lease Assets - See attached highlighted assets
2. Tax exempt use properly - none
3. Tax exempt bond financed property - Greenville facility

SCHEDULE 4.21.7

1. SAFE HARBOR LEASE ASSETS

		ASSET NO	COST	BOOK VALUE	YEARLY DEPREC	EST LIFE (PACCAR)	REMAINING LIFE
12	LPG STORAGE & DIST FACILITY	1182NV002I	2,687	112	223.92	35	0.50
12	SERVICE LINES - AIR, CHIP, WATER	0584NV001A	6,498	1,354	541.50	35	2.50
12	ENVIRONMENTAL CONTROL EQUIPMENT	1182NV008I	966,557	40,273	80546.42	35	0.50
10	ENERGY MANAGEMENT SYSTEM	1182NV010E	134,737			35	
12	MECHANICAL SERVICES EQUIPMENT	1182NV008G	937,310	39,055	78109.17	35	0.50
12	MOTOR CONTROL ROOM	1182NV008F	29,215	1,217	2434.58	35	0.50
12	EQUIPMENT FOUNDATIONS	1182NV008C	154,133	6,422	12844.42	35	0.50
12	PUMP HOUSE	1182NV008E	8,413	351	701.08	35	0.50
12	PROCESS PIPING	1182NV008H	100,348	4,181	8362.33	35	0.50
12	CAPITALIZED INTEREST	1182NV113D	138,280	5,762	11523.33	35	0.50
12	POWER DISTRIBUTION EQUIPEMENT	1182NV008J	1,010,333	42,097	84194.42	35	0.50
20	GAS SERVICE PIPING	1182NV011B	5,703	2,424	285.15	35	8.50
31	CAPITALIZED INTEREST	1182NV113C	65,743	41,353	2120.74	35	19.50
12	QUALITY CONTROL & MTC FACILITY	1085NV004C	49,501	14,438	4125.08	35	3.50
31	OIL STORAGE BUILDING	NV84HP017C	10,970	548	353.87	35	1.55
31	ELEVATOR	1182NV011E	29,505	18,559	951.77	35	19.50
31	HEAT VENTILATION & AIR CONDITIONING	1182NV012A	85,903	54,036	2771.06	35	19.50
31	HEAT TREAT BUILDING	1182NV012I	99,684	62,703	3215.61	35	19.50
12	CAPITALIZED INTEREST	1085NV109A	198,628	57,933	16552.33	35	3.50
20	ELECTRIC DIST SYSTEM - HYD ASSY	89SNM10130	17,484	9,616	874.20	35	11.00
20	ELECTRICAL SERVICE	1182NV007G	1,315	558	65.75	35	8.49
12	OIL SEPARATOR	1182NV008L	7,526	314	627.17	35	0.50
31	ELECTRIC POWER DISTRIBUTION BLDG	1182NV012B	145,033	91,230	4678.48	35	19.50
12	CAPITALIZED INTEREST	1085NV109B	1,032	155	86.00	35	1.80
12	ELECTRICAL - HYDRAULIC BUILDING	89SNM10100	37,998	20,899	3166.50	35	6.60
20	GENERAL SITE IMPROVEMENTS	1182NV012H	287,368	122,132	14368.40	35	8.50
10	CAPITALIZED INTEREST	1182NV113A	14,079			35	
20	CAPITALIZED INTEREST	1182NV113B	51,347	21,823	2567.35	35	8.50
31	BUILDING	1182NV012C	1,150,906	717,494	37126.00	35	19.33
12	SUBSTATION CAPICITOR & POLES	0584NV002H	3,572	744	297.67	35	2.50
31	HYDRAULIC BUILDING	89SNM10140	95,284	52,406	3073.68	35	17.05
31	SERVICES BUILDING	1182NV012J	22,215	13,972	716.61	35	19.50
12	PROCESS EQUIPMENT HOOK-UP	1182NV008K	110,990	4,625	9249.17	35	0.50
20	WATER & SEWER	1182NV007F	500	212	25.00	20	8.48
10	TOILET ACCESSORIES	1182NV009G	10,147			20	
20	GAS MAINS	1182NV007H	13,000	5,525	650.00	20	8.50
20	STORM DRAINAGE & OUSTSIDE SEWER	1182NV012G	167,011	70,979	8350.55	20	8.50
20	TEST WELLS - HYDRAULIC BUILDING	89SNM10110	27,644	15,204	1382.20	20	11.00
31	YARD LIGHTING	1182NV008B	78,211	33,239	2522.94	15	13.17
31	FENCE & ELECTRONIC GATE	1182NV008A	28,808	12,244	929.29	15	13.18
12	CHIP CONVEYOR INSTALLATION	1182NV010B	9,500	396	791.67	12	0.50
12	CHIP CONVEYOR ENCLOSURE	1182NV010C	40,174	1,674	3347.83	12	0.50
12	DOCK LEVELER	1182NV009I	2,336	97	194.67	12	0.50
12	CHIP & COOLANT PROCESSING SYSTEM	1182NV006A	585,310	24,388	48775.83	12	0.50
12	CHIP CONVEYOR SLAB	1182NV010A	7,662	319	638.50	12	0.50
12	AIR COMPRESSOR	NV82O1027D	54,181	2,257	4515.08	12	0.50
12	WAREHOUSE SCALE	1182NV003H	6,651	277	554.25	12	0.50
12	CHIP & COOLANT PROC SYS - ADDTL COST	1085NV003A	817	238	68.08	12	3.50
12	GARDNER DENVER AIR COMPRESSOR	1182NV006C	13,388	558	1115.67	12	0.50
12	CHIP CONVEYOR - COVER PLATES	1182NV010D	30,046	1,252	2503.83	12	0.50
12	GARDNER DENVER AIR COMPRESSOR	1182NV006B	13,989	558	1165.75	12	0.48
12	OVERHEAD CRANE - HYDRAULIC BUILDING	89SNM10170	11,995	7,497	999.58	12	7.50
10	LOCKERS AND BENCHES	1182NV009F	4,292			12	
20	CONCRETE TRUCK RAMP	1182NV011D	4,961	2,109	248.05	10	8.50
20	CONCRETE STORAGE AREA	1182NV011A	389,830	165,677	19491.50	10	8.50
20	LAWN SPRINKLER SYSTEM	1182NV012E	14,991	6,671	749.55	10	8.90
20	TRUCK ROADWAY	1182NV011C	98,684	41,941	4934.20	10	8.50
20	SIDEWALKS	1182NV012F	4,179	1,776	208.95	10	8.50
20	PARKING LOT & ROAD	1182NV012D	275,526	117,099	13776.30	10	8.50
10	FOREMAN STATION	NV80HP009I	2,042			7	
10	FOREMAN STATION	NV82HP016G	2,276			7	
10	CARPET	1182NV009E	31,878			7	
10	SIGN	1182NV009H	1,609			7	
10	COFFEE SERVICE STATIONS	1182NV009D	7,710			7	
10	FOREMAN STATION	NV82HP016F	2,092			7	
10	WIRE PARTITIONS	1182NV009J	6,484			7	
10	SECURITY SYSTEM	1182NV009B	60,884			5	
12	TEL/PA SYSTEM - ADDTL COST	1085NV003F	7,394	1,109	616.17	5	1.80
10	TELEPHONE & COMMUNICATION SYSTEM	1182NV002H	121,708			5	
10	TELEPHONE/PA SYSTEM	1182NV009C	73,605			5	
	LAND	1182NV007E	380,789	380,789			

HYDRAULIC

SM #	DESCRIPTION	COND	COST	BOOK VALUE @ 12/31/93	REMAINING LIFE
ASY4	ASSEMBLY	G	7257	6350	10.50
C122	MAZAK CNC LIVE SPINDLE HORIZ LATHE	G	324938	284320	10.50
MEL0	MONARCH MEDIUM ENGINE LATHE	G	13071	11437	10.50
SNH4	SUNNEN HONE	G	5412	4285	9.50
ODG2	STUDER CNC GRINDER	G	254344	181655	8.57
SML1	SPRAY METAL LATHE	F	9203	5346	6.97
HON1	HORIZONTAL HONE	G	23760	5246	2.65
CLG3	CINCINNATI CENTERLESS GRINDER	F	51745	4188	0.97
HMM4	OKK HORIZONTAL MILLING MACHINE	F	63552	2648	0.50
MEL8	MONARCH MEDIUM ENGINE LATHE	G	152165	6340	0.50
COM1	COINING MACHINE	F	1247	0	0.00
FCG1	FACE GRINDER	P	540	0	0.00
PHO2	PHOSPHATIZING	G	1400	0	0.00
SNH1	SUNNEN HONE	P	1200	0	0.00
MTG1	LANDIS MATCH GRINDER	G	114674	0	0.00
ABS1	ABRASVIVE CUTOFF SAW	F	400	0	0.00
UVG1	BROWN & SHARP UNIVERSAL GRINDER	F	24262	0	0.00
SNH3	SUNNEN HONE	F	1200	0	0.00
PRB1	PROBE	F	300	0	0.00
CLN2	PARTS CLEANER	F	500	0	0.00
IDG2	HEALD INTERNAL GRINDER	F	73663	0	0.00
CLP1	JONES & SHIPMAN CENTER LAPPING	G	2530	0	0.00
PDP1	ROCKWELL DRILL PRESS	G	11514	0	0.00
SSM1	SPECIAL SLOTTING MACHINE	F	3547	0	0.00
HTS4	HYDROSTATIC TESTING				
HON2	HORIZONTAL HONE	G	16676	0	

SAN MARCOS

SM #	DESCRIPTION	COND	COST	BOOK VALUE @ 12/31/93	REMAINING LIFE
TSH3	MAZAK TWIN SPINDLE LATHE	G	350231	277266	9.50
MEL7	WARUM MEDIUM ENGINE LATHE	E	41125	32557	9.50
SEL6	VICTOR ENGINE LATHE	G	16881	13364	9.50
BRM1	BROACH MACHINE	F	14101	8813	7.50
VMC3	OKUMA VERTTICAL MACHINING CENTER	G	156330	58624	4.50
UMG1	URESCO WET MAG PARTICLE TESTER	G	41383	15040	4.36
CLG2	CINCINNATI CENTERLESS GRINDER	F	99431	32732	3.95
BBM1	EMPIRE BEAD BLAST MACHINE	F	789	230	3.50
HBB4	DAITO SEIKI HORIZONTAL BAND SAW	F	27075	5641	2.50
C121	MORI SEIKI CNC HORIZONTAL LATHE	G	50588	10539	2.50
GFM1	GEORGE FISHER CNC HORIZONTAL LATHE	F	194420	30258	1.87
CLM1	MAGNA PARTS CLEANER	F	14268	946	0.80
C212	J & L CNC HORIZONTAL LATHE	G	319992	20856	0.78
TSH1	NEW BRITIAN HORIZ TWIN SPINDLE CNC LATHE	F	560274	29905	0.64
HBS1	H E & M HORIZONTAL BAND SAW	F	40482	2124	0.63
	STAMPING MARKING MACHINE	F	14393	739	0.62
HTL1	WARNER & SWASEY HORIZ TURRET LATHE	G	293999	14975	0.61
	STAMPING MARKING MACHINE	F	10515	507	0.58
GFS1	GEORGE FISHER CNC HORIZONTAL LATHE	G	301670	13536	0.54
WLD1	WELDING	F	80858	3428	0.51
SEL1	SOUTHE BEND SMALL ENGINE LATHE	G	17703	738	0.50
UMM1	ZAYER UNIVERSAL MILLING MACHINE	F	192398	8017	0.50
C101	J & L CNC HORIZONTAL LATHE	F	196926	8205	0.50
SSD1	SPECIAL STEM DRILL	F	29550	1231	0.50
HMM1	CINCINNATI HORIZ MILLING MACH	F	159558	6592	0.50
C151	J & L CNC HORIZONTAL LATHE	F	233394	5313	0.27
C152	J & L CNC HORIZONTAL LATHE	F	251653	5421	0.26
C153	J & L CNC HORIZONTAL LATHE	F	239059	323	0.02
VTD2	BURGMASTER NC TURRET DRILL	P	193253	186	0.01
SEL2	SHELDON SMALL ENGINE LATHE	G	8197	0	0.00
ABL1	ACME GRIDLE AUTOMATIC BAR MACHINE	F	64051	0	0.00
SED1	ETTCO DRILL	F	60825	0	0.00
RDP1	CARLTON RADIAL DRILL PRESS	F	74587	0	0.00
GND1	ELDORADO MEGA GUN DRILL	P	13206	0	0.00
STR1	HANNIFIN STRAIGHTENER	G	5152	0	0.00
CLG1	CINCINNATI CENTERLESS GRINDER	F	29640	0	0.00
SEL5	CLAUSING SMALL ENGINE LATHE	F	5000	0	0.00
VMM3	BRIDGEPORT VERTICAL MILLING MACH	G	2000	0	0.00
PHO1	PHOSPHATIZING	F	1400	0	0.00
VMC2	GIDDINGS & LEWIS NC VERT MACH CNT	P	215623	0	0.00
SEL4	LEBLOND SMALL ENGINE LATHE	G	11375	0	0.00
B101	J & L CNC HORIZONTAL BAR FEED LATHE	F	145929	0	0.00
SEL3	HARDING SMALL ENGINE LATHE	F	9208	0	0.00
FDP1	WILTON FLOOR DRILL PRESS	F	800	0	0.00
HTO1	MOORE HEAT TREATING OVEN	F	1200	0	0.00
FDP4	ROCKWELL FLOOR DRILL PRESS	F	800	0	0.00
HBS3	CAROLINA HORIZONTAL BAND SAW	F	5000	0	0.00
VMM2	BRIDGEPORT VERTICAL MILLING MACH	G	2000	0	0.00
FDP5	AMROX FLOOR DRILL PRESS	F	800	0	0.00
FDP3	CLAUSING FLOOR DRILL PRESS	F	701	0	0.00
HBS2	H E & M HORIZONTAL BAND SAW	F	22367	0	0.00
MEL5	LODGE & SHIPLEY MEDIUM HORIZ LATH	F	16227	0	0.00
HMM3	CINCINNATI HORIZONTAL MILLING MACH	F	37271	0	0.00
MEL6	LEBLOND MEDIUM ENGINE LATHE	G	21437	0	0.00
FDP2	WALKER TURNER FLOOR DRILL PRESS	F	248	0	0.00
VBS1	MARVEL UNIVERSAL BAND SAW	P	10811	0	0.00
MEL1	SOUTH BEND MEDIUM ENGINE LATHE	G	49103	0	0.00

2. TAX-EXEMPT USE PROPERTY - NONE

3. TAX-EXEMPT BOND FINANCED PROPERTY - GREENVILLE FACTORY

JK

Schedule 4.21

Section 4.21.8

Nothing to set forth.

Schedule 4.21

Section 4.21.9

Nothing to set forth.

Schedule 6.1

Exceptions to Ordinary Course Transactions

None.

Schedule 9.3

Employees to Whom Seller May Make Offer of Employment

1. Joel Higgins – Assistant Controller
2. Keith Dupen – Human Resources Manager

Schedule 9.3

Employees to Whom Seller May Make Offer of Employment

1. Joel Higgins – Assistant Controller
2. Keith Dupen – Human Resources Manager

Schedule 9.12

Company Obligations to Seller to Survive Closing

Stabilizer Bar Supply Agreement.

California Regional Water Quality Control Board
Los Angeles Region

Peter M. Rooney
Secretary for Environmental Protection

Internet Address: http://www.swrcb.ca.gov
101 Centre Plaza Drive, Monterey Park, California 91754-2156
Phone (213) 266-7500 FAX (213) 266-7600

Pete Wilson
Governor

December 30, 1998

Robert Butler
PACCAR Inc.
P.O. Box 1518
Bellevue, WA 98009

SPILLS, LEAKS, INVESTIGATIONS AND CLEANUPS (SLIC) OVERSIGHT COST REIMBURSEMENT ACCOUNT - FORMER TRICO INDUSTRIES, 1206 WEST 196TH STREET, TORRANCE (FILE NO. 96-062, SLIC NO. 428)

Dear Mr. Butler:

The California Water Code (CWC), Section 13304, allows the Regional Board to recover reasonable expenses from the responsible party to oversee cleanup of unregulated releases which adversely affect the State's waters.

Based on the information provided to date, the subject site use was probably for oil field equipment manufacturing, service, and repair. Site occupants would most likely have used components of oil, hydraulic fluids, solvents, and paints in manufacturing and repair processes conducted at the site. Contaminants above the Interim Site Assessment and Cleanup screening levels have been identified in site soils, including up to 3,700 µg/kg of tetrachloroethylene and 1,100 µg/kg of trichloroethylene. Tetrachloroethylene up to 15,000 µg/L and trichloroethene up to 30,000 µg/L has been identified in the groundwater. The beneficial uses of the groundwater are designated as municipal and domestic supply based on the Water Quality Control Plan (Basin Plan) for Los Angeles County. The release of chemicals have impacted groundwater quality and the beneficial uses of the State's Waters.

Estimate of Work to be Performed

Board staff estimate the following work will be done for your site during the Regional Water Board's 1998/1999 fiscal year (July 1, 1998 to June 30, 1999):

- Review site investigation work plan.
- Conduct site inspections and telephone communications with consultants, neighboring site and other public agencies.
- Collect split samples.
- Conduct internal communications (i.e. meetings, memos) about the site.
- Review remedial work plans and reports.

Statement of Expected Outcome

The following is the expected outcome of work that will be performed during fiscal year 1998/1999:

- Approve soils and ground water investigation work plan.
- Approve soils remediation work plan.
- Approve soils remediation progress reports.

Billing Rates:

Enclosed is the billing rates for employees expected to perform the work. The names and classifications of employees that charge time to this site will be listed on the invoices. The average billing rate is about $70.00 per hour.

Estimation of Expected Charges

Board staff expects to charge about 10 hours of work related to this site during fiscal year 1998/1999. Based on the average billing rate of $70 per hour, the estimated billing charge for this site during this fiscal year is about $700.

If you have any questions, please contact Mr. Keith Elliott at (323)266-7614.

Sincerely,

for DENNIS A. DICKERSON
Executive Officer

cc: Rick Rempel, State Water Resources Control Board Division of Clean Water Program

Enclosure

ACKNOWLEDGMENT OF RECEIPT OF
CLEANUP AND ABATEMENT COST RECOVERY LETTER

I, Richard E Bangert II, acting within the authority vested in me as an authorized representative of PACCAR Inc, a corporation, acknowledge that I have received and read a copy of the attached REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT and the cover letter dated December 30, 1998, concerning cost reimbursement for Regional Board staff costs involved with oversight of cleanup and abatement efforts.

I understand the reimbursement process and billing procedures as explained in the letter. Our company is willing to participate in the cost recovery program and pay all subsequent billings in accordance with the terms in your letter and its attachments. I also understand that signing this form does not constitute any admission of liability, but rather only an intent to pay for costs associated with oversight. Billings for payment of oversight costs should be mailed to the following individual and address:

BILLING CONTACT Robert K Butler

BILLING ADDRESS PACCAR Inc
P.O. Box 1518
Bellevue WA 98009

TELEPHONE NO. (425) 468-7435

(Signature)

VICE PRESIDENT
(Title)

DATE: JANUARY 4, 1999

ACKNOWLEDGMENT OF RECEIPT OF
CLEANUP AND ABATEMENT COST RECOVERY LETTER

I, _____, acting within the authority vested in me as an authorized representative of _____, a corporation, acknowledge that I have received and read a copy of the attached REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT and the cover letter dated December 30, 1998, concerning cost reimbursement for Regional Board staff costs involved with oversight of cleanup and abatement efforts.

I understand the reimbursement process and billing procedures as explained in the letter. Our company is willing to participate in the cost recovery program and pay all subsequent billings in accordance with the terms in your letter and its attachments. I also understand that signing this form does not constitute any admission of liability, but rather only an intent to pay for costs associated with oversight. Billings for payment of oversight costs should be mailed to the following individual and address:

BILLING CONTACT _____

BILLING ADDRESS _____

_____

_____

TELEPHONE NO. _____

_____
(Signature)

_____
(Title)

DATE: _____

☐ Sign He
☐ Initial H
☐ Notarize
☐ Return
☐ _____

Post-It™ signature request pad 7669

REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT

We have identified your facility as requiring regulatory cleanup oversight. Pursuant to Porter-Cologne, Section 13304, reasonable costs for such oversight can be recovered by the Regional Water Quality Control Board (Regional Water Board) from the responsible party. The purpose of the enclosure is to explain the oversight billing process structure.

INTRODUCTION

Porter-Cologne, Division 7, Section 13304, authorizes the State Water Resources Control Board (State Water Board) to set up Cost Recovery Programs. A budget document was prepared and approved by the Legislature to establish authority for a Cost Recovery Program for Spills, Leaks, Investigations, and Cleanups (SLIC). The program is set up so that reasonable expenses incurred by the State Water Board and Regional Water Boards in overseeing cleanup of illegal discharges, contaminated properties, and other unregulated releases adversely impacting the State's waters can be reimbursed by the responsible party. Reasonable expenses will be billed to responsible parties and collected by the Fee Coordinator at the State Water Board in the Division of Clean Water Program's (CWP) Land Disposal Section. The Fee Coordinator keeps an active billing list to ensure that charges for such expenses are appropriately assessed and collected in a timely manner.

THE BILLING SYSTEM

Each account has a unique charge number assigned to it. Whenever any oversight work is done, the hours are billed to the charge number. For these charges, the hours and the associated expenditures are billed on the bi-monthly billing as Labor Hours and Current Billing Period Charges.

Any time that cannot be directly related to an account, (such as billing and accounting work) will be charged to a special account number. The Accounting office totals these charges for the billing period and divides them equally among all facilities. Even if there are no direct charges, the account may still be billed Administrative Charges. The Overhead Charges are based on the number of labor hours charged to the account.

The overhead charges consist of rent, travel, supplies, training, and personnel services. If there is no labor charged to the account during the billing period, there will be no overhead charges for that billing period with the exception of the last month of each fiscal year. This is due to the fact that the labor charges end June 30 for the current fiscal year. However, several kinds of overhead charges such as supply orders and travel expenses are paid after the fiscal year ends. The State Water Board Accounting Office keeps track of these charges and distributes them back to all of the accounts based on the number of hours charged to each account for the whole fiscal year that has just ended. Therefore, the bi-monthly statements for the last month of the fiscal year could show no labor hours charged for the billing period, but some overhead charges could be charged to the account.

PACCAR 04485

The hours charged to an account are totaled each month by the employee and reported on a monthly timesheet. The timesheets are submitted to the Accounting Office and entered into the automated accounting system, which computes the Labor and Overhead Charges based on the hours reported.

The monthly expenditure information for the billings are taken from monthly automated accounting reports. A running balance on each of the accounts is kept on fee history sheets in each of the site files. The information is extracted from the accounting report and the fee history sheet to produce the statement, and two copies of the statement are sent to the responsible party. If a balance is owed, a check is to be remitted to the Accounting Office with a copy of the statement within 15 days after receipt of the bill. The Accounting office sends a report of payments to the Fee Coordinator to be included in the files.

Copies of the billings will be sent to the appropriate Regional Water Boards so they will be updated on the accounts, if the responsible party has any questions. If the responsible party becomes delinquent in their bi-monthly payments, oversight work will cease immediately. Work will not begin again unless the payments are brought up-to-date.

DAILY LOGS

A detailed description (daily log) of the actual work being done at each specific site is kept by each employee in the Regional Water Board who works on the cleanup oversight at the property. Upon request, these logs are provided to the responsible party by the Regional Water Board staff. They will not be included in the bi monthly billing statement.

REMOVAL FROM THE BILLING SYSTEM

After the cleanup is complete, the account can be removed from the active billing system by the Regional Water Board submitting the appropriate form to the Fee Coordinator. If a balance is due, the Fee Coordinator will send a final billing for the balance owed. The responsible party should then submit a check to the Accounting Office to close the account. The account is removed from the active billing list and will no longer be billed.

ACKNOWLEDGMENT

No cleanup oversight will be performed unless the responsible party of the property acknowledges in writing that he/she is willing to reimburse the State for appropriate cleanup oversight costs. As soon as the acknowledgment is received, the account will be added to the active SLIC Cost Recovery billing list and oversight work will begin. Signing the acknowledgment does not constitute any admission of liability. Any questions regarding the billing process, billing statement or charges should be directed to the Regional Board's staff.

BILLING RATES DESCRIPTION

JOB CLASSIFICATIONS AND MONTHLY SALARY SCALES

CLASSIFICATION	ABBR.	SALARY SCALE (Includes Benefits)
Student Assistant	SA	1,914 - 2,898
Office Assistant	OA	2,083 - 2,779
Office Technician	OT	2,649 - 3,221
Environmental Specialist I	ESI	3,120 - 3,747
Environmental Specialist II	ESII	3,791 - 4,567
Sanitary Engineering Technician	SET	3,459 - 4,832
Water Resources Control Engineer	WRCE	3,728 - 5,184
Engineering Geologist	EG	3,728 - 5,184
Associate Governmental Program Analyst	AGPA	4,459 - 5,382
Environmental Specialist III	ES III	4,567 - 5,515
Sanitary Engineering Associate	SEA	4,789 - 5,820
Associate Water Resources Control Engineer	AWRCE	5,030 - 6,110
Associate Engineering Geologist	AEG	5,030 - 6,113
Environmental Specialist IV	ES IV	5,258 - 6,348
Senior Water Resources Control Engineer	SWRCE	5,790 - 7,037
Senior Engineering Geologist	SEG	5,790 - 7,037
Supervising Water Resources Control Engineer	SWRCE	6,354 - 7,752

SUMMARY OF COSTS

Overhead costs = 80% times salary and benefits

Administrative costs = Covered under Storage Statement Fees

Example:	Associate Water Resources Control Engineer	Salary:	$5,030
		Overhead:	4,024
		Total Cost:	$9,054

Total cost divided by 176 hours per month equals cost per hour : $51.00

These are averages, which may vary a few percent between pay periods.
Note: Due to the various classifications that expend SLIC resources, an average of $70.00 per hour can be used for projection purposes.

The name and classification of employee performing oversight work on your site will be listed on the nvoices.

California Regional Water Quality Control Board
Los Angeles Region

Winston H. Hickox
Secretary for Environmental Protection

Internet Address http://www.swrcb.ca.gov/~rwqcb4
320 W. 4th Street, Suite 200, Los Angeles, California 90013
Phone (213) 576-6600 FAX (213) 576-6640

Gray Davis
Governor

cc Larry

August 13, 1999

Mr. Robert K. Butler, PE
PACCAR, Inc
P.O. Box 1518
Bellevue, Washington 98009

ANNUAL ESTIMATION FOR COST RECOVERY PROGRAM – FORMER TRICO INDUSTRIES AT 1206 WEST 196TH STREET, TORRANCE, CALIFORNIA (SLIC NO. 428)

Dear Mr. Butler:

The California Water Code (Porter-Cologne), Section 13304, allows the Regional Board to recover reasonable expenses from a responsible party for overseeing site investigation and cleanup of unregulated discharges adversely affecting the State's waters. It is our intent to continue to recover costs for regulatory oversight work conducted at this site. In compliance with AB 2507, this letter is being sent to provide you with the following information regarding costs for regulatory oversight work:

1. A detailed estimate of the work to be performed or services to be provided.
2. A statement of the expected outcome of that work.
3. The billing rates for all individuals and classes of employees expected to engage in the work.
4. An estimate of all expected charges to be billed to you by this agency.

Estimate of Work to be Performed

Board staff estimates that the following work will be performed during fiscal year 1999/2000:

- Review groundwater monitoring reports and other project technical reports that may be necessary.
- Written correspondences and telephone communications with PACCAR, Inc., its representatives and interested third parties.
- Conduct internal communications (i.e. meetings, memos, etc.) regarding project.
- Meetings with PACCAR, Inc.and its representatives.
- Site inspection and sampling.

August 13, 1999

Statement of Expected Outcome

The following is the expected outcome of work that will be performed during fiscal year 1999/2000:

- Written comments on reports to be submitted as appropriate,
- Verify adequacy of reports, and
- Provide a direction on the project.

Billing Rates

Enclosed is the billing rates for employees expected to perform the work. The names and classifications of employees that charge time to this site will be listed on the invoices. The average billing rate is about $70.00 per hour.

Estimated of Expected Charges

Board staff expects to charge about 60 hours of work related to this site during fiscal year 1999/2000 (July 1, 1999 through June 30, 2000). Based on the average billing rate of $70.00 per hour, the estimated billing charge for this site during fiscal year 1999/2000 is about $4,200.

If you have any questions, please contact Su Han at (213) 576-6735.

Sincerely,

Dennis A. Dickerson
Executive Officer

Enclosure: Billing Rates Description

cc: Rick Rempel, SWRCB - CWP (PCA No. 204-3Y)

SPILLS, LEAKS, INVESTIGATIONS, AND CLEANUPS (SLIC) PROGRAM
BILLING RATES DESCRIPTION

JOB CLASSIFICATIONS AND MONTHLY SALARY SCALES

CLASSIFICATION	ABBR.	SALARY SCALE (Includes Benefits)
Student Assistant	SA	1,914 - 2,898
Office Assistant	OA	2,083 - 2,779
Office Technician	OT	2,649 - 3,221
Environmental Specialist I	ESI	3,120 - 3,747
Environmental Specialist II	ESII	3,791 - 4,567
Sanitary Engineering Technician	SET	3,459 - 4,832
Water Resources Control Engineer	WRCE	3,728 - 5,184
Engineering Geologist	EG	3,728 - 5,184
Associate Governmental Program Analyst	AGPA	4,459 - 5.382
Environmental Specialist III	ES III	4,567 - 5,515
Sanitary Engineering Associate	SEA	4,789 - 5,820
Associate Water Resources Control Engineer	AWRCE	5,030 - 6,110
Associate Engineering Geologist	AEG	5,030 - 6,113
Environmental Specialist IV	ES IV	5,258 - 6,348
Senior Water Resources Control Engineer	SWRCE	5,790 - 7,037
Senior Engineering Geologist	SEG	5,790 - 7,037
Supervising Water Resources Control Engineer	SWRCE	6,354 - 7,752

SUMMARY OF COSTS

Overhead costs = 80% times salary and benefits

Administrative costs = State Board: 15% times salary and benefits
Regional Board: 10% times salary and benefits

Example:	Associate Water Resources Control Engineer		
		Salary:	$5,030
		Overhead:	4,024
		Admin: State Board:	754
		Admin: Regional Board:	503
		Total Cost:	$10,311

Total cost divided by 176 hours per month equals cost per hour : $58.58

These are averages, which may vary a few percent between pay periods.
Note: Due to the various classifications that expend SLIC resources, an average of $70.00 per hour can be used for projection purposes.

The name and classification of employees performing oversight work on your site will be listed on the invoices.

RESPONSE

#5

#8

#10

RECORDING REQUESTED BY

BRANT & PETTITT

AND WHEN RECORDED MAIL TO

Name
Street Address
City & State

BRANT & PETTITT
626 Wilshire Boulevard
Suite 400
Los Angeles, CA 90017

ATTN: Roger C. Pettitt, Esq.

MAIL TAX STATEMENTS TO

Name
Street Address
City & State

TRICO INDUSTRIES, INC.
15707 South Main Street
Gardena, California 90247

7922695 K. DALY

81- 196731

VESTING

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CA
FEB 24 1981 AT 8 A.M.
Recorder's Office

FEE $5 2H

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Corporation Grant Deed

THIS FORM FURNISHED BY TICOR TITLE INSURERS

A P N

The undersigned grantor(s) declare(s):
Documentary transfer tax is $ 962.50 .
(X) computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale.
( ) Unincorporated area: (X) City of Torrance , and
FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

B & W INCORPORATED,

a corporation organized under the laws of the State of California, hereby GRANTS to

TRICO INDUSTRIES, INC., a California corporation,

the following described real property in the City of Torrance, County of Los Angeles , State of California:

Legal description, Parcels 1 through 7, attached hereto, is by this reference incorporated herein.

7351-35-23

now pcl

24'

In Witness Whereof, said corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its _____ President and _____ Secretary thereunto duly authorized.

Dated: January 5 , 1981

B & W INCORPORATED

By Stephen F. Jeffers, President

By Richard J. Thompson, Secretary

STATE OF CALIFORNIA
COUNTY OF Los Angeles } SS.

On January 26 , 1981, before me, the undersigned, a Notary Public in and for said State, personally appeared STEPHEN F. JEFFERS known to me to be the _____ President, and RICHARD J. THOMPSON, known to me to be _____ Secretary of the Corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature _____

Name (Typed or Printed)

OFFICIAL SEAL
DIXIE L. BAKER
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires August 4, 1981

OFFICIAL SEAL
DIXIE L. BAKER
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires August 4, 1981

(This area for official notarial seal)

Title Order No. 7922695 Escrow or Loan No. _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

PACCAR 00244

ARB 20

THE EAST 63 FEET OF THE WEST 202.50 FEET OF THE SOUTHERLY ONE-HALF OF LOT 6 OF TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WEST 10.50 FEET OF THE SOUTH 76.66 FEET THEREOF.

PARCEL 2:

ARB 25

THE EAST 52.50 FEET OF THE WEST 255 FEET OF THE SOUTH HALF OF LOT 6, TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

ARB 22

THE EAST 52 FEET OF THE WEST 307 FEET OF THE SOUTH ONE-HALF OF LOT 6 OF TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 4:

ARB 24

THE EASTERLY 100 FEET OF THE WESTERLY 407 FEET OF THE SOUTHERLY HALF OF LOT 6 IN TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5:

ARB 23

THE EASTERLY 60 FEET OF THE WESTERLY 467 FEET OF THE SOUTHERLY ONE-HALF OF LOT 6 OF TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6:

ARB 14 +15

LOT 6 OF TRACT NO. 2671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE WESTERLY 467 FEET THEREOF.

ALSO EXCEPTING ONE-HALF REMAINING OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN OR UNDER SAID LAND, AS RESERVED BY HARRY COHEN AND BERTA L. COHEN, HUSBAND AND WIFE, IN DEED RECORDED MARCH 22, 1956 IN BOOK 50667, PAGE 372 OF OFFICIAL RECORDS, AS INSTRUMENT NO. 1512.

THE SURFACE RIGHTS OF ENTRY IN AND TO THE TOP 100 FEET OF SAID LAND WERE QUITCLAIMED BY DEED RECORDED NOVEMBER 16, 1961 IN BOOK D-1422 PAGE 358, OFFICIAL RECORDS, AS INSTRUMENT NO. 1378.

PARCEL 7:

LOT 7 OF TRACT NO. 4671, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, OFFICIAL RECORDS.

EXCEPT THE SOUTH 220 FEET THEREOF.

81-196731

81-196731

END OF RECORDED DOCUMENT

90 178472

RECORDING REQUESTED BY:

DOMINGUEZ WATER CORPORATION

WHEN RECORDED MAIL TO:

MR. JOHN TOOTLE
DOMINGUEZ WATER CORPORATION
21718 South Alameda Street
P.O. Box 9351
Long Beach, California 90810

COPY of Document Recorded on February 1, 1990 as No. .....
Has not been compared with original. Original will be returned when processing has been completed.
LOS ANGELES COUNTY REGISTRAR RECORDER

GRANTOR DECLARES THAT:

Documentary Tax - $0.00. This is a conveyance of an Easement and the consideration and value are less than $100.00, R&T 11911.

EASEMENT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, and subject to each and all of its reserved rights and privileges, the undersigned, TRICO INDUSTRIES, INC., a California corporation (hereinafter "Grantor"), does hereby grant and convey (without warranty, express or implied), to DOMINGUEZ WATER CORPORATION, a California corporation (hereinafter "Grantee"), for the hereinafter described purposes only, the exclusive right, right-of-way and easement over, under, along and across the real property described below, together with the right to enter upon said real property from that certain right-of-way for street purposes, to be used in common with others, over the Northerly 25.00 feet of the Westerly 467.00 feet of Lot 6 of Tract No. 4671 referred to below, and the exclusive right to drill for, develop and remove water from and under said real property and the exclusive right to construct and maintain one or more pumping plants, tanks and other storage equipment for the storage of water upon and under said real property, for so long but only for so long as Grantee, its successors or assigns is lawfully engaged in the business of producing, distributing and/or selling water in Los Angeles County, California as a public utility. Such rights, rights-of-way and easements hereby granted by Grantor to Grantee include but are not limited to the rights to drill, redrill, deepen, line, construct, maintain, modify, repair and operate one or more water wells, casings and other necessary water well drilling equipment upon said real property and to carry on and to prosecute all necessary and proper operations for such water well drilling and water production purposes.

EXCEPTING AND RESERVING unto Grantor, its successors and assigns, the right to enter upon, in and under said real property for the purposes of ingress and egress to and from the same and to and from Grantor's adjoining property,

and otherwise using the same, or any part thereof, for parking purposes, for lighting purposes and/or for temporary storage of non-toxic personal property and incidental and/or related purposes, so long as the exercise of such reserved rights and uses by Grantor, its successor or assigns, does not unreasonably interfere with or restrict Grantee's use of said real property for such water well drilling, pumping plant construction, tank construction, water storage and distribution and related purposes.

The real property covered by this Easement Deed is comprised of approximately 9,600 square feet along and across the Northerly part of the real property presently owned by Grantor, being the North 60 feet of the following described real property (as shown on the attached Plat):

THOSE PORTIONS OF LOTS 6 and 7 of TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89 DEGREES 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402.38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89 DEGREES 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00 DEGREES 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89 DEGREES 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

SUBJECT TO all covenants, conditions, restrictions, exceptions, reservations, rights, right-of-way, easements and other matters of record and subject to and "as is, where is and with all faults" with respect to all existing surface and subsurface conditions of the soil and subject to all existing environmental conditions, known and/or unknown.

This Easement Deed is executed and delivered by Grantor to Grantee subject to, and by its acceptance hereof Grantee hereby covenants and agrees, on behalf of itself, its successors and assigns for the benefit of the interests and estates in said real property owned by Grantor, and for the benefit of Grantor, its successors and/or assigns, that the rights, rights-of-way and easements

PACCAR 00247

hereby granted and conveyed to Grantee shall not nor shall any part of the real property subject thereto be used for any purpose or purposes other than the exploration for, development, storage and/or removal and distribution of water and for ingress and egress, utility installation and maintenance and incidental purposes, all as provided above and all at Grantee's sole risk and expense. The covenants hereby created shall be covenants running with the interests and estates of Grantor, its successors and assigns and shall bind Grantee and its successors and/or assigns.

If Grantee, its successors or assigns should at any time cease to be actively engage in the business of producing, distributing and/or selling water in Los Angeles County, California, as a public utility, all rights, rights-of-way and easements hereby granted shall immediately and automatically cease and terminate and this Easement Deed shall be of no further force or effect whatsoever.

IN WITNESS WHEREOF, Grantor has executed this Easement Deed on January 23, 1990 by and through its undersigned officers thereunto duly authorized.

TRICO INDUSTRIES, INC., a California corporation,

By _____
GARY L. BROOKSHIRE, Chief Financial Officer

By _____
ROBERT L. LITSCHI, Vice President and Corporate Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On January 26, 1990, before me a Notary Public in and for said State, personally appeared GARY L. BROOKSHIRE and ROBERT L. LITSCHI, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as the Chief Financial Officer and Vice President and Corporate Secretary, respectively, of the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Renate Müller

Notary Public in and for Said County and State.

RENATE MULLER
Notary Public - California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19, 1991

EXHIBIT "F"
3 of 4

KENNETH P. HAHN
COUNTY ASSESSOR
COUNTY OF LOS ANGELES
500 West Temple Street
Los Angeles, California 90012-2770

THIS SPACE FOR RECORDER'S USE

PRELIMINARY CHANGE OF OWNERSHIP REPORT

THIS REPORT IS NOT A PUBLIC DOCUMENT

(To be completed by transferee (buyer) prior to transfer of the subject property in accordance with Section 480.3 of the Revenue and Taxation Code.)

FOR ASSESSOR'S USE ONLY

Cluster _____
OC1 _____ OC2 _____
DT _____ INT _____
RC _____ SP$ _____
DTT$ _____ #Pcl _____

A Preliminary Change in Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located, this particular form may be used in all 58 counties of California.

SELLER/TRANSFEROR: Trico Industries, Inc.
SELLER'S RECORDING DATE: _____ DOCUMENT NO. _____
BUYER/TRANSFEREE: PACCAR INC
ASSESSOR'S IDENTIFICATION NUMBER(S) 7351-035-027 (Mapbook / Page / Parcel)
PROPERTY ADDRESS OR LOCATION: 1206 W. 196th Street (No / Street)
Torrance, CA 90502 (City / State / Zip Code)

MAIL TAX INFORMATION TO:
NAME: PACCAR INC
ADDRESS: P. O. BOX 1518 Bellevue WA 98009 (Street No / City / State / Zip Code)

NOTICE: A lien for property taxes applies to your property on March 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One-half of these taxes is due November 1 and one-half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. IF THIS TRANSFER OCCURS AFTER MARCH 1 AND ON OR BEFORE DECEMBER 31, YOU MAY BE RESPONSIBLE FOR THE SECOND INSTALLMENT OF TAXES DUE FEBRUARY 1.
The property which you acquired may be subject to a supplemental tax assessment in an amount to be determined by the Los Angeles County Assessor. For further information on your supplemental roll tax obligation, please call the Los Angeles County Assessor at (213) 974-3211.

PART I: TRANSFER INFORMATION

Please answer all questions.

YES	NO		
☐	☒	A	Is this transfer solely between husband and wife (Addition of a spouse, death of a spouse, death of a spouse, divorce settlement, etc.)?
☐	☒	B.	Is this transaction only a correction of the name(s) of the person(s) holding title to the property (For example, a name change upon marriage)?
☐	☒	C	Is this document recorded to create, terminate, or reconvey a lender's interest in the property?
☐	☒	D.	Is this transaction recorded only to create, terminate, or reconvey a security interest (e.g., cosigner)?
☐	☒	E	Is this document recorded to substitute a trustee under a deed of trust, mortgage, or other similar document?
☐	☒	F.	Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants?
☐	☒	G	Does this transfer return property to the person who created the joint tenancy (original transferor)?
☐	☒	H.	Is this transfer of property: 1. to a trust for the benefit of the grantor, or grantor's spouse? 2. to a trust revocable by the transferor? 3. to a trust from which the property reverts to the grantor within 12 years?
☐	☒	I.	If this property is subject to a lease, is the remaining lease term 35 years or more including written options?
☐	☒	J.	Is this a transfer from parents to children or from children to parents?
☐	☒	K.	Is this transaction to replace a principal residence by a person 55 years of age or older?
☐	☒	L.	Is this transaction to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code Section 69.5?

If you checked yes to J, K or L, you may qualify for a property tax reassessment exclusion, which may result in lower taxes on your property. Failure to file a claim results in the reassessment of the property.
Please provide any other information that would help the Assessor to understand the nature of the transfer. _____

IF YOU HAVE ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS **EXCEPT J, K, OR L,** PLEASE SIGN AND DATE, OTHERWISE COMPLETE BALANCE OF THE FORM.

PART II: OTHER TRANSFER INFORMATION

A. Date of transfer if other than recording date. _____

B. Type of transfer Please check appropriate box.

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or Exchange ☐ Merger, Stock or Partnership Acquisition
☐ Contract of Sale - Date of Contract _____
☐ Inheritance - Date of Contract _____ ☒ Other: Please explain. Corporate dividend from subsidiary to parent.
☐ Creation of a lease; ☐ Assignment of a lease; ☐ Termination of a lease
Date lease began _____
Original term in years (including written options) _____
Remaining term in years (including written options) _____

C. Was only a partial interest in the property transferred? ☐ Yes ☒ No
If yes, indicate the percentage transferred _____ %.

SBE-ASD AH 502—A FRONT (REV. 6—23-92) 76P820 ASSR 70

PRELIMINARY CHANGE OF OWNERSHIP REPORT

Please answer, to the best of your knowledge, all applicable questions, sign and date. If a question does not apply, indicate with "N/A."

PART III: PURCHASE PRICE & TERMS OF SALE

A CASH DOWN PAYMENT OR Value of Trade or Exchange (excluding closing cost) Amount $ _____

B. FIRST DEED OF TRUST @ _____ % interest for _____ years. Pymts./Mo. = $ _____ (Prin. & Int. only) Amount $ _____

☐ FHA ☐ Fixed Rate ☐ New Loan
☐ Conventional ☐ Variable Rate ☐ Assumed Existing Loan Balance
☐ VA (_____ Discount Points) ☐ All Inclusive D.T. ($ _____ Wrapped) ☐ Bank or Savings & Loan
☐ Cal-Vet ☐ Loan Carried by Seller ☐ Finance Company

Balloon Payment ☐ Yes ☐ No Due Date _____ Amount $ _____

C. SECOND DEED OF TRUST @ _____ % interest for _____ years Pymts./Mo. = $ _____ (Prin. & Int only) Amount $ _____

☐ Bank or Savings & Loan ☐ Fixed Rate ☐ New Loan
☐ Loan Carried by Seller ☐ Variable Rate ☐ Assumed Existing Loan Balance

Balloon Payment ☐ Yes ☐ No Due Date _____ Amount $ _____

D. OTHER FINANCING: Is other financing involved not covered in (b) or (c) above? ☐ Yes ☐ No Amount $ _____

Type _____ @ _____ % interest for _____ years Pymts./Mo. = $ _____ (Principal & Interest only)

☐ Bank or Savings & Loan ☐ Fixed Rate ☐ New Loan
☐ Loan Carried by Seller ☐ Variable Rate ☐ Assumed Existing Loan Balance

Balloon Payment ☐ Yes ☐ No Due Date _____ Amount $ _____

E. IMPROVEMENT BOND ☐ Yes ☐ No Outstanding Balance: Amount $ _____

F. TOTAL PURCHASE PRICE: (or acquisition price, if traded or exchanged, include real estate commission if paid.)
Total items A through E

G. PROPERTY PURCHASED ☐ Through a broker, ☐ Direct from seller; ☐ Other (Explain) _____

If purchased through a broker, provide broker's name and phone no.: _____

Please explain any special terms or financing and any other information that would help the Assessor understand the purchase price and terms of sale. _____

PART IV: PROPERTY INFORMATION

A. IS PERSONAL PROPERTY INCLUDED IN THE PURCHASE PRICE (other than a mobilehome subject to local property tax)? ☐ Yes ☒ No

If yes, enter the value of the personal property included in the purchase price $ _____ (Attach itemized list of personal property)

B. IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE? ☐ Yes ☒ No

If yes, enter date of occupancy _____ / _____ / ,19 _____ or intended occupancy _____ / _____ ,19 _____
Month Day Month Day

C. TYPE OF PROPERTY TRANSFERRED:

☐ Single-Family residence ☐ Agricultural ☐ Timeshare
☐ Multiple-Family residence (no. of units: _____) ☐ Coop/Own-your-own ☐ Mobilehome
☒ Commercial/Industrial ☐ Condominium ☐ Unimproved lot
☐ Other (Description: _____)

D. DOES THE PROPERTY PRODUCE INCOME? ☒ Yes ☐ No

E. IF THE ANSWER TO QUESTION D IS YES, IS THE INCOME FROM:

☒ Lease/Rent ☐ Contract ☐ Mineral rights ☐ Other-explain _____

F. WHAT WAS THE CONDITION OF THE PROPERTY AT THE TIME OF SALE?

☐ Good ☐ Average ☐ Fair ☒ Poor

Enter here, or on an attached sheet, any other information that would assist the Assessor in determining value of the property such as the physical condition of the property, restrictions, etc.

Toxic substance contamination renders the property valueless.

I certify that the foregoing is true, correct and complete to the best of my knowledge and belief.

Signed Richard Blacker Date November 25, 1997
(New Owner/Corporate Officer)

Please Print Name of New Owner/Corporate Officer RICHARD BLACKER

Phone No where you are available from 8:00 a.m. - 5:00 p.m. (425) 468-7484

(Note The Assessor may contact you for further information)

If a document evidencing a change of ownership is presented to the recorder for recordation without the concurrent filing of a PRELIMINARY CHANGE OF OWNERSHIP REPORT, the recorder may charge an additional recording fee of twenty dollars ($20).

ORDER #
APN FIRST AMERICAN TITLE COMPANY OF LA 97 1891551
"SUBDIVISION"

ORIGINAL

WHEN RECORDED MAIL TO

Name PACCAR INC.
Street Address P.O. BOX 1518
City & State BELLEVUE, WASHINGTON 98009
ATTN: PHILLIP GLADFELTER

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
DEC 02 1997 AT 8 A.M.

FEE $13 F

SPACE ABOVE THIS LINE FOR RECORDER'S USE 3

7351-35-27

Grant Deed

NCPF Code 19 $ 9.00 (80)

NOTIFICATION SENT-$4

ALL PTN

The undersigned grantor(s) declare (s)
Documentary transfer tax is $ -0-
( ) computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale
( ) Unincorporated area. (X) City of Torrance,
( ) Realty not sold

"The grantors and the grantees in this conveyance are comprised of the same parties who continue to hold the same proportionate interest in the property, R&T 11923(d)."

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, Trico Industries, Inc., a California corporation, wholly owned subsidiary of grantee herein,

hereby GRANT(S) ~~xx~~ and conveys to PACCAR INC, a Delaware corporation, all right, title, interest and estate of the undersigned in and to

that property in Los Angeles County, State of California, described as set forth in Exhibit A attached hereto and incorporated herein.

SUBJECT TO all current and delinquent taxes and assessments, covenants, conditions, restrictions, reservations, easements, rights and rights of way, surface and subsurface conditions of the soil and all improvements thereto and to all matters of record.

Mail tax statements to PACCAR INC, P. O. Box 1518, Bellevue, WA 98009

Date November 14, 1997

TRICO INDUSTRIES, INC.

By [signature]

Attest: Chairman

[signature]
Assistant Secretary

STATE OF ~~CALIFORNIA~~ WASHINGTON
COUNTY OF KING } SS

On _____ before me, the undersigned, a Notary Public in and for said State, personally appeared, _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person ____ whose name ____ subscribed to the within instrument and acknowledged that _____ executed the same Witness my hand and official seal.

Signature _____,

Name (Typed or Printed)

LTC-116

MAIL TAX STATEMENTS AS DIRECTED ABOVE

9722930-21

PACCAR 00251

PARCEL 1:

THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89° 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402.38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89° 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89° 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89° 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00° 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89° 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN, ON, OR UNDER SAID LAND, AS RESERVED BY BENJAMIN AND ANNA SHAPIRO IN DEED RECORDED OCTOBER 8, 1942 AS INSTRUMENT NO. 213 IN BOOK 19556 PAGE 398, OFFICIAL RECORDS.

ALSO EXCEPT ONE-HALF REMAINING OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN OR UNDER SAID LAND, AS RESERVED BY HARRY COHEN AND BERTA L. COHEN, HUSBAND AND WIFE, IN DEED RECORDED MARCH 22, 1956 IN BOOK 50667 PAGE 372 OF OFFICIAL RECORDS, AS INSTRUMENT NO. 1512.

THE SURFACE RIGHTS OF ENTRY IN AND TO THE TOP 100 FEET OF SAID LAND WERE QUITCLAIMED BY DEED RECORDED NOVEMBER 16, 1961 IN BOOK D-1422 PAGE 358, OFFICIAL RECORDS, AS INSTRUMENT NO. 1378.

PARCEL 2:

A RIGHT OF WAY FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25.00 FEET OF THE WESTERLY 467.00 FEET OF SAID LOT 6.

97 1891551

EXHIBIT A

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

3

State of WASHINGTON

County of KING

On NOVEMBER 26, 1997 (Date) before me, Phillip E. Gladfelter, NOTARY PUBLIC, (Name and Title of Officer (e.g., "Jane Doe, Notary Public")) personally appeared M.A. TEMBREULL and G.G. MORIE (Name(s) of Signer(s)),

☒ personally known to me – OR – ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

© 1994 National Notary Association • 8236 Remmet Ave., P.O. Box 7184 • Canoga Park, CA 91309-7184 Prod. No. 5907 Reorder: Call Toll-Free 1-800-876-6827

97 1891551

ORDER #

APN

WHEN RECORDED MAIL TO

Name

Street Address

City & State

ORIGINAL

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Grant Deed

ALL | PTN

The undersigned grantor(s) declare (s):
Documentary transfer tax is $ -0-
( ) computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale
( ) Unincorporated area. (X) City of Torrance,
( ) Realty not sold

"The grantors and the grantees in this conveyance are comprised of the same parties who continue to hold the same proportionate interest in the property, R&T 11923(d)."

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, Trico Industries, Inc., a California corporation, wholly owned subsidiary of grantee herein,

hereby GRANT(S) ~~to~~ and conveys to PACCAR INC, a Delaware corporation, all right, title, interest and estate of the undersigned in and to

that property in Los Angeles County, State of California, described as set forth in Exhibit A attached hereto and incorporated herein.

SUBJECT TO all current and delinquent taxes and assessments, covenants, conditions, restrictions, reservations, easements, rights and rights of way, surface and subsurface conditions of the soil and all improvements thereto and to all matters of record.

Mail tax statements to PACCAR INC, P. O. Box 1518, Bellevue, WA 98009

Date November 14, 1997

STATE OF ~~CALIFORNIA~~ WASHINGTON
COUNTY OF KING } SS.

On _____ before me, the undersigned, a Notary Public in and for said State, personally appeared, _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person ____ whose name ____ subscribed to the within instrument and acknowledged that _____ executed the same. Witness my hand and official seal

Signature _____

Name (Typed or Printed)

TRICO INDUSTRIES, INC.

By _____
Chairman

Attest: _____
Assistant Secretary

LTC-116

MAIL TAX STATEMENTS AS DIRECTED ABOVE

PARCEL 1:

THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

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PARCEL 2:

A RIGHT OF WAY FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25.00 FEET OF THE WESTERLY 467.00 FEET OF SAID LOT 6.

EXHIBIT A

FATCOLA

First American Title Company of Los Angeles

520 North Central Avenue
Glendale, California 91203 (818) 242-5800

NOVEMBER 14, 997

Torance

PACCAR, INC.
P.O BOX 1518
BELLEVUE, WASHINGTON 98009

NOV 1 8 1997

ATTENTION: MR. PHILLIP GLADFELTER

ORDER NO. TRICO INDUSTRIES - PACCAR, INC.
OUR NO. 9722930-21

11/18
requested cc to RCPV

PLEASE FIND ENCLOSED HEREWITH THE FOLLOWING:

UPDATED ALTA PLAIN LANGUAGE COMMITMENT.

SINCERELY,

JEANIE QUINTAL
TITLE OFFICER
MAJOR PROJECTS

Form No 1068-2 (Rev 10/17/92)
Exhibit A to Commitment

NOV 1 8 1997

Commitment For Title Insurance

First American Title Insurance Company

PACCAR 00257

First American Title Insurance Company

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

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YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, please contact the issuing office.

Form No. 1343 (1982)
ALTA Plain Language Commitment

COMMITMENT FOR TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of this Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment become effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions on Page 1a.

This Commitment is not valid without SCHEDULE A and Sections 1 and 2 of SCHEDULE B.

First American Title Insurance Company

BY Parker S. Kennedy PRESIDENT

ATTEST Mark R. Arneson SECRETARY

BY Jeanie Quintal COUNTERSIGNED

CONDITIONS

1. DEFINITIONS
(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS
The Exceptions in Schedule B - Section 2 may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section 1 are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS
If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY
Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements shown in Schedule B - Section 1
or
eliminate with our written consent any Exceptions show in
Schedule B - Section 2.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT
Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.

SCHEDULE A

1. COMMITMENT DATE: NOVEMBER 12, 1997 COMMITMENT NO. 9722930-21

2. POLICY OR POLICIES TO BE ISSUED: POLICY AMOUNT

STANDARD OWNER'S POLICY. $TO BE DETERMINED

PROPOSED INSURED:

TO BE DETERMINED.

3. A. THE ESTATE OR INTEREST IN THE LAND DESCRIBED IN THIS COMMITMENT IS:

A FEE, AS TO PARCEL(S): 1.

AN EASEMENT, AS TO PARCEL(S): 2.

B. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS **VESTED** IN:

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION.

4. THE LAND REFERRED TO IN THIS COMMITMENT IS IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89° 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402 38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89° 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89° 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89° 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00° 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89° 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, MINERALS AND

OTHER HYDROCARBON SUBSTANCES IN, ON, OR UNDER SAID LAND, AS RESERVED BY BENJAMIN AND ANNA SHAPIRO IN DEED RECORDED OCTOBER 8, 1942 AS INSTRUMENT NO. 213 IN BOOK 19556 PAGE 398, OFFICIAL RECORDS.

ALSO EXCEPT ONE-HALF REMAINING OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN OR UNDER SAID LAND, AS RESERVED BY HARRY COHEN AND BERTA L. COHEN, HUSBAND AND WIFE, IN DEED RECORDED MARCH 22, 1956 IN BOOK 50667 PAGE 372 OF OFFICIAL RECORDS, AS INSTRUMENT NO. 1512.

THE SURFACE RIGHTS OF ENTRY IN AND TO THE TOP 100 FEET OF SAID LAND WERE QUITCLAIMED BY DEED RECORDED NOVEMBER 16, 1961 IN BOOK D-1422 PAGE 358, OFFICIAL RECORDS, AS INSTRUMENT NO. 1378.

PARCEL 2:

A RIGHT OF WAY FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25.00 FEET OF THE WESTERLY 467.00 FEET OF SAID LOT 6.

SCHEDULE B - SECTION 1
REQUIREMENTS

THE FOLLOWING REQUIREMENTS MUST BE MET:

(A) PAY THE AGREED AMOUNTS FOR THE INTEREST IN THE LAND AND/OR THE MORTGAGE TO BE INSURED.

(B) PAY US THE PREMIUMS, FEES AND CHARGES FOR THE POLICY.

(C) DOCUMENTS SATISFACTORY TO US CREATING THE INTEREST IN THE LAND AND/OR THE MORTGAGE TO BE INSURED MUST BE SIGNED, DELIVERED AND RECORDED.

(D) YOU MUST TELL US IN WRITING THE NAME OF ANYONE NOT REFERRED TO IN THIS COMMITMENT WHO WILL GET AN INTEREST IN THE LAND OR WHO WILL MAKE A LOAN ON THE LAND. WE MAY THEN MAKE ADDITIONAL REQUIREMENTS OR EXCEPTIONS.

(E) RELEASE(S) OR RECONVEYANCE(S) OF ITEM(S) 10 AND 11.

(F) COPIES OF ALL DOCUMENTS TO RECORD FOR OUR REVIEW..

(G) YOU MUST GIVE US THE FOLLOWING INFORMATION:

1. THE REQUIREMENT THAT THIS COMPANY BE FURNISHED ALL TAX BILLS AFFECTING THE SUBJECT PROPERTY PRIOR TO THE CLOSE OF THIS TRANSACTION.

2. THIS REPORT IS INCOMPLETE AS TO MATTERS WHICH MAY AFFECT THE TITLE TO, OR IMPOSE LIENS OR ENCUMBRANCES ON, SAID LAND, UNLESS ELIMINATED BY STATEMENT(S) OF IDENTITY
FROM: ALL PARTIES.

3. THE REQUIREMENT THAT THIS COMPANY BE FURNISHED WITH THE BY-LAWS AND A RESOLUTION PURSUANT TO SAID BY-LAWS AUTHORIZING THE TRANSACTION CONTEMPLATED HEREIN,
FROM: ALL CORPORATIONS.

THE REQUIREMENT THAT THIS COMPANY BE FURNISHED WITH EVIDENCE THAT THE CORPORATION WAS DULY FORMED IN ITS HOME STATE, IS IN GOOD STANDING AND ITS RIGHT TO DO BUSINESS HAS NOT BEEN IMPAIRED OR SUSPENDED FOR ANY REASON.

4. RIGHTS OF PARTIES IN POSSESSION OF SAID LAND BY REASON OF ANY UNRECORDED LEASES.

PLEASE SUBMIT ANY SUCH LEASES TO THIS COMPANY FOR OUR EXAMINATION.

5. THE REQUIREMENT THAT THIS COMPANY BE PROVIDED WITH A CURRENT ALTA/ASCM SURVEY IF EXTENDED COVERAGE IS REQUESTED.

SCHEDULE B - SECTION 2
EXCEPTIONS

ANY POLICY WE ISSUE WILL HAVE THE FOLLOWING EXCEPTIONS UNLESS THEY ARE TAKEN CARE OF TO OUR SATISFACTION. THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF THE POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS COMMITMENT.

1. GENERAL AND SPECIAL TAXES, A LIEN NOT YET PAYABLE, FOR THE FISCAL YEAR 1997-1998.

1A. GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR:	1997-1998
TOTAL·	$14,929.80 PAID.
FIRST INSTALLMENT	$7,464.90
SECOND INSTALLMENT	$7,464.90.
EXEMPTIONS,	
(VETERANS OR HOMEOWNERS)	$NONE.
CODE NO.:	11995.
PARCEL NO :	7351-035-027.

1B. THE LIEN OF SUPPLEMENTAL TAXES AND/OR ADJUSTED TAXES, IF ANY, ASSESSED PURSUANT TO THE CALIFORNIA REVENUE AND TAXATION CODE.

2. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	PIPE LINE AND WATER DISTRIBUTION SYSTEM.
AFFECTS:	SAID LAND.
RECORDED:	IN BOOK 1515 PAGE 265, OFFICIAL RECORDS.

3. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	ROAD PURPOSES.
AFFECTS:	AS FURTHER SET FORTH AND DESCRIBED THEREIN.
RECORDED.	IN BOOK 6764 PAGE 136, OFFICIAL RECORDS.

4. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES.
AFFECTS:	THE NORTHERLY 10 FEET AND THE EASTERLY 10 FEET.
RECORDED:	IN BOOK 25833 PAGE 78, OFFICIAL RECORDS.

PORTION OF THE EASEMENT WAS QUITCLAIMED IN DOCUMENT RECORDED JUNE 9, 1988 AS INSTRUMENT NO. 88-915728.

5. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES
AFFECTS:	THE EASTERLY 10 FEET OF THE NORTH HALF OF PARCEL 6 OF SAID LAND.

RECORDED: IN BOOK 25834 PAGE 85, OFFICIAL RECORDS.

6. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT
FOR: ROADWAY.
AFFECTS: THE NORTHERLY 25 FEET OF THE WESTERLY 25 FEET OF PARCEL 1 OF SAID LAND.
RECORDED: MAY 27, 1963 AS INSTRUMENT NO. 1309 IN BOOK D2042 PAGE 734, OFFICIAL RECORDS.

7. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT
FOR: SANITARY SEWERS
AFFECTS: THE NORTHERLY 12.5 FEET OF THE WESTERLY 80 FEET OF PARCEL 6 OF SAID LAND.
RECORDED: JULY 29, 1968 AS INSTRUMENT NO. 1839 IN BOOK D4081 PAGE 535, OFFICIAL RECORDS.

8. AN EASEMENT FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25 FEET OF THE WESTERLY 467 FEET OF SAID LOT 6 AND FOR PARKING PURPOSES, FOR LIGHTING PURPOSES AND/OR FOR TEMPORARY STORAGE OF NON-TOXIC PERSONAL PROPERTY AND INCIDENTAL AND/OR RELATED PURPOSES, FOR SUCH WATER WELL DRILLING, PUMPING PLANT CONSTRUCTION, TANK CONSTRUCTION, WATER STORAGE AND DISTRIBUTION AND RELATED PURPOSES OVER THE NORTH 60 FEET OF SAID LOT 6, RECORDED FEBRUARY 1, 1990 AS INSTRUMENT NO. 90-178472.

9. AN UNLOCATED EASEMENT FOR THE PURPOSES SHOWN AND INCIDENTAL PURPOSES AS PROVIDED IN A DOCUMENT
FOR: TO ALLOW NATURAL SURFACE WATER TO FLOW WITHOUT DIMINUTION OR DISTURBANCE OF ANY KIND FROM PROPERTY BORDERING ON THE WEST.
RECORDED: FEBRUARY 6, 1990 AS INSTRUMENT NO. 90-204896.

10. A LIEN FOR UNSECURED PROPERTY TAXES IN FAVOR OF THE TAX COLLECTOR, COUNTY OF LOS ANGELES.
AMOUNT: $3,629.00.
TAXPAYER: TRICO INDUSTRIES INC.
YEAR/ACCOUNT NO.. 91/49861102.
RECORDED. MARCH 19, 1993 AS INSTRUMENT NO. 93-520089.

11. A LIEN FOR UNSECURED PROPERTY TAXES IN FAVOR OF THE TAX COLLECTOR, COUNTY OF LOS ANGELES.
AMOUNT: $114.60.
TAXPAYER. TRICO INDUSTRIES INC.
YEAR/ACCOUNT NO · 92/49860062.
RECORDED: JUNE 13, 1994 AS INSTRUMENT NO. 94-1124042.

12. MATTERS DISCLOSED BY AN ALTA SURVEY PREPARED BY DALCIN CUMMINS ASSOCIATES DATED NOVEMBER 19, 1994 AS PROJECT NO. 24102 AS FOLLOWS:

A. AN ENCROACHMENT OF IMPROVEMENTS ON SAID LAND, ONTO THE EASEMENT SHOWN AS EXCEPTION NO. 3 CONSISTING OF A BUILDING SHOWN AS BUILDING B ON SAID SURVEY.

B. AN ENCROACHMENT ONTO SAID LAND OF IMPROVEMENTS SITUATED ON LAND ADJACENT ON THE WEST CONSISTING OF AN OVERHEAD LOADING CRANE FROM THE WAREHOUSE ON THE WEST.

C. THE FACT THAT A ROOF CANOPY AT THE NORTH EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

D. THE FACT THAT AN OVERHEAD CRANE AT THE EAST EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

E. THE FACT THAT A CHAIN LINK FENCE RUNNING IN A NORTH-SOUTH DIRECTION AT THE EAST PROPERTY LINE IS LOCATED INSIDE, OUTSIDE AND UPON SAID PROPERTY LINE.

F. ANY EASEMENT OR LESSER RIGHT, FOR THE PURPOSES HEREIN STATED, INCLUDING INCIDENTAL PURPOSES FOR THE THREE WIRES AND POWER POLES ABOVE BUILDING "A".

13. THIS REPORT IS INCOMPLETE WE WILL FOLLOW WITH A SUPPLEMENTAL REPORT ONLY IF ANY OF THE MATTERS WE ARE NOW CHECKING ON THE NAME(S)
OF: ALL PARTIES , AFFECTS THIS TRANSACTION.

14. NEITHER THE ITEMS SHOWN IN SAID REPORT, NOR THE ITEMS CONTAINED HEREIN, WILL CAUSE THE COMPANY TO DECLINE TO ATTACH CLTA ENDORSEMENT FORM 100 TO AN ALTA LOAN POLICY WHEN ISSUED.

SAID LAND IS ALSO KNOWN AS:	206 WEST 196TH STREET, TORRANCE, CALIFORNIA.
THERE IS LOCATED UPON SAID LAND:	A COMMERCIAL BUILDING.

15. NO POLICY OF TITLE INSURANCE HAS BEEN ISSUED ON THIS PROPERTY WITHIN THE LAST FIVE YEARS. IF A POLICY IS ISSUED UNDER THE ABOVE ORDER, THE BASIC SCHEDULE RATE WILL APPLY.

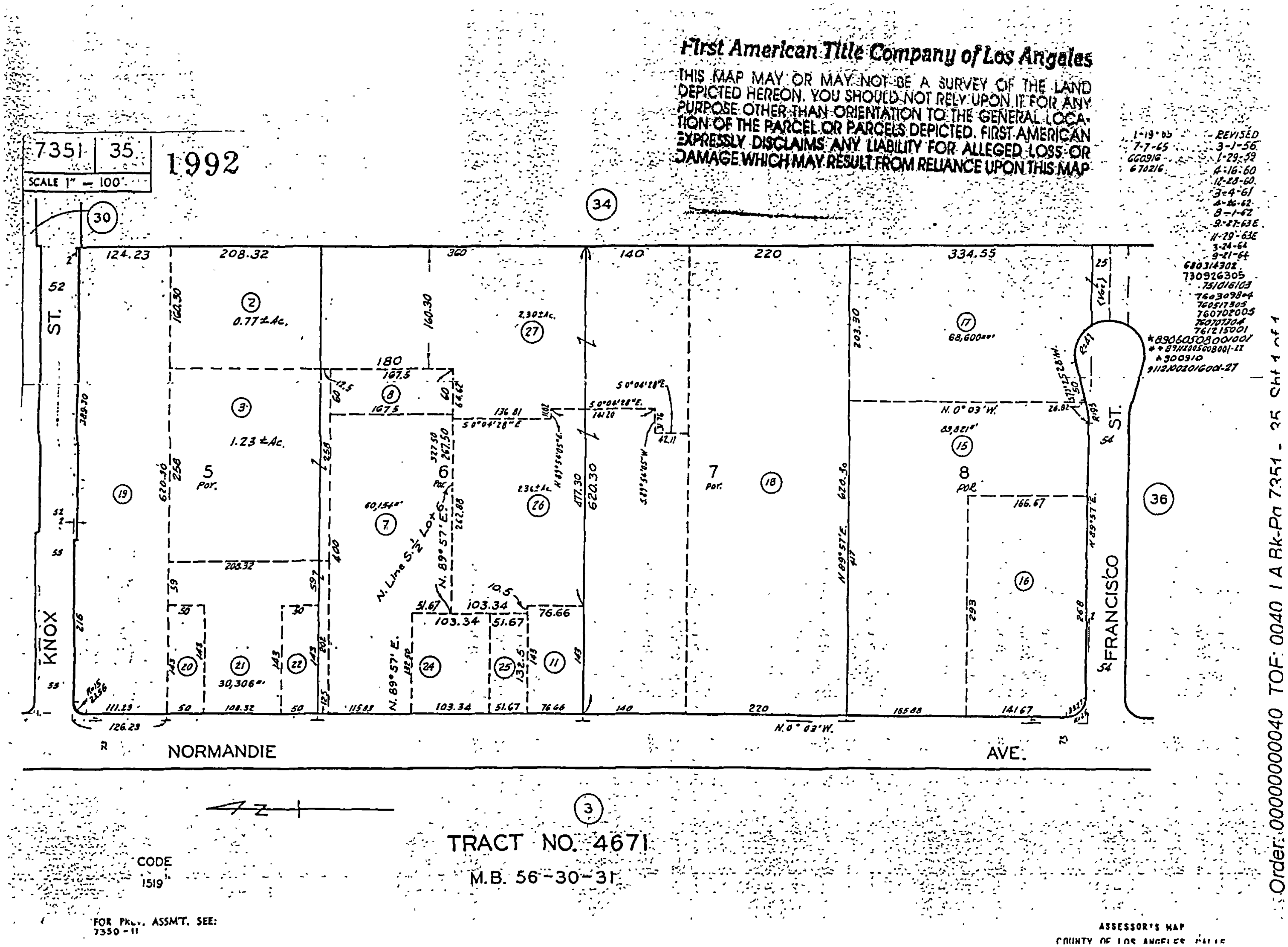
16. NOTE. WIRING INSTRUCTIONS FOR FIRST AMERICAN TITLE COMPANY OF LOS ANGELES-TITLE DEPARTMENT.

ALL FUNDS WIRED FOR THIS ORDER ARE TO BE WIRED TO:

COMERICA BANK - CALIFORNIA
21535 HAWTHORNE BOULEVARD
TORRANCE, CALIFORNIA 90503

ABA #121137522
ACCT #8971000677

PLEASE REFERENCE OUR ORDER NO.



PACCAR 00267

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (By Policy Type)

1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990
SCHEDULE B

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records Proceedings by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or by the public records

2 Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof

3 Easements, liens or encumbrances, or claims thereof, which are not shown by the public records

4 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records

5 (a) Unpatented mining claims, (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of

1 (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land, (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part, or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

3 Defects, liens, encumbrances, adverse claims, or other matters

(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant,

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

(c) resulting in no loss or damage to the insured claimant,

(d) attaching or created subsequent to Date of Policy, or

resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy

4 Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated

5 Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law

6 Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by their policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws

2. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
SCHEDULE OF EXCLUSIONS FROM COVERAGE

1 Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions of area of the land, or the effect of any violation of any such law, ordinance or governmental regulation

2 Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy

3 Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant, (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder, (c) resulting in no loss or damage to the insured claimant, (d) attaching or created subsequent to Date of Policy, or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy

3. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 2 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following

Part One

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements, claims of easement or encumbrances which are not shown by the public records

4 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records

5 Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water

6 Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records

4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE SCHEDULE OF EXCLUSIONS FROM COVERAGE

1 Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law ordinance or governmental regulation

2 Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy

3 Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant, (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder, (c) resulting in no loss or damage to the insured claimant, (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy)

4 Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the indebtedness to comply with applicable "doing business" laws of the state in which the land is situated

5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH REGIONAL EXCEPTIONS

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy, the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following

Part One

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements, claims of easement or encumbrances which are not shown by the public records

4 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records

5 Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water

6 *Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records*

6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE EXCLUSIONS FROM COVERAGE

. .ollowing matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of

1 (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land, (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part, or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

3 Defects, liens, encumbrances, adverse claims or other matters

(a) created, suffered, assumed or agreed to by the insured claimant,

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

(c) resulting in no loss or damage to the insured claimant,

(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy), or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage

4 Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable "doing business" laws of the state in which the land is situated

5 Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law

6 Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance

7 Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on

(i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer, or

(ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination, or

(iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure

(a) to timely record the instrument of transfer, or
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements, claims of easement or encumbrances which are not shown by the public records

4 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records

5 Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water

6 Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records

8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of

1 (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land, (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part, or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

3 Defects, liens, encumbrances, adverse claims or other matters

(a) created, suffered, assumed or agreed to by the insured claimant,

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

(c) resulting in no loss or damage to the insured claimant,

(d) attaching or created subsequent to Date of Policy, or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy

4 Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on

(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer, or

(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure

(a) to timely record the instrument of transfer, or

(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 8 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of

Part One

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements, claims of easement or encumbrances which are not shown by the public records

4 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records

5 Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water

6 Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records

10. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY - 1987
EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees and expenses resulting from

1 Governmental police power, and the existence or violation of any law or government regulation This includes building and zoning ordinances and also laws and regulations concerning

- land use
- improvements on the land
- land division
- environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks

2 The right to take the land by condemning it, unless

- a notice of exercising the right appears in the public records on the Policy Date
- the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3 Title Risks

- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
- that result in no loss to you
- that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4 Failure to pay value for your title

5 Lack of a right

- to any land outside the area specifically described and referred to in Item 3 of Schedule A, or
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks

INTEROFFICE COMMUNICATION

CORPORATE REAL PROPERTY MANAGEMENT

Gam
pse initial
& return
EZ, 12/9

December 10, 1997

TO: File

cc: R. Plass, FATCO

FROM: P. E. Gladfelter

TORRANCE ?

SUBJECT: Trico Property Spinoffs
Title Insurance Arrangements by PACCAR

1. **Odessa**. Texas closely regulates title insurance. The policy must be issued at either the tax roll or appraised value. Although we paid $160,000 for this property in August 1996, realistically it is worth nothing to PACCAR because cleanup costs will exceed that amount. It further develops that in Texas we cannot obtain a reduced premium if we obtain title insurance today and then resell the property in the not-too-distant future. Based on all these considerations, it was decided to obtain a reissuance of the outstanding preliminary commitment showing title vested in PACCAR and not otherwise obtain title insurance for this property at the present time.

2. **Huntington Park**. In California, the arrangements are that the minimum insurance and premium is $20,000 liability at a premium of $360, plus 10% ($36) to issue a binder kept open for two years ($396 total). After two years, the title insurance company will automatically issue a policy to PACCAR based on the above, if there is no sooner transaction requiring different insurance. If the property is sold within the two-year period, a title policy can then be issued based on the actual sales price, and with a premium payable only for the amount in excess of the originally insured $20,000 minimum. Certain endorsements may also be issued at no cost in California. It was decided in the case of Huntington Park to update the preliminary commitment to reflect ownership in PACCAR, and hold the preliminary open at the $20,000 liability and $396 premium for the two-year period, obtaining whatever endorsements are obtainable at no cost.

3. **Ventura**. It was decided to stay with the current preliminary commitment, obtaining down-dating to show PACCAR as the current vested owner. Presumably a final policy would then be issued at the time of resale.

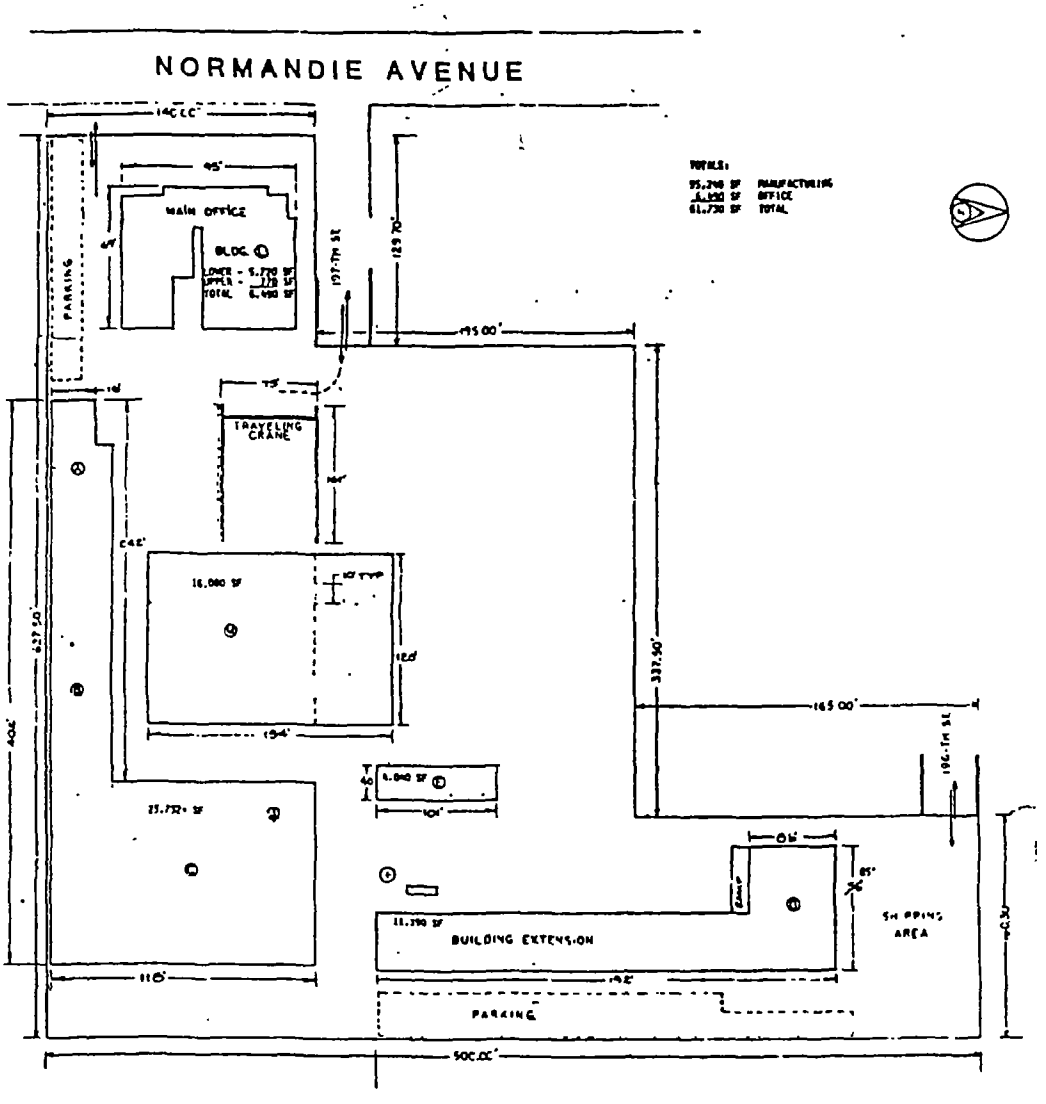
4. **Bradford**. In this instance, the IRB leasehold was assigned by Trico to PACCAR and the assignment was recorded. Since it is not known whether sale to the City of Bradford will ultimately close, and McKean County IDA appears willing to convey the property either to PACCAR or to its ultimate purchaser when requested, we will proceed with Bradford in the same manner as Huntington Park, and merely down date the preliminary commitment to reflect the tenant as PACCAR rather than Trico, and await further developments before obtaining title insurance.

5. **Santa Fe Springs Lease**. Since the assignment of these two leases to PACCAR was not recorded, and since PACCAR is presently negotiating with the Landlord under each lease to surrender the Lease, there is no point in seeking title insurance under these two transactions.

By these instructions, I am accordingly asking Richard Plass of First American Title Company to order revised or down-dated preliminary commitments ± binders in accordance with the foregoing scheme and invoice me for any expense.

PEG/p
\11peg\trico\1209peg1 doc

NOT TO SCALE



PACCAR 00273

TRICO 9.00
81/2032

27-feb-1997
40/PLIN

INVENTORY OF PROPERTY

As of 1/1/97

Real Estate Tax Servicr Inc

OWNED BY:
Trico Industries, Inc.

MAIL STATEMENTS TO
REAL ESTATE TAX SERVICES, INC.
Mineral Division
9200 Richmond Ave., Suite 535
Houston, TX 77042

TO ASSESSOR OF TAXES
Los Angeles County
500 West Temple Street
Room 301
Los Angeles, CA 90012

PROP TYPE	DESCRIPTION OF PROPERTY	VALUE
	Torrance Plant (IDLE) [043] (Closed in 1991) 206 W. 196th Street Torrance, CA	
REAL ESTATE 01.00 C231742 C235115	Land & Improvements Account No: 7351-035-027 Taxed by: Los Angeles County	
	Gardena Real Estate (Leased) [003/94] Gardena, CA	
REAL ESTATE 09.00 C231717 342931	Parcel 10 - 15719 S. Main St. 15719 S. Main Street Land Measure: 0.710 ACRES Account No: 6125-002-010 Taxed by: Los Angeles County	

Form No. 1068-2 (Rev. 10/17/92)
Exhibit A to Commitment

Commitment For Title Insurance

First American Title Insurance Company

Form No. 1342 (1982)
ALTA Plain Language Commitment

First American Title Insurance Company

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

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4. Description of the Land	2
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SCHEDULE B-2 — Exceptions	4
CONDITIONS	other side of 1

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, please contact the issuing office.

SCHEDULE A

1. COMMITMENT DATE: MAY 2, 1995 COMMITMENT NO. 9248546-21

2. POLICY OR POLICIES TO BE ISSUED: POLICY AMOUNT:

(1) EXTENDED COVERAGE OWNERS POLICY. $ 600,000.00

(2) EXTENDED COVERAGE LENDERS POLICY. $450,000.00

PROPOSED INSURED:

(1) PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY.

(2) TO BE DETERMINED.

3. A. THE ESTATE OR INTEREST IN THE LAND DESCRIBED IN THIS COMMITMENT IS:

A FEE AS TO PARCEL 1 AND AN EASEMENT AS TO PARCEL 2.

B. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION.

4. THE LAND REFERRED TO IN THIS COMMITMENT IS IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89° 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402.38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89° 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89° 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89° 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00° 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89° 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

PACCAR 00277

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN, ON, OR UNDER SAID LAND, AS RESERVED BY BENJAMIN AND ANNA SHAPIRO IN DEED RECORDED OCTOBER 8, 1942 AS INSTRUMENT NO. 213 IN BOOK 19556 PAGE 398, OFFICIAL RECORDS.

ALSO EXCEPT ONE-HALF REMAINING OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN OR UNDER SAID LAND, AS RESERVED BY HARRY COHEN AND BERTA L. COHEN, HUSBAND AND WIFE, IN DEED RECORDED MARCH 22, 1956 IN BOOK 50667 PAGE 372 OF OFFICIAL RECORDS, AS INSTRUMENT NO. 1512.

THE SURFACE RIGHTS OF ENTRY IN AND TO THE TOP 100 FEET OF SAID LAND WERE QUITCLAIMED BY DEED RECORDED NOVEMBER 16, 1961 IN BOOK D-1422 PAGE 358, OFFICIAL RECORDS, AS INSTRUMENT NO. 1378.

PARCEL 2:

A RIGHT OF WAY FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25.00 FEET OF THE WESTERLY 467.00 FEET OF SAID LOT 6.

SCHEDULE B - SECTION 2
EXCEPTIONS

ANY POLICY WE ISSUE WILL HAVE THE FOLLOWING EXCEPTIONS UNLESS THEY ARE TAKEN CARE OF TO OUR SATISFACTION. THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF THE POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS COMMITMENT.

1. GENERAL AND SPECIAL TAXES, A LIEN NOT YET PAYABLE, FOR THE FISCAL YEAR 1995-1996.

1A. GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR:	1994-1995.
TOTAL:	$19,134.47 PAID.
FIRST INSTALLMENT:	$9,567.24.
SECOND INSTALLMENT:	$9,567.23.
EXEMPTIONS,	
(VETERANS OR HOMEOWNERS):	$NONE.
CODE NO.:	11995.
PARCEL NO.:	7351-035-027.

1B. THE LIEN OF SUPPLEMENTAL TAXES AND/OR ADJUSTED TAXES, IF ANY, ASSESSED PURSUANT TO THE CALIFORNIA REVENUE AND TAXATION CODE.

1C. THE REQUIREMENT THAT THIS COMPANY BE FURNISHED ALL TAX BILLS AFFECTING THE SUBJECT PROPERTY PRIOR TO THE CLOSE OF THIS TRANSACTION.

2. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	PIPE LINE AND WATER DISTRIBUTION SYSTEM.
AFFECTS:	SAID LAND.
RECORDED:	IN BOOK 1515 PAGE 265, OFFICIAL RECORDS.

3. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	ROAD PURPOSES.
AFFECTS:	AS FURTHER SET FORTH AND DESCRIBED THEREIN.
RECORDED:	IN BOOK 6764 PAGE 136, OFFICIAL RECORDS.

4. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES.
AFFECTS:	THE NORTHERLY 10 FEET AND THE EASTERLY 10 FEET.
RECORDED:	IN BOOK 25833 PAGE 78, OFFICIAL RECORDS.

5. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES.
AFFECTS:	THE EASTERLY 10 FEET OF THE NORTH HALF OF PARCEL 6 OF SAID LAND.
RECORDED:	IN BOOK 25834 PAGE 85, OFFICIAL RECORDS.

ON SAID SURVEY.

B. AN ENCROACHMENT ONTO SAID LAND OF IMPROVEMENTS SITUATED ON LAND ADJACENT ON THE WEST CONSISTING OF AN OVERHEAD LOADING CRANE FROM THE WAREHOUSE ON THE WEST.

C. THE FACT THAT A ROOF CANOPY AT THE NORTH EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

D. THE FACT THAT AN OVERHEAD CRANE AT THE EAST EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

E. THE FACT THAT A CHAIN LINK FENCE RUNNING IN A NORTH-SOUTH DIRECTION AT THE EAST PROPERTY LINE IS LOCATED INSIDE, OUTSIDE AND UPON SAID PROPERTY LINE.

F. ANY EASEMENT OR LESSER RIGHT, FOR THE PURPOSES HEREIN STATED, INCLUDING INCIDENTAL PURPOSES FOR THE THREE WIRES AND POWER POLES ABOVE BUILDING "A".

14. NEITHER THE ITEMS SHOWN IN SAID REPORT, NOR THE ITEMS CONTAINED HEREIN, WILL CAUSE THE COMPANY TO DECLINE TO ATTACH CLTA ENDORSEMENT FORM 100 TO AN ALTA LOAN POLICY WHEN ISSUED.

SAID LAND IS ALSO KNOWN AS:	1206 196TH STREET, (TORRANCE AREA), COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.
THERE IS LOCATED UPON SAID LAND:	A COMMERCIAL BUILDING.

15. THE ONLY CONVEYANCE AFFECTING SAID LAND RECORDED WITHIN 2 YEARS OF THE DATE OF THIS REPORT ARE AS FOLLOWS: NIL.

4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE SCHEDULE OF EXCLUSIONS FROM COVERAGE

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the [illegible] er, [illegible]ensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation [illegible] any such law ordinance or governmental regulation
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant, (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder, (c) resulting in no loss or damage to the insured claimant, (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy)
4. Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the indebtedness to comply with applicable "doing business" laws of the state in which the land is situated

5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH REGIONAL EXCEPTIONS

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy, the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following

Part One

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof
3. Easements, claims of easement or encumbrances which are not shown by the public records
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records
5. Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land, (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part, or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which *would be binding on the rights of a purchaser for value without knowledge*
3. Defects, liens, encumbrances, adverse claims or other matters

   (a) created, suffered, assumed or agreed to by the insured claimant,

   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

   (c) resulting in no loss or damage to the insured claimant,

   (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy), or

   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable "doing business" laws of the state in which the land is situated
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on

   (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer, or

   (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination, or

   [illegible] transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure to timely record the instrument of transfer, or

   (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy

L E A S E

THIS LEASE is made as of September 15, 1993, by and between TRICO INDUSTRIES, INC., a California corporation ("Landlord"), and DYNATECK AMERICA, INC., a California corporation ("Tenant").

RECITALS:

WITNESSETH:

A. Landlord owns a one-story warehouse building of approximately 4,000 square feet (the "Premises") situated on certain real property (the "Property") in the City of Torrance, County of Los Angeles, State of California described on Attachment A hereto and known as 1206 West 196th Street.

B. Landlord wishes to lease the Premises to Tenant, and Tenant wishes to lease the Premises from the Landlord, upon the terms an conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the parties hereto agree as follows:

1. Term and Premises. Landlord hereby demises and leases to Tenant, and Tenant hires and takes from Landlord, the Premises and nonexclusive access across the Property for ingress to and egress from the Premises (as shown on Exhibit A) for a month-to-month term commencing on October 15, 1993, terminable by either party effective the end of any month upon at least thirty (30) days' prior written notice. Tenant may take possession prior to October 15, 1993 upon mutual execution of this Lease and payment of the first month's rent and security deposit. All terms of the Lease shall be in effect during any period of early possession.

2. Rent and Security Deposit.

2.1 Tenant shall pay to Landlord as rent for the Premises, monthly payments of ONE THOUSAND and no/100 DOLLARS ($1000.00), in advance, on the first day of each month of the term hereof. Rent for any period during the term hereof which is for less than one month shall be a pro rata portion of the monthly installment. Rent shall be payable in lawful money of the United States to Landlord at the address stated herein or to such other persons or at such other places as Landlord may designate in writing.

2.2 Tenant shall deposit with Landlord upon Tenant's execution hereof a Security Deposit in the amount of one month's rent (ONE THOUSAND and no/100 DOLLARS ($1000.00)) as security for

PACCAR 00282

Tenant's faithful performance of Tenant's obligations under this Lease. If Tenant fails to pay rent or charges due hereunder, or otherwise defaults under this Lease (as defined in Paragraph 12), Landlord may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Landlord or to reimburse or compensate Landlord for any liability, cost, expense, loss or damage (including attorney's fees) which Landlord may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of said Security Deposit, Tenant shall within ten (10) days after written request therefor deposit moneys with Landlord sufficient to restore said Security Deposit to the full amount required by this Lease. Landlord shall not be required to keep all or any part of the Security Deposit separate from its general accounts. Landlord shall, within thirty (30) days of the expiration or earlier termination of the term hereof and after Tenant has vacated the Premises, return to Tenant that portion of the Security Deposit not used or applied by Landlord. Unless otherwise expressly agreed in writing by Landlord, no part of the Security Deposit shall be construed to be held in trust, to bear interest or other increment for its use, or to be prepayment for any moneys to be paid by Tenant under this Lease.

3. Use.

3.1 Tenant shall use the Premises solely and only for the purpose of storage of shoes, umbrellas and other cloth material goods, and for no other purpose without the prior written consent of Landlord. Tenant shall not use or permit the use of the Premises in a manner that creates waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to, neighboring premises or properties, or increases Landlord's hazard insurance cost.

3.2 Landlord makes no representations as to (i) the condition or state of repair of the Premises or (ii) the compliance of the Premises with laws, ordinances, rules or regulations. **TENANT REPRESENTS THAT IT HAS INSPECTED THE LEASED PREMISES, INCLUDING UTILITY SYSTEMS, AND AGREES AND ACCEPT THE PREMISES "AS-IS-WHERE-IS-WITH ALL FAULTS, LATENT OR VISIBLE,"** and Tenant agrees that Landlord hereby disclaims all warranties whatsoever, express or impled, **INCLUDING WITHOUT LIMITATION ANY WARRANTY OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

3.3 Hazardous Substances.

(a) Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by

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itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substance shall include, but not be limited to: hydrocarbons, petroleum, gasoline, crude oil or any products, by-products or fractions thereof. Tenant shall not engage in any activity in, on or about the Premises which constitutes a Reportable Use (as hereinafter defined) of Hazardous Substances without the express prior written consent of Landlord and compliance in a timely manner (at Tenant's sole cost and expense) with all Applicable Law (as defined in Paragraph 3.4). "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with any governmental authority. Reportable Use shall also include Tenant's being responsible for the presence in, on or about the Premises of a Hazardous Substance with respect to which any Applicable Law requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Tenant may, without Landlord's prior consent, but in compliance with all Applicable Law, use any ordinary and customary materials reasonably required to be used by Tenant in the normal course of Tenant's business permitted on the Premises, so long as such use is not a Reportable Use and does not expose the Premises or neighboring properties to any meaningful risk of contamination or damage or expose Landlord to any liability therefor. In addition, Landlord may (but without any obligation to do so) condition its consent to the use or presence of any Hazardous Substance, activity or storage tank by Tenant upon Tenant's giving Landlord such additional assurances as Landlord, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefrom or therefor, including but not limited to, the installation (and removal on or before Lease expiration or earlier termination) of reasonably necessary protective modifications to the Premises (such as concrete encasement) and/or the deposit of a security deposit.

(b) Duty to Inform Landlord. If Tenant knows, or has reasonable cause to believe, that a Hazardous Substance, or a condition involving or resulting from same, has come to be located in, on, under or about the Premises, other than as previously consented to by Landlord, Tenant shall immediately give written notice of such fact to Landlord. Tenant shall also immediately give Landlord a copy of any statement, report, notice,

registration, application, permit, business plan, license, claim, action or proceeding given to, or received from, any governmental authority or private party, or persons entering or occupying the Premises, concerning the presence, spill, release, discharge of, or exposure to, any Hazardous Substance or contamination in, on, or about the Premises, including but not limited to all such documents as may be involved in any Reportable Uses involving the Premises.

(c) Indemnification. Tenant shall indemnify, protect, defend and hold Landlord, its agents, employees, lenders, and ground lessor, if any, and the Premises harmless from and against any and all loss of rents and/or damages, liabilities, judgments, costs, claims, liens, expenses, penalties, permits and attorney's and consultant's fees arising out of or involving any Hazardous Substance or storage tank brought onto the Premises by or for Tenant or under Tenant's control. Obligations under this Paragraph 3 shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Tenant and the cost of investigation including consultant's and attorney's fees and testing, removal, remediation, restoration, and/or abatement thereof, or any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into the Landlord and Tenant shall release Tenant from its obligations under the Lease with respect to Hazardous Substances or storage tanks, unless specifically so agreed by Landlord in writing at the time of such agreement.

(d) Baseline. Tenant acknowledges its receipt in December 1992 of Landlord's environmental studies of the Property filed with the California Regional Water Quality Control Board. Tenant and Landlord agree that these studies, listed in Exhibit B hereto, shall constitute the baseline study for potential contamination of the Premises; Tenant shall not be responsible for cleanup of any contamination resulting from preexisting conditions on the property described in the Report.

3.4 Tenant's Compliance with Law. Except as otherwise provided in this Lease, Tenant shall, at Tenant's sole cost and expense, fully, diligently and in a timely manner, comply in all material respects with all "Applicable Law", which term is used in this Lease to include all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, permits, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Landlord's engineers and/or consultants, relating in any manner to the Premises (including but not limited to matters pertaining to (i) industrial hygiene, (ii) environmental conditions on, in, under or about the Premises, including soil and groundwater conditions, and (iii) the use, generation,

manufacture, production, installation, maintenance, removal, transportation, storage, spill or release of any Hazardous Substance or storage tank) now in effect or which may hereafter come into effect, and whether or not reflecting a change in policy from any previously existing policy. Tenant shall, within 5 days after receipt of Landlord's written request, provide Landlord with copies of all documents and information, including, but not limited to, permits, registrations, manifests, applications, reports and certificates, evidencing Tenant's compliance with any Applicable Law specified by Landlord, and shall immediately upon receipt, notify Landlord in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure by Tenant or the Premises to comply with any Applicable Law.

4. Maintenance and Repairs.

(a) Tenant, at Tenant's expense, shall keep in good order, condition and repair the Premises and every part thereof (whether or not the damaged portion of the Premises or the means of repairing the same are reasonably or readily accessible to Tenant) including, without limiting the generality of the foregoing, all landscaping, driveways, and fences located immediately adjacent to the Premises or in the access area to the Premises.

(b) If Tenant fails to perform Tenant's obligations under this Paragraph 4 or under any other paragraph of the Lease, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior written notice to Tenant (except in case of emergency, in which case no notice shall be required), perform such obligations on Tenant's behalf and put the Premises in good order, condition and repair, and the cost thereof together with interest thereon at the maximum rate then allowable by law shall be due and payable as additional rent to Landlord with Tenant's next rental installment.

(c) Tenant further covenants and agrees that Tenant will make, with Landlord's prior consent, any changes to the structure of the Premises which will, during the term of this Lease, be required by any Applicable Law required by the particular business carried on by Tenant.

(d) On the last day of the term hereof, or on any sooner termination, Tenant shall surrender the Premises to Landlord in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Tenant shall repair any damage to the Premises occasioned by the installation or removal of its trade fixtures, furnishings and equipment.

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5. Alterations. Tenant shall not make or cause to be made to the Premises any addition, renovation, alteration, reconstruction or change (collectively, "Alterations") without first obtaining the written approval of Landlord. Tenant shall install, at Tenant's expense, a gate at the Property line as shown on Attachment A.

6. Taxes.

6.1 Real Property Taxes. Landlord shall pay the real property tax applicable to the Premises.

6.2 Personal Property Taxes.

(a) Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere. When possible, Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord.

(b) If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant with ten days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

7. Utilities.

(a) Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion to be determined by Landlord of all charges jointly metered with other Premises.

(b) Tenant occupies property at 19706 South Normandie Avenue adjacent to Landlord's Property, which was purchased by Peter Tsai, Tenant's sole shareholder, from Landlord in 1990. Tenant's property and Landlord's Property are served by a common electric service. Landlord and Tsai, as Seller and Buyer, respectively, by Letter Agreement dated February 2, 1990 agreed that Tsai/Buyer would establish separate electric service to the adjacent property. Segregation of the electric service is underway and Tenant agrees to complete this work by ~~November 15~~ November 30, 1993 except only to the extent delayed by reasons of force majeure; should the segregation not be completed by that date, Landlord may, at its option, arrange for completion of such work and charge Tenant all costs thereof as additional rent under this Lease, which Tenant hereby agrees to pay.

INITIAL

8. Tenant's Insurance.

(a) Tenant shall carry a policy or policies of insurance as follows: (i) fire and extended coverage insurance insuring Tenant's interest in its improvements to the Premises and contents, owned or leased and contained therein; (ii) workers' compensation insurance as required by applicable law; ~~(iii) automobile liability insurance in amounts not less than One Million and no/100 Dollars ($1,000,000) with respect to any one casualty or occurrence;~~ and (iv) commercial general liability insurance insuring Tenant against any and all liability for injury to or death of a person or persons and for damage to property occasioned by or arising out of activities or negligence of Tenant, its agents, employees, guests, or licensees in the Premises, the limits of such policy or policies to be in amounts not less than One Million and No/100 Dollars ($1,000,000) with respect to any one casualty or occurrence. The commercial general liability insurance and automobile liability insurance shall name Landlord as an additional insured. Insurance required hereunder shall be in companies acceptable to Landlord.

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INITIAL

(b) Prior to the commencement of the term of this Lease and thereafter prior to expiration of current policies, Tenant shall provide Landlord with a certificate of insurance evidencing such coverage which complies with the requirements of this Lease. Any deductibles appearing in such coverage shall be the responsibility of Tenant.

8.3 Waiver of Subrogation. Landlord and Tenant shall each have included in all policies of fire and extended coverage insurance respectively obtained by them with respect to the Premises a waiver by the insurer of all right of subrogation against the other in connection with any loss or damage thereby insured against. To the full extent permitted by law, Landlord and Tenant each waives all right of recovery against the other for, and agrees to release the other from, loss or damage to the extent such loss or damage is covered by valid and collectible fire and extended coverage insurance in effect at the time of such loss or damage.

8.4 Indemnity. Tenant shall indemnify and hold harmless Landlord from and against any and all claims arising from Tenant's use of the Premises, or from the conduct of Tenant's business or from any activity, work or things done, permitted or suffered by Tenant in or about the Premises and shall further indemnify and hold harmless Landlord from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any negligence of the Tenant, or any of Tenant's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses and liabilities

incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel satisfactory to Landlord. Tenant, as a material part of the consideration for this Lease, hereby assumes all risk of damage to property or injury to persons, in, upon, or about the Premises arising from any cause and Tenant hereby waives all claims in respect thereof against Landlord, unless caused by the grossly negligent or intentional acts of Landlord or its agents, employees or contractors.

8.5 Exemption of Landlord from Liability. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, customers, or any other person in or about the Premises, nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, agents or contractors, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant. Landlord shall not be liable for any damage arising from any act or neglect of any other tenant, if any, of the building or property in which the Premises are located, except only to the extent caused by the negligent or intentional acts of Landlord or its agents, employees or contractors.

9. Destruction by Fire. Substantial destruction of the building by fire or other casualty shall work a termination of this Lease.

10. Condemnation. If a portion of the Premises be taken in condemnation, but Tenant is able to use the remaining portion for Tenant's business, the rent shall abate in the proportion of value remaining to total value of the Premises. If the remaining portion is not so usable, this Lease shall terminate on such taking. In no event is Tenant to have any portion of any award attributable to the Premises from condemnation.

11. Assignment and Subletting. Tenant shall not sell, assign or pledge this Lease or sublet the Premises or any part thereof, nor shall it allow any liens to be placed thereon, or suffer the Premises or any portion thereof to be attached or

taken upon execution. No other agreement between the parties shall be construed to modify this provision or to give Tenant the right to sell, assign or pledge this Lease or to sublet any part of the Premises. In the event of the bankruptcy or the insolvency of Tenant or any person claiming under Tenant, or if the property of Tenant or such person may come into the hands of any assignee or anyone acting under the order of any court, then Landlord, at its option, may terminate this Lease. Violation of this Paragraph 11 shall be a default under the Lease.

12. Default and Remedies. If Tenant violates or fails to perform or observe (a) any covenant, agreement or provision contained herein or (b) any other covenant, obligation or agreement between Landlord and Tenant arising other than under this Lease, then at Landlord's option, without limiting Landlord's other rights and remedies under law or equity and without relieving Tenant of Tenant's obligations under this Lease, Landlord may consider or declare this Lease forfeited without demand, and it may re-enter and take possession of the Premises without any previous notice of intention to re-enter, and it may bring an action for unpaid rents and damages suffered by it arising out of or connected with any breach or violation by the Tenant of any covenant, agreement or provision on its part to be performed. Tenant agrees to pay a reasonable attorney fee in any action to recover rents or damages under this Lease.

If, after the exercise of due diligence, Landlord shall be unable to obtain a rent for the Premises as large as that provided for under this Lease, for the remainder of the term hereof, then Tenant agrees to pay the Landlord in advance on the first day of each month for the remainder of the term hereof the difference between the average monthly rental paid, during the term in which Tenant's breach occurred, for all months prior to said breach, and the rent per month which Landlord shall be able to obtain from the Premises.

All remedies in this Lease shall be non-exclusive and cumulative to all other remedies in Landlord's favor existing at law or in equity.

13. Miscellaneous Provisions

13.1 Tenant shall permit Landlord to enter onto the Premises at any and all reasonable times during business hours in order to inspect the same or to show the same to prospective purchasers or tenants or from any other proper purpose. Landlord may at any time during the term hereof place on or about the Premises any ordinary "For Sale" or "For Lease" signs. All such activities of Landlord shall be without abatement of rent or liability to Tenant.

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13.2 Tenant shall peacefully and quietly vacate and surrender the Premises to Landlord at the expiration of the term of this Lease, or at any earlier termination as may be provided elsewhere herein.

13.3 Landlord shall not be in any sense a partner of Tenant in the conduct of Tenant's business, and the relationship between the parties hereto shall be strictly and solely that of landlord and tenant.

13.4 Tenant shall not affix to or display from any part of the outside of the building on the Premises any signs or advertisements except as have been approved in advance by Landlord and are reasonable and customary in the business.

13.5 No waiver of any default of Tenant hereunder shall be implied from any omission by Landlord to take any action on account of such default if such default persists or is repeated. One or more waivers by Landlord shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent to or approval by Landlord of any act by Tenant requiring Landlord's consent or approval shall not waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

13.6 Words used in this instrument in the masculine gender include feminine and neuter, the singular number includes the plural and the plural the singular wherever the context so requires.

13.7 Tenant shall keep the Premises free of and hold Landlord harmless from any liens arising out of work performed, materials furnished, or obligations incurred by or for Tenant, provided that Tenant may satisfy this requirement by bonding against any liens that are subject of dispute.

13.8 All notices required or furnished under this Lease shall be mailed by U.S. certified mail, postage prepaid, and addressed as follows, until such addresses are changed by thirty (30) days' notice in writing:

Landlord: Trico Industries, Inc.
P.O. Box 2909
Huntington Park, CA 90255
Attn: Controller

Tenant: **DYNATECK AMERICA, INC.**
19706 South Normandie Avenue
Torrance, California 90502

Notices shall be effective upon deposit in the mail in accordance with the above.

13.9 The terms and conditions of this Lease shall be binding upon the heirs, successors, personal representatives and assigns of the respective parties. If Tenant is two or more persons, their liability under this Lease shall be joint and several.

13.10 This Lease shall not be binding on either party until it has been executed and delivered by both Landlord and Tenant. This Lease may be modified only by a writing which is executed and delivered by both parties, and which explicitly says it modifies this Lease.

IN WITNESS THEREOF, the parties have executed this Lease upon the date first written above.

LANDLORD:	TENANT:
TRICO INDUSTRIES, INC.	DYNATECK AMERICA, INC.
By: M. A. Tembreull	By:
Its: Vice Chairman	Its: President

[Appropriate Notary Forms to be added.]

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EXHIBIT A

Legal Description of the Property

A fee, as to Parcel(s):1.
An easement, as to Parcel(s):2.

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

Those portions of Lots 6 and 7 of Tract 4671, as per map recorded in Book 56, Pages 30 and 31 of Maps, in the office of the county recorder of said county, described as follows:

Beginning at a point in the Northerly line of said Lot 6, distant thereon, 467.00 feet Easterly from the Westerly line of said Lot 6; thence Southerly, parallel with said Westerly line, 180.00 feet, to the North line of the South half of said Lot 6; thence North 89° 54′ 45" West, along said North line, to a point distant Easterly, 402.38 feet from the Westerly line of said Lot 6; thence South 00° 04′ 28" East parallel to said West line 136.81; thence North 89° 54′ 05" East parallel to the South line of said Lot 7, a distance of 11.02 feet; thence South 00° 04′ 28" East parallel to said West line 141.20 feet; thence South 89° 54′ 05" West parallel to the South line of said Lot 7, a distance of 31.76; thence South 00° 04′ 28" East parallel to said West line, 42.11 feet to a point in the North line of the South 220.00 feet of said Lot 7; thence along said Northerly line North 89° 54′ 05" East to the Easterly line of said Lot 7, thence North 00° 04′ 28" East along the Easterly lines of said Lots 6 and 7 to the North line of said Lot 6; thence along said North line South 89° 54′ 05" West 160.30 feet to the point of beginning.

EXCEPT therefrom an undivided one-half interest in all oil, gas, minerals and other hydrocarbon substances in, on or under said land, as reserved by Benjamin and Anna Shapiro in deed recorded October 8, 1942 as Instrument No. 213 in Book 19556 Page 398, Official Records.

ALSO EXCEPT one-half remaining oil, minerals, gas, hydrocarbon and allied substances in or under said land, as reserved by Harry Cohen and Berta L. Cohen, husband and wife, in deed recorded March 22, 1956 in Book 50667 Page 372 of Official Records as Instrument No. 1512.

The surface rights of entry in and to the top 100 feet of said land were quitclaimed by deed recorded November 16, 1961 in Book D-1422 Page 358, Official Records as Instrument No. 1378.

PARCEL 2:

A right of way for street purposes, to be used in common with others, over the Northerly 25.00 feet of the Westerly 467.00 feet of said Lot 6.

EXHIBIT B

1. Preliminary Draft Report for Additional Site Investigations at the Trico Industries Facility, 19706 Normandie Avenue, Torrance, California (November 1987)

2. September 1990 Test Data (Hargis & Associates) for MW-2.

[Side Letter]

Date:

Trico Industries, Inc.
3040 East Slauson Avenue
Huntington Park, California 90255

Re: Lease dated as of September 15, 1993 between Trico Industries, Inc. (Landlord) and Dynateck America, Inc. (Tenant) for premises at 1206 West 196th Street, Torrance, California

Gentlemen:

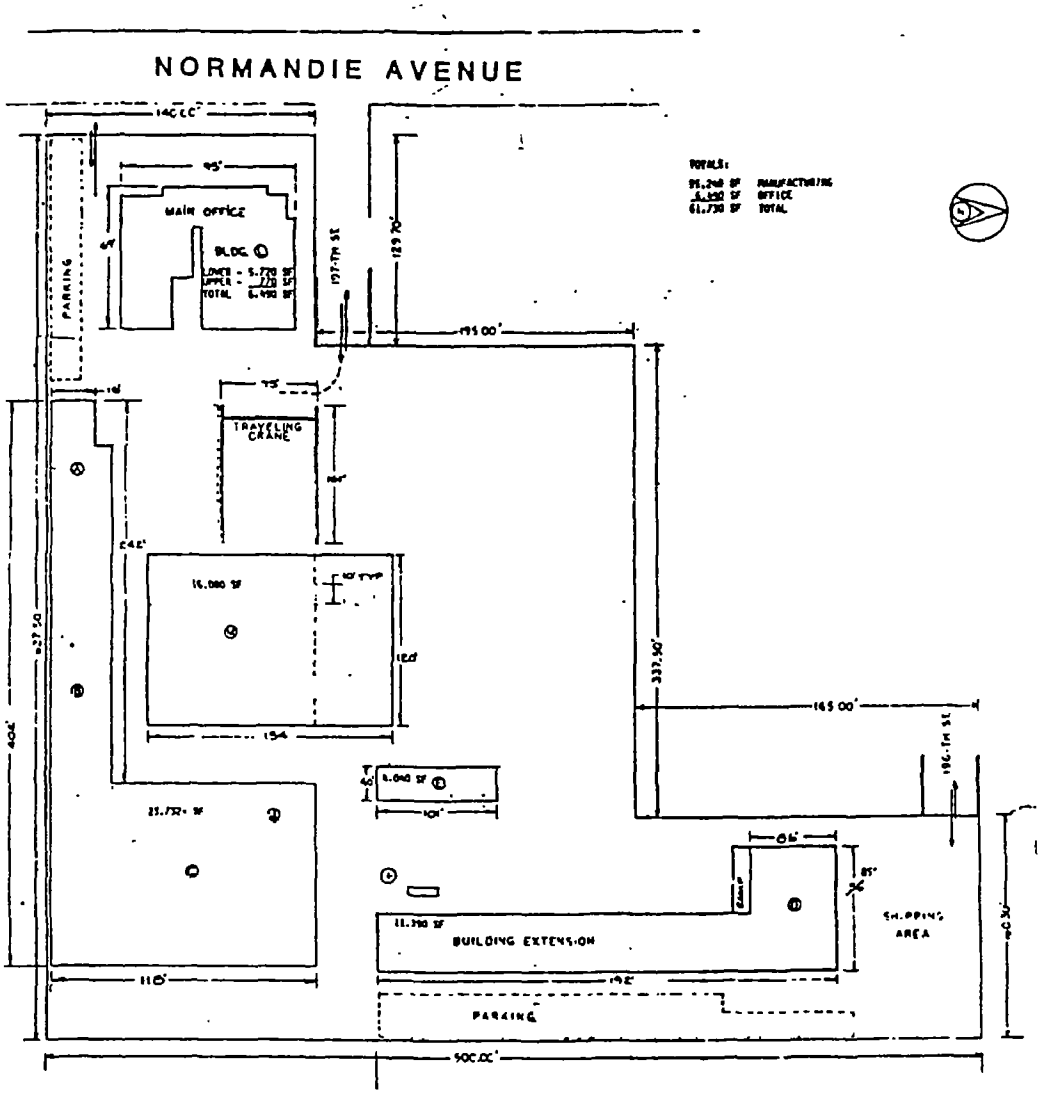
I am aware of the provisions of Section 7 (b) of the above referenced Lease regarding segregation of electric service between my property at 19706 South Normandie Avenue and Trico's adjacent parcel. Said Lease covers a portion of Trico's property which Dynateck America, Inc., the California corporation of which I am sole shareholder, is leasing under that Lease.

In order to induce Trico to enter into the Lease, I agree to be bound personally as if Tenant by said Lease provisions as well.

Very truly yours,

Peter Tsai

NOT TO SCALE


NORMANDIE AVENUE
MAIN OFFICE
PARKING
TRAVELING CRANE
BUILDING EXTENSION
SHIPPING AREA
PARKING

INVENTORY OF PROPERTY

As of 1/1/97

Real Estate Tax Servicr Inc

OWNED BY:
Trico Industries, Inc.

MAIL STATEMENTS TO:
REAL ESTATE TAX SERVICES, INC.
Mineral Division
9900 Richmond Ave., Suite 535
Houston, TX 77042

TO ASSESSOR OF TAXES
Los Angeles County
500 West Temple Street
Room 301
Los Angeles, CA 90012

PROP TYPE	DESCRIPTION OF PROPERTY	VALUE
	Torrance Plant (IDLE) [043] (Closed in 1991) 206 W. 196th Street Torrance, CA	
REAL ESTATE 01.00 C231742 C235115	Land & Improvements Account No: 7351-035-027 Taxed by: Los Angeles County	
	Gardena Real Estate (Leased) [003/94] Gardena, CA	
REAL ESTATE 09.00 C231717 342931	Parcel 10 - 15719 S. Main St. 15719 S. Main Street Land Measure: 0.710 ACRES Account No: 6125-002-010 Taxed by: Los Angeles County	

Form No. 1068-2 (Rev. 10/17/92)
Exhibit A to Commitment

Commitment For Title Insurance

First American Title Insurance Company

Form No. 1342 (1982)
ALTA Plain Language Commitment

First American Title Insurance Company

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

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CONDITIONS	other side of 1

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, please contact the issuing office.

SCHEDULE A

1. COMMITMENT DATE: MAY 2, 1995 COMMITMENT NO. 9248546-21

2. POLICY OR POLICIES TO BE ISSUED: POLICY AMOUNT:

(1) EXTENDED COVERAGE OWNERS POLICY. $ 600,000.00

(2) EXTENDED COVERAGE LENDERS POLICY. $450,000.00

PROPOSED INSURED:

(1) PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY.

(2) TO BE DETERMINED.

3. A. THE ESTATE OR INTEREST IN THE LAND DESCRIBED IN THIS COMMITMENT IS:

A FEE AS TO PARCEL 1 AND AN EASEMENT AS TO PARCEL 2.

B. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION.

4. THE LAND REFERRED TO IN THIS COMMITMENT IS IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89° 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402.38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89° 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89° 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00° 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89° 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00° 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89° 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN, ON, OR UNDER SAID LAND, AS RESERVED BY BENJAMIN AND ANNA SHAPIRO IN DEED RECORDED OCTOBER 8, 1942 AS INSTRUMENT NO. 213 IN BOOK 19556 PAGE 398, OFFICIAL RECORDS.

ALSO EXCEPT ONE-HALF REMAINING OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN OR UNDER SAID LAND, AS RESERVED BY HARRY COHEN AND BERTA L. COHEN, HUSBAND AND WIFE, IN DEED RECORDED MARCH 22, 1956 IN BOOK 50667 PAGE 372 OF OFFICIAL RECORDS, AS INSTRUMENT NO. 1512.

THE SURFACE RIGHTS OF ENTRY IN AND TO THE TOP 100 FEET OF SAID LAND WERE QUITCLAIMED BY DEED RECORDED NOVEMBER 16, 1961 IN BOOK D-1422 PAGE 358, OFFICIAL RECORDS, AS INSTRUMENT NO. 1378.

PARCEL 2:

A RIGHT OF WAY FOR STREET PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER THE NORTHERLY 25.00 FEET OF THE WESTERLY 467.00 FEET OF SAID LOT 6.

SCHEDULE B - SECTION 2
EXCEPTIONS

ANY POLICY WE ISSUE WILL HAVE THE FOLLOWING EXCEPTIONS UNLESS THEY ARE TAKEN CARE OF TO OUR SATISFACTION. THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF THE POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS COMMITMENT.

1. GENERAL AND SPECIAL TAXES, A LIEN NOT YET PAYABLE, FOR THE FISCAL YEAR 1995-1996.

1A. GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR:	1994-1995.
TOTAL:	$19,134.47 PAID.
FIRST INSTALLMENT:	$9,567.24.
SECOND INSTALLMENT:	$9,567.23.
EXEMPTIONS,	
(VETERANS OR HOMEOWNERS):	$NONE.
CODE NO.:	11995.
PARCEL NO.:	7351-035-027.

1B. THE LIEN OF SUPPLEMENTAL TAXES AND/OR ADJUSTED TAXES, IF ANY, ASSESSED PURSUANT TO THE CALIFORNIA REVENUE AND TAXATION CODE.

1C. THE REQUIREMENT THAT THIS COMPANY BE FURNISHED ALL TAX BILLS AFFECTING THE SUBJECT PROPERTY PRIOR TO THE CLOSE OF THIS TRANSACTION.

2. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	PIPE LINE AND WATER DISTRIBUTION SYSTEM.
AFFECTS:	SAID LAND.
RECORDED:	IN BOOK 1515 PAGE 265, OFFICIAL RECORDS.

3. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	ROAD PURPOSES.
AFFECTS:	AS FURTHER SET FORTH AND DESCRIBED THEREIN.
RECORDED:	IN BOOK 6764 PAGE 136, OFFICIAL RECORDS.

4. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES.
AFFECTS:	THE NORTHERLY 10 FEET AND THE EASTERLY 10 FEET.
RECORDED:	IN BOOK 25833 PAGE 78, OFFICIAL RECORDS.

5. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR:	POLE LINES.
AFFECTS:	THE EASTERLY 10 FEET OF THE NORTH HALF OF PARCEL 6 OF SAID LAND.
RECORDED:	IN BOOK 25834 PAGE 85, OFFICIAL RECORDS.

ON SAID SURVEY.

B. AN ENCROACHMENT ONTO SAID LAND OF IMPROVEMENTS SITUATED ON LAND ADJACENT ON THE WEST CONSISTING OF AN OVERHEAD LOADING CRANE FROM THE WAREHOUSE ON THE WEST.

C. THE FACT THAT A ROOF CANOPY AT THE NORTH EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

D. THE FACT THAT AN OVERHEAD CRANE AT THE EAST EDGE OF BUILDING "A" OVERHANGS THE POLE LINE EASEMENT SHOWN AS EXCEPTION NO. 4.

E. THE FACT THAT A CHAIN LINK FENCE RUNNING IN A NORTH-SOUTH DIRECTION AT THE EAST PROPERTY LINE IS LOCATED INSIDE, OUTSIDE AND UPON SAID PROPERTY LINE.

F. ANY EASEMENT OR LESSER RIGHT, FOR THE PURPOSES HEREIN STATED, INCLUDING INCIDENTAL PURPOSES FOR THE THREE WIRES AND POWER POLES ABOVE BUILDING "A".

14. NEITHER THE ITEMS SHOWN IN SAID REPORT, NOR THE ITEMS CONTAINED HEREIN, WILL CAUSE THE COMPANY TO DECLINE TO ATTACH CLTA ENDORSEMENT FORM 100 TO AN ALTA LOAN POLICY WHEN ISSUED.

SAID LAND IS ALSO KNOWN AS:	1206 196TH STREET, (TORRANCE AREA), COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.
THERE IS LOCATED UPON SAID LAND:	A COMMERCIAL BUILDING.

15. THE ONLY CONVEYANCE AFFECTING SAID LAND RECORDED WITHIN 2 YEARS OF THE DATE OF THIS REPORT ARE AS FOLLOWS: NIL.

December 20, 1995

AMENDMENT NO. 1 TO LEASE

This is AMENDMENT NO. 1 TO LEASE (this "Amendment") to that certain Lease dated as of September 15, 1993 (the "Lease") by and between TRICO INDUSTRIES, INC., a California corporation ("Landlord") and DYNATECK AMERICA, INC., a California corporation ("Tenant").

Landlord and Tenant have agreed to amend the Lease effective September 15, 1995. In consideration of the agreements in this Amendment, Landlord and Tenant do hereby amend the Lease as follows.

1. Effective September 15, 1995 and without releasing Dynateck America, Inc. from any of its obligations under the Lease, the tenant under the Lease will be both MIGHTY ENTERPRISES, INC. (a California corporation) and DYNATECK AMERICA, INC. as tenants in common, hereafter referred to as Tenant, and such Tenants' liability under this Lease shall be joint and several.

2. Lease Paragraph 1 TERM AND PREMISES is hereby amended to expand the leased premises to include all of the real property and improvements thereon located at 1206 West 196th Street as legally described on Schedule 1 to this Amendment ("Expanded Premises"). The term will continue to be month-to-month, but the notice period required for termination of the Lease by either party shall be increased from thirty days to ninety days.

3. Lease Paragraph 2 RENT AND SECURITY DEPOSIT is hereby amended to increase the rent from ONE THOUSAND DOLLARS to FIVE THOUSAND DOLLARS ($5,000.00) per month effective September 15, 1995. Landlord acknowledges the receipt on September 7, 1995 of three checks for ONE THOUSAND DOLLARS ($1,000.00) each representing rent due for July, August and September 1995 and receipt on October 30, 1995 of Check No. 10082 in the amount of TEN THOUSAND FIVE HUNDRED DOLLARS ($10,500 - representing additional security deposit of $4,000, the balance of September 1995 rent in the amount of $1,500 and October 1995 rent in the amount of $5,000).

4. The last sentence of Lease Subparagraph 3.3 (d) BASELINE shall be deleted in its entirety and replaced with the following sentence. "The tenant shall not be responsible for cleanup of any contamination resulting from pre-existing conditions on the property referred to in the Preliminary Site Characterization Report dated July 12, 1995 prepared by H2O Science, Inc. for Mighty U.S.A., Inc and Trico Industries, Inc. (the H2O Report) and the various environmental reports theretofore conducted on the Property, including those referred to in the H2O Report."

PACCAR 00296

5. Lease Paragraph 4 MAINTENANCE AND REPAIRS shall be amended to provide that Landlord, at Landlord's expense, shall maintain and repair the foundations and structural members (excluding roofs) of the improvements on the Expanded Premises.

6. Lease Subparagraph 13.1 of MISCELLANEOUS PROVISIONS is amended to provide that Landlord shall have unimpeded access to the Expanded Premises for purposes of inspection, testing, remediation and monitoring of any contamination.

7. Lease Subparagraph 13.8 of MISCELLANEOUS PROVISIONS is amended to change Landlord's address for notices and payment of rent to the following:

Trico Industries, Inc.
2503 Hunter Road
San Marcos, Texas 78666
Attn: Credit Manager

Except as modified by this Amendment the Lease remains in full force and effect and is hereby ratified and confirmed.

TENANT:

DYNATECK AMERICA, INC.

By: _____
Its: PRESIDENT

MIGHTY ENTERPRISES, INC.

By: _____
Its: PRESIDENT

19706 South Normandie Avenue
Torrance, California 90502
Telephone: 310/516-7478
Fax: 310/516-0368

LANDLORD: TRICO INDUSTRIES, INC.

By: _____
Its: VICE CHAIRMAN

PACCAR 00297

SCHEDULE 1 TO
AMENDMENT NO. 1 TO LEASE
LEGAL DESCRIPTION OF EXPANDED PREMISES

A fee, as to Parcel(s):1.
An easement, as to Parcel(s):2.

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

Those portions of Lots 6 and 7 of Tract 4671, as per map recorded in Book 56, Pages 30 and 31 of Maps, in the office of the county recorder of said county, described as follows:

Beginning at a point in the Northerly line of said Lot 6, distant thereon, 467.00 feet Easterly from the Westerly line of said Lot 6; thence Southerly, parallel with said Westerly line, 180.00 feet, to the North line of the South half of said Lot 6; thence North 89° 54' 45" West, along said North line, to a point distant Easterly, 402.38 feet from the Westerly line of said Lot 6; thence South 00° 04' 28" East parallel to said West line 136.81; thence North 89° 54' 05" East parallel to the South line of said Lot 7, a distance of 11.02 feet; thence South 00° 04' 28" East parallel to said West line 141.20 feet; thence South 89° 54' 05" West parallel to the South line of said Lot 7, a distance of 31.76; thence South 00° 04' 28" East parallel to said West line, 42.11 feet to a point in the North line of the South 220.00 feet of said Lot 7; thence along said Northerly line North 89° 54' 05" East to the Easterly line of said Lot 7, thence North 00° 04' 28" East along the Easterly lines of said Lots 6 and 7 to the North line of said Lot 6; thence along said North line South 89° 54' 05" West 160.30 feet to the point of beginning.

EXCEPT therefrom an undivided one-half interest in all oil, gas, minerals and other hydrocarbon substances in, on or under said land, as reserved by Benjamin and Anna Shapiro in deed recorded October 8, 1942 as Instrument No. 213 in Book 19556 Page 398, Official Records.

ALSO EXCEPT one-half remaining oil, minerals, gas, hydrocarbon and allied substances in or under said land, as reserved by Harry Cohen and Berta L. Cohen, husband and wife, in deed recorded March 22, 1956 in Book 50667 Page 372 of Official Records as Instrument No. 1512.

The surface rights of entry in and to the top 100 feet of said land were quitclaimed by deed recorded November 16, 1961 in Book D-1422 Page 358, Official Records as Instrument No. 1378.

PARCEL 2:

A right of way for street purposes, to be used in common with others, over the Northerly 25.00 feet of the Westerly 467.00 feet of said Lot 6.

COUNTY OF L

TRW·REDI

1-800-34

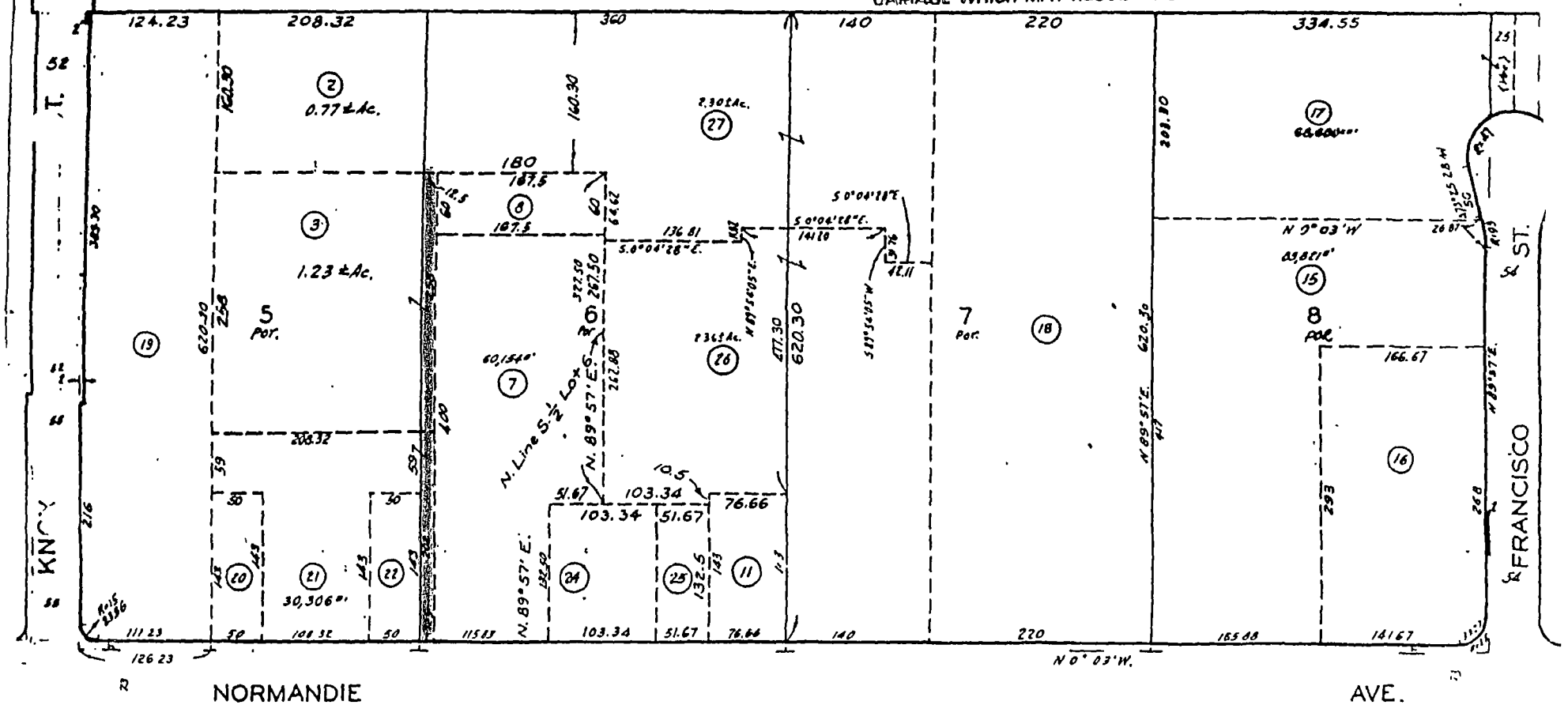
First American Title Company of Los Angeles

7351	35

SCALE 1" = 100'

1992

THIS MAP MAY OR MAY NOT BE A SURVEY OF THE LAND DEPICTED HEREON. YOU SHOULD NOT RELY UPON IT FOR ANY PURPOSE OTHER THAN ORIENTATION TO THE GENERAL LOCATION OF THE PARCEL OR PARCELS DEPICTED. FIRST AMERICAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR ALLEGED LOSS OR DAMAGE WHICH MAY RESULT FROM RELIANCE UPON THIS MAP



3

TRACT NO. 4671

M.B. 56-30-31

CODE 1519

SCHEDULE 1 TO
AMENDMENT NO. 1 TO LEASE

PACCAR 00299

October 21, 1996

AMENDMENT NO. 2 TO LEASE

This is Amendment No 2 ("Amendment") to that certain Lease dated as of September 15, 1993 (as previously amended, the "Lease") by and between PACCAR Inc, a Delaware corporation,successor in title to Trico Industries, Inc a California Corporation ("Landlord"), and Dynateck America, Inc., and Mighty Enterprises, Inc , each a California Corporation (collectively "Tenant").

Landlord and Tenant have agreed to amend the Lease effective October 21, 1996, in consideration of the agreements in this amendment, as herein said forth

Landlord is willing to consent to certain additional permitted uses of the Premises on the following terms and conditions, to which Tenant agrees, but without limitation of any other provision of the Lease

1 Subject to all other provisions of the Lease, Tenant shall have the right to conduct machine tool assembly and storage, and sewing of fabric items in connection with umbrella assembly and packaging for sale, on the premises as additional permitted uses.

2. Tenant agrees at its expense to comply with all laws whatsoever applicable to such additional permitted uses of the Premises. and whether such laws require action by the owner or Tenant of the property.

As amended hereby the Lease is ratified and confirmed and remains in full force and effect.

Dynateck America, Inc

PACCAR, Inc

Mighty Enterprises, Inc.

19706 So Normandie Avenue
Torrance, CA 90502

AMENDMENT NO. 3 TO LEASE

December 20, 1999

This is AMENDMENT NO. 3 (this "Amendment") to that certain Lease dated as of September 15, 1993 (as previously amended, the "Lease") by and between PACCAR Inc, a Delaware corporation, successor in title to Trico Industries, Inc., a California corporation ("Landlord") and Dynateck America, Inc. and Mighty Enterprises, Inc., each a California corporation (collectively, "Tenant")

Monthly rent has not changed since September 1995, and Landlord desires to increase the rent to reflect current market conditions. The term of the Lease is month-to-month, and notice to increase rent must be given to Tenant at least one month in advance of the increase. Landlord and Tenant have agreed that the rent shall increase effective February 1, 2000.

In consideration of the agreements in this Amendment, Landlord and Tenant do hereby amend the Lease as follows:

1. Lease Paragraph 2 RENT AND SECURITY DEPOSIT is hereby amended to increase the rent from FIVE THOUSAND DOLLARS to EIGHT THOUSAND DOLLARS ($8,000) per month effective February 1, 2000 Tenant shall deposit an additional $3000 on or before February 1 as an additional security deposit. Landlord acknowledges that it holds $5,000 as a security deposit from Tenant.

2. Lease Subparagraph 13.8 of MISCELLANEOUS PROVISIONS is amended to change Landlord's address for notices and payment of rent to the following:

   PACCAR Inc
   PO Box 1518 (777 106th Avenue NE)
   Bellevue WA 98009 (98004)
   Attn· Director of Corporate Services

   Telephone (425) 468-7519
   Fax (425) 468-8213
   E Mail dan lewis@paccar com

Except as modified by this Amendment and by Amendments 1 and 2 to Lease, the Lease remains in full force and effect and is hereby ratified and confirmed.

TENANT. Dynateck America, Inc.	TENANT· Mighty Enterprises, Inc.	LANDLORD: PACCAR Inc
By:_____	By·_____	By:_____ Richard E. Bangert II
Its:_____	Its·_____	Its: Vice President

Copies to DNL
REB
originals BJM
Peter Nsai

AMENDMENT NO. 4 TO LEASE

As of April 1,2000

This is AMENDMENT NO. 4 (this "Amendment") to that certain Lease dated as of September 15, 1993 (as previously amended, the "Lease") by and between PACCAR Inc, a Delaware corporation, successor in title to Trico Industries, Inc., a California corporation ("Landlord") and Dynateck America, Inc. and Mighty Enterprises, Inc., each a California corporation (collectively, "Tenant").

Landlord and Tenant recognize that the Premises itself and surrounding properties are the subject of preexisting soil and groundwater contamination, and that testing,remediation,monitoring and related restoration activities will be required of Landlord from time to time.

In consideration of the agreements in this Amendment, Landlord and Tenant hereby amend the Lease as follows:

1. Lease Paragraph 3.3 "Hazardous Substances" is hereby amended to add the following additional provisions:

   "(e)Landlord Remediation of Existing Contamination.Tenant understands that the Premises and surrounding property are subject to soil and groundwater contamination preexisting this Lease. Notwithstanding any implication of this Lease to the contrary, Landlord, its consultants and contractors shall have the right from time to time to enter upon the Premises for purposes of study, testing, remediation and monitoring of such environmental conditions of the Premises and any restoration incident thereto. Except in cases of emergency, Landlord will give reasonable advance written notice to Tenant of any such entry and the nature thereof and written notice given at least 7 days in advance(absent emergency) shall be deemed reasonable. Landlord will use its good faith reasonable efforts to minimize interference with Tenant's activities insofar as conditions permit. No such entry by Landlord, Its consultants and contractors, nor any environmental and restoration activities conducted pursuant thereto, shall be deemed an interference with Tenant's tenancy or quiet enjoyment under this Lease.

   The written notice required by this Paragraph 3.3(e) shall be sent by fax and United States Mail-First Class, Postage Prepaid and shall be deemed given on the same day it is faxed and mailed to Mighty Enterprises, Inc. Att'n: Claire Birkett, 19706 S. Normandie Avenue, Torrance, CA 90502, Fax No. (310) 516- 0368, with a copy to David M. Gurewitz, Attorney at Law , 4108A Highland Avenue, Manhattan Beach, CA 90266, Fax No. (310) 546-4497. Said notice shall identify the day upon which Landlord, its consultants and/or contractors intend to enter onto the Premises; the names of the persons who shall be entering onto to the Premises; a specification of the activities Landlord will be undertaking upon the Premises,

including the duration of such activities; and what, if any, impact upon Tenant's use of the Premises such activities will have. Any such entry upon the Premises by Landlord pursuant to this Paragraph 3.3(e) shall be without abatement of rent, unless such activities materially affect Tenant's use and enjoyment of the Premises for a period in excess of three (3) business days at any given time, or otherwise cause Tenant to incur expenses (for example, for having to move machinery and equipment in order to accommodate the Landlord's work) as a result of such activities. Landlord hereby further agrees that in the event as a result of any such activities any report, test results or other documents are generated which are given or submitted by Landlord to any State, Federal or local governmental entity or agency having jurisdiction over the Premises, that a copy of any such items so given to any such governmental entity or agency shall, within ten (10) days after giving or submitting same to such governmental entity or agency, be sent to Tenant and Tenant's attorney, at the address and in the manner as set forth above in this Paragraph 3.3(e).

Except as modified by this Amendment and by Amendments 1, 2 and 3 to Lease, the Lease remains in full force and effect and is hereby ratified and confirmed.

TENANT: Dynateck America, Inc.	TENANT: Mighty Enterprises, Inc.	LANDLORD: PACCAR Inc
By:	By:	By:
Its: President	Its: President	Richard E. Bangert II Its: Vice President

PACCAR Inc

October 22, 1996

Mr. Peter Tsai
Dynateck America Inc.
Mighty Enterprises Inc.
19706 So. Normandie Avenue
Torrance, CA 90502

Re: 1206 West 196th
Torrance, CA
Lease Dated September 15, 1993, as Amended

Gentlemen:

Reference is made to my letter to you of June 7, 1996, and Eric Herold's letter in response dated August 20, 1996. I further enclose a Trico Inspection Report of the premises dated October 3, 1996.

The Lease, Section 3.1, currently provides "the Tenant shall use the premise solely and only for the purpose of storage of shoes, umbrellas and other cloth material goods, and for no other purpose without the prior written consent of Landlord." Therefore, the Lease does not currently permit sewing or machine tool assembly and storage as now being conducted on the leased premises.

There are risks associated with these activities and the additional workers present on the premises, which are (or are not) apparent or easily definable. These might include OSHA and California OSHA state requirements, ADA requirements, increased fire risk, possible use of additional hazardous substances, and the like.

In order for Trico to consent to you continuing these activities as Tenant on the premises, we require that you signed the attached Amendment No. 2 to Lease protecting Trico against any consequences of these additional activities.

Please execute this Amendment in the spaces indicated and return all three copies to me. We will then have Trico execute one copy for each Tenant obligated on the Lease and return a fully executed copy to you.

PACCAR Inc

Tickle
~~6/15~~
~~7/15~~
~~8/1~~
~~8/15~~
8/30

June 7, 1996

Certified Mail
Return Receipt Requested

Mr. Peter Tsai
Dynateck America, Inc.
Mighty Enterprises, Inc.
19706 South Normandie Ave.
Torrance, CA 90502

Re: 1206 West 196th, Torrance, CA
Lease Dated September 15, 1993,
As Amended

Gentlemen:

On May 24, 1996, representatives of Trico inspected the properties leased by Trico to others in the Los Angeles area, including your above property. A copy of the notes pertinent to the inspection of your leasehold at Torrance is attached. As you are aware, Trico is a wholly owned subsidiary of PACCAR Inc.

Among the conditions noted in that inspection are several matters which we regard as very troublesome under our lease. We will discuss them next.

Notwithstanding the limited purposes for which the lease was granted in Section 3.1 ("storage of shoes, umbrellas and other cloth material goods, and for no other purpose") the Tenant is conducting a painting operation, with associated materials, and a sewing operation on the premises.

The painting operation raises questions under Sections 3.3 and 3.4 of the Lease (dealing with hazardous substances), including the requirement that Tenant give notice immediately to the Landlord of use thereof on the premises (these would clearly include paint and paint solvents).

P O Box 1518 Bellevue, Washington 98009 Telephone (206) 455-7400
PACCAR Building 777-106th Avenue N E Bellevue, Washington 98004

Second, the outside storage activities east of warehouse building are at least messy, and may constitute a nuisance or increase risks of fire. Under Section 4(a) of the Lease, the Tenant is required to keep the premises and every part thereof "in good order, condition . . ." including "all landscaping, driveways and fences".

Lastly, the storage of an auto on the property, depending on the circumstances, may also exceed the permitted use under the Lease.

In connection with any Tenant default under the Lease, the Lessor may, among other things, recover its attorneys fees. When a default occurs, the Landlord can pursue its various remedies contained in the Lease, including curing the Tenant's default at the Tenant's expense (Section 4(b)), including by application of the security deposit (Section 2.2) which the Tenant is then obligated to restore to its original amount.

At the moment, without prejudice to any of Trico's remedies, Trico has concern that the following curative action be taken promptly.

1. Tenant cleanup the outside storage area between the warehouse building and east property line fence so that outside storage is properly contained, and no debris or loose materials are lying about.

2. Tenant at its expense promptly furnish to Trico an environmental inspection report concerning Tenant's painting activities, conducted by a qualified independent consultant, as contemplated by Section 4(b), and carry out any corrective activity required by such report and by Trico.

3. Tenant cease use of the premises for painting and sewing operations, or negotiate an amendment acceptable to Trico to Section 3.1 of the Lease, permitting such activities.

We ask that you direct any correspondence regarding this matter to the undersigned, with copies to the individuals shown as copy recipients of this letter.

We look forward to Tenant's prompt attention to these matters.

Very truly yours,

Phillip E. Gladfelter
Corporate Real Property Manager

PEG:ldr
PEG96159 DOC

Enclosure - Trico Premises Inspection Report, May 22, 1996

Copies to:

Roger Pettitt, Esq., Brant & Pettitt
(626 Wilshire Blvd, #410, Los Angeles, CA 90017)
R. E. Bangert II/L. Sims, PACCAR Inc (P.O. Box 1518, Bellevue, WA 98009)
R. Litschi, Trico Industries, Inc.(2503 Hunter Rd, San Marcos, TX 78666)
J. Dunavant, Trico Industries, Inc. (3040 E. Slauson Ave, Huntington Park, CA 90253)
R. A. Hoel, PACCAR Inc (P.O. Box 1518, Bellevue, WA 98009)

DRAFT

OBSERVATIONS
TRICO PROPERTIES
TORRANCE and GARDENA

May 24, 1996

On May 22, 1996, I visited the subject properties to audit the activities of the companies leasing the sites. I was accompanied by Jim Dunavant of PACCAR and John Stellar of Hart Crowser. Following are notes on my observations.

GARDENA * * *

TORRANCE

We walked through the property which is currently leased by Mighty Enterprises. Most of our buildings are being used for storage. The following problems were noted:

1. A car is being stored on the bermed area just outside the former location of the paint dip tank. This is where Trico stored its paints.

2. The area east of the warehouse building nearest the railroad tracks is being used for outside storage. It is messy for the whole length of the building. There is paper and packaging scattered all over the place.

3. The area adjacent to where Trico operated its welding shop is now being used for painting large parts. Paints are being stored in cabinets in the building as well as in buckets on the floor. This operation is not really taking place in a paint booth - just out in the open.

4. There is a sewing operation in the old machine shop area.

SUMMARY

It appears to me that the occupants at either facility are doing a good job of keeping the respective facilities in top shape. At Gardena, there is a lot of trash and derelict equipment and the buildings do not appear to have been well maintained. At Torrance, the occupant is storing and using chemicals we did not know about and has allowed messes to accumulate.

c:gardena

Larry

INTEROFFICE COMMUNICATION

CORPORATE
REAL PROPERTY MANAGEMENT

October 28, 1993

TO: C. M. Pigott

FROM: B. J. McHarg

SUBJECT: Lease of Warehouse at Trico Torrance Property to Dynateck America, Inc.

SP-35 approval is requested for the above referenced lease on the following terms and conditions:

Tenant	Dynateck America, Inc. (corporate embodiment of Peter Tsai, who purchased the remainder of Trico Torrance property in February 1990)
Premises	Warehouse building (approximately 4000 square feet) to be used as overflow storage for cloth goods
Term	Month-to-month, terminable by either party on 30 days notice. Dynateck needs access by Thursday, November 4.
Rent	$1,000 per month + security deposit of $1,000 (checks received)
Other	Tsai is to complete partitioning of the electrical service to the parcel he purchased and the Trico retained parcel by November 30.

The warehouse is leased on an "as-is" basis with tenant responsible for all maintenance and repair. The lease is being done as an accommodation to Mr. Tsai to retain his interest as a potential purchaser of the remaining portion of Trico's Torrance site. Trico's concurrence is attached. Trico made a business decision to accept a liability policy limit of $1 million instead of $2 million and waived the requirement for automobile liability insurance.

BJM: 11-1-93

Attachments

Approved:

R. A. Hoel

M. A. Tembreull

Lease of warehouse at Trico Torrance property to Dynateck America, Inc. is approved. Signature authority is delegated to M. A. Tembreull.

C. M. Pigott

SEE REBII memo ATD 11/1/93

CAT. NO. 4487

INTEROFFICE COMMUNICATION

CORPORATE
REAL PROPERTY MANAGEMENT

March 19, 1996

TO: M. A. Tembreull

FROM: B. J. McHarg

SUBJECT: Lease of Trico Torrance Property to Dynateck America, Inc.

SP-35 approval and signature is requested for Amendment 1 to the above named lease as follows:

Tenant	Mighty Enterprises, Inc., a better credit, has been added as an additional tenant with joint liability.
Premises	Previously we leased out Building C only; we now lease out the entire property for storage of soft goods.
Term	Expansion effective September 15, 1995; either party may terminate on 90 days notice.
Rent	Negotiated increase from $1000 to $5000 per month; security deposit also increased to $5000. Tenant pays utilities.

Peter Tsai, sole stockholder of tenants, purchased the front portion of Trico's Torrance property in 1990. An agreement to sell this remaining parcel to Tsai failed due to complexities in quantifying cleanup costs.

BJM:
BJM\0213BJM1.STD

Attachments

Concur:

R. E. Bangert II 4.1.96

See Attached Fax
W. N. Selvig

Concur: Dynateck has been paying $5000/month rent since Sept. '95 and is current through 3/1/96. We are still negotiating to sell the property.

CAT. NO. 4487

PACCAR Inc

May 9, 1997

Mr. Peter Tsai
Dynateck America Inc.
Mighty Enterprises Inc.
19706 So. Normandie Avenue
Torrance, CA 90502

Re: 1206 West 196th
Torrance, CA
Lease Dated September 15, 1993, As Amended

Dear Mr. Tsai:

I enclose one fully executed copy of our lease amendment dated October 21, 1996 for your files.

Very truly yours,

Phillip E. Gladfelter
Corporate Real Property Manager

PEG:ldr
PEG97012.DOC

Enclosure

cc: R. E. Bangert, II
J. Dunavant
L. L. Sims
R. A. McQuade
Eric Herold, Capital Commercial Real Estate Services
19300 S. Hamilton Ave, #110, PO Box 2883
Torrance, CA 95009-2883
John Carver, Seeley Company
2050 W. 190th St, #101
Torrance, CA 90504

P O Box 1518 Bellevue, Washington 98009 Telephone (206) 455-7400
PACCAR Building 777-106th Avenue N E Bellevue, Washington 98004

October 21, 1995

AMENDMENT NO. 2 TO LEASE

This is Amendment No. 2 ("Amendment") to that certain Lease dated as of September 15, 1993 (as previously amended, the "Lease") by and between Trico Industries, Inc. a California Corporation ("Landlord") and Dynateck America, Inc., and Mighty Enterprises, Inc., each a California Corporation (collectively "Tenant").

Landlord and Tenant have agreed to amend the Lease effective October 21, 1995-1996, in consideration of the agreements in this amendment, as herein said forth.

Landlord is willing to consent to certain additional permitted uses of the Premises on the following terms and conditions, to which Tenant agrees, but without limitation of any other provision of the Lease.

1. Subject to all other provisions of the Lease, Tenant shall have the right to conduct machine tool assembly and storage, and sewing of fabric items in connection with umbrella assembly and packaging for sale, on the premises as additional permitted uses.

2. Tenant agrees at its expense to comply with all laws whatsoever applicable to such additional permitted uses of the Premises, and whether such laws require action by the owner or Tenant of the property.

As amended hereby the Lease is ratified and confirmed and remains in full force and effect.

Dynateck America, Inc.

Trico Industries, Inc.

Mighty Enterprises, Inc.

19706 So. Normandie Avenue
Torrance, CA 90502

PACCAR Inc

October 22, 1996

Mr. Peter Tsai
Dynateck America Inc.
Mighty Enterprises Inc.
19706 So. Normandie Avenue
Torrance, CA 90502

Re: 1206 West 196th
Torrance, CA
Lease Dated September 15, 1993, as Amended

Gentlemen:

Reference is made to my letter to you of June 7, 1996, and Eric Herold's letter in response dated August 20, 1996. I further enclose a Trico Inspection Report of the premises dated October 3, 1996.

The Lease, Section 3.1, currently provides "the Tenant shall use the premise solely and only for the purpose of storage of shoes, umbrellas and other cloth material goods, and for no other purpose without the prior written consent of Landlord." Therefore, the Lease does not currently permit sewing or machine tool assembly and storage as now being conducted on the leased premises.

There are risks associated with these activities and the additional workers present on the premises, which are (or are not) apparent or easily definable. These might include OSHA and California OSHA state requirements, ADA requirements, increased fire risk, possible use of additional hazardous substances, and the like.

In order for Trico to consent to you continuing these activities as Tenant on the premises, we require that you signed the attached Amendment No. 2 to Lease protecting Trico against any consequences of these additional activities.

Please execute this Amendment in the spaces indicated and return all three copies to me. We will then have Trico execute one copy for each Tenant obligated on the Lease and return a fully executed copy to you.

[illegible] Washington 98009 Telephone (206) 455-7400
[illegible] Bellevue, Washington 98004

If you have questions regarding Trico's requirements, please contact me.

Very truly yours,

Philip E. Gladfelter
Corporate Real Property Manager

PEG:lp
J:\11PEG\WD6\1018PEG1.DOC

Enclosures

cc: R. E. Bangert, II
J. Dunavant (3040 East Slauson Ave., Huntington Park, CA 90253)
L. L. Sims
R. A. Hoel
Roger Pettitt, Esq. (626 Wilshire Blvd. #410, Los Angeles, CA 90017)
David Gurewitz, Esq. (10780 Santa Monica Blvd. #350, Los Angeles, CA 90025)
Eric Herold, Capital Commercial Real Estate Services (19300 S. Hamilton Ave., #110, P.O. Box 2883, Torrance, CA 90509-2883)
John Carver, Seeley Company (2050 W. 190th St., #101, Torrance, CA 90504

October 21, 1995

AMENDMENT NO. 2 TO LEASE

This is Amendment No. 2 ("Amendment") to that certain Lease dated as of September 15, 1993 (as previously amended, the "Lease") by and between Trico Industries, Inc. a California Corporation ("Landlord") and Dynateck America, Inc., and Mighty Enterprises, Inc., each a California Corporation (collectively "Tenant").

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2. Tenant agrees at its expense to comply with all laws whatsoever applicable to such additional permitted uses of the Premises, and whether such laws require action by the owner or Tenant of the property.

As amended hereby the Lease is ratified and confirmed and remains in full force and effect.

Dynateck America, Inc.

Trico Industries, Inc.

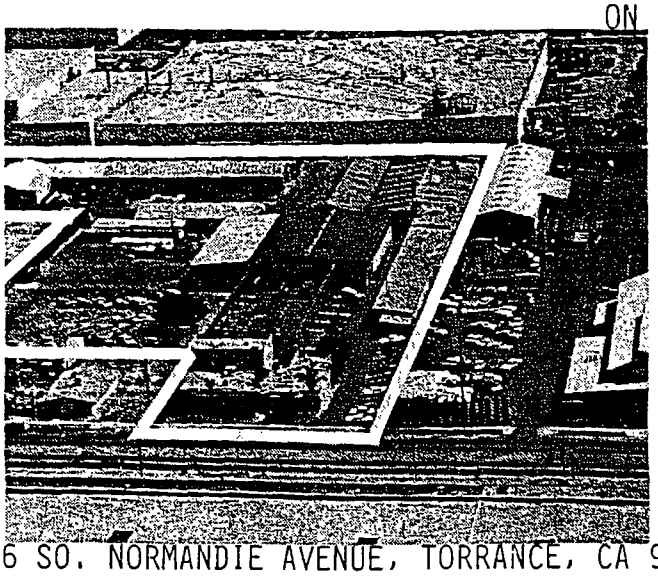
Mighty Enterprises, Inc.

19706 So. Normandie Avenue
Torrance, CA 90502

(BEFORE LOT SPLIT)

FOR SALE

61,730 SQUARE FEET
ON 4.65+/- ACRES



19706 SO. NORMANDIE AVENUE, TORRANCE, CA 90502

** EXCELLENT UPSIDE POTENTIAL IN PRIME TORRANCE AREA **

** NEAR HARBOR/SAN DIEGO FREEWAY INTERSECTION **

** OWNER WILL CONSIDER PARTIAL LEASEBACK - CALL FOR DETAILS **

SALE PRICE: $ 3,295,000.00 PRICE/SQ. FT: $ 53.38 (Land Value $16.27) Tax $ 25,355.87 Year 86-87

Terms Cash or terms acceptable to Seller Possession C.O.E.

BLDG. & LAND DATA

Bldg ▯ 61,730 Dim irregular
Land ▯ 202,554 Dim. irregular
Const. Conc/Metal Roof Metal
Sprkd. Avg. Hzd. Min. Clr Hgt. 14'-20'
Foil No Skylts Yes Yr Blt 1962-1968
Pkg 142+/- Fenced Yes
Thomas Bk. Pg. No. 68-F2 Zone M2
Key Call for Appointment

PLANT DATA

Power 800 A 277/480 V 3 ø Buyer to verify additional power
Rail None Heat Cooling
Trk Hi Drs Exterior Loading Dock/5 Spots Dock X Well
Grd Lev. Drs (15) various sizes
Toilets M 3T W 1T

OFFICE DATA

Ofc. ▯ 6,490 No. Mezz ▯ 770 Toilets M 2T W 2T
A/C Yes Heat Yes

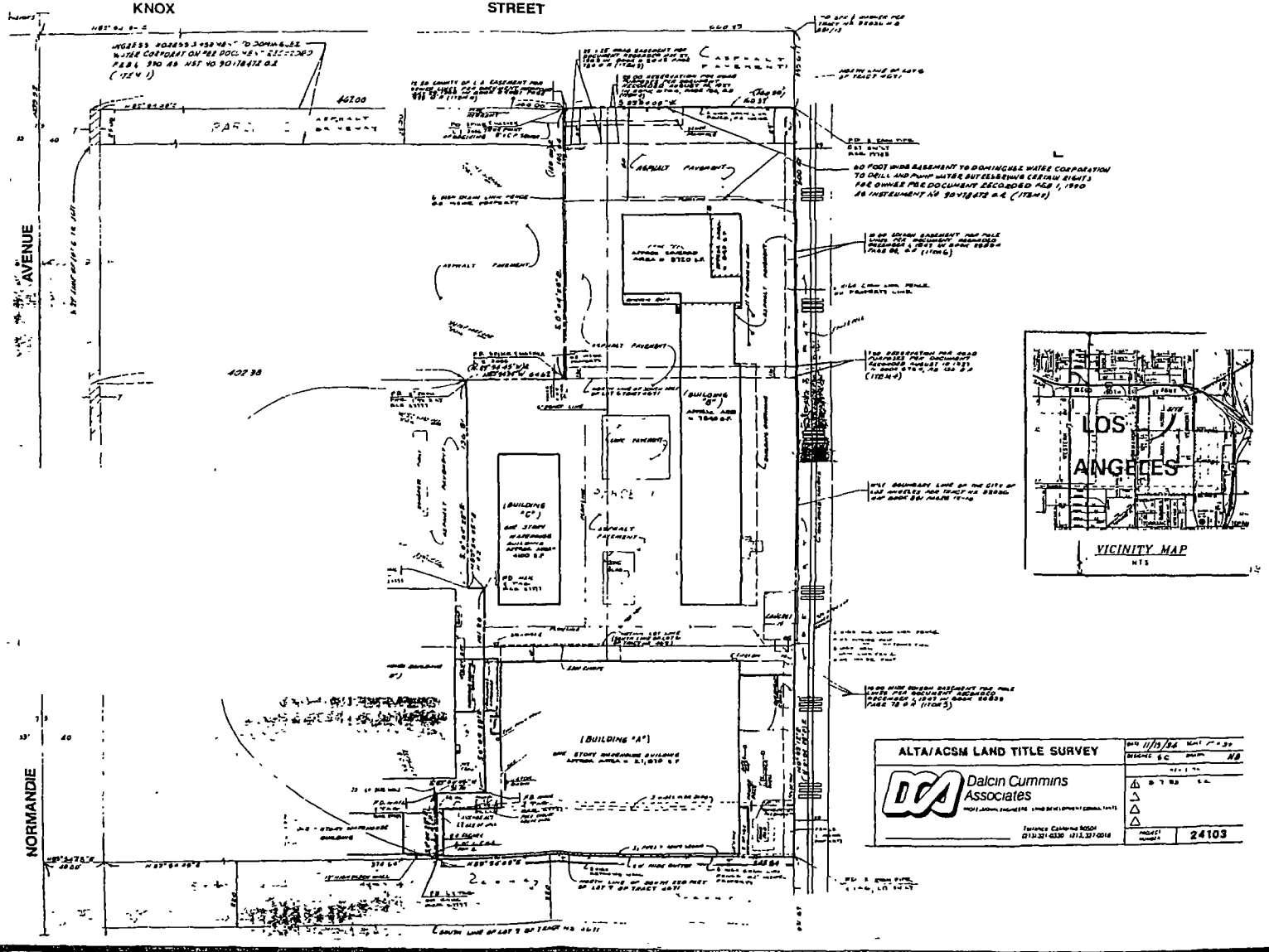
LISTED BY JOHN CARVER Phone 213/538-3182 Area S Listing No. B-23599-870313
RALPH ZELLER 213/726-1200 Revised

THIS IS AN EXCLUSIVE LISTING OF "THE INDUSTRIAL MULTIPLE" AND IS SUBJECT TO ALL ITS RULES AND REGULATIONS
This information has been furnished from sources which we deem reliable but for which we assume no liability. The information contained herein is given, in confidence with the understanding that all negotiations pertaining to this property be handled through the submitting office. All measurements are approximate
© American Industrial Real Estate Association

Twelve Individual Memberships
Society of Industrial Realtors

(213) 627-1214
900 Wilshire Blvd., Los Angeles, CA 90017
(213) 538-3182
19401 So. Vermont Ave., Torrance, CA 90502
(818) 887-3404
21243 Ventura Blvd., Woodland Hills, CA 91364

THE Seeley COMPANY
COMMERCIAL/INDUSTRIAL
REAL ESTATE SINCE 1908
Offices in Los Angeles, San Fernando Valley, San Gabriel Valley, South Bay and Orange County



PACCAR 00317

BRANT & PETTITT
ATTORNEYS AT LAW
626 WILSHIRE BOULEVARD, SUITE 410
LOS ANGELES, CALIFORNIA 90017
(213) 624-7201
FAX NO. (213) 624-7203

FREEMAN R. BRANT (1908 - 1987)
ROGER C. PETTITT

OF COUNSEL:
RICHARD C. HENDERSON

MAY 17 REC'D

May 15, 1995

Mr. David M. Gurewitz
Gurewitz & Lieb
Attorneys at Law
10780 Santa Monica Blvd.
Suite 350
Los Angeles, CA 90025

cc: BAUMAN
MAMMANO
PEG DESK

Re: **Trico Industries, Inc. - Mighty Enterprises/Peter Tsai**
Torrance Property Contract and ALTA Title Commitment

Dear David:

On the chance you might not have received a copy thereof, I enclose First American Title ALTA commitment dated May 2, 1995.

With kind regards.

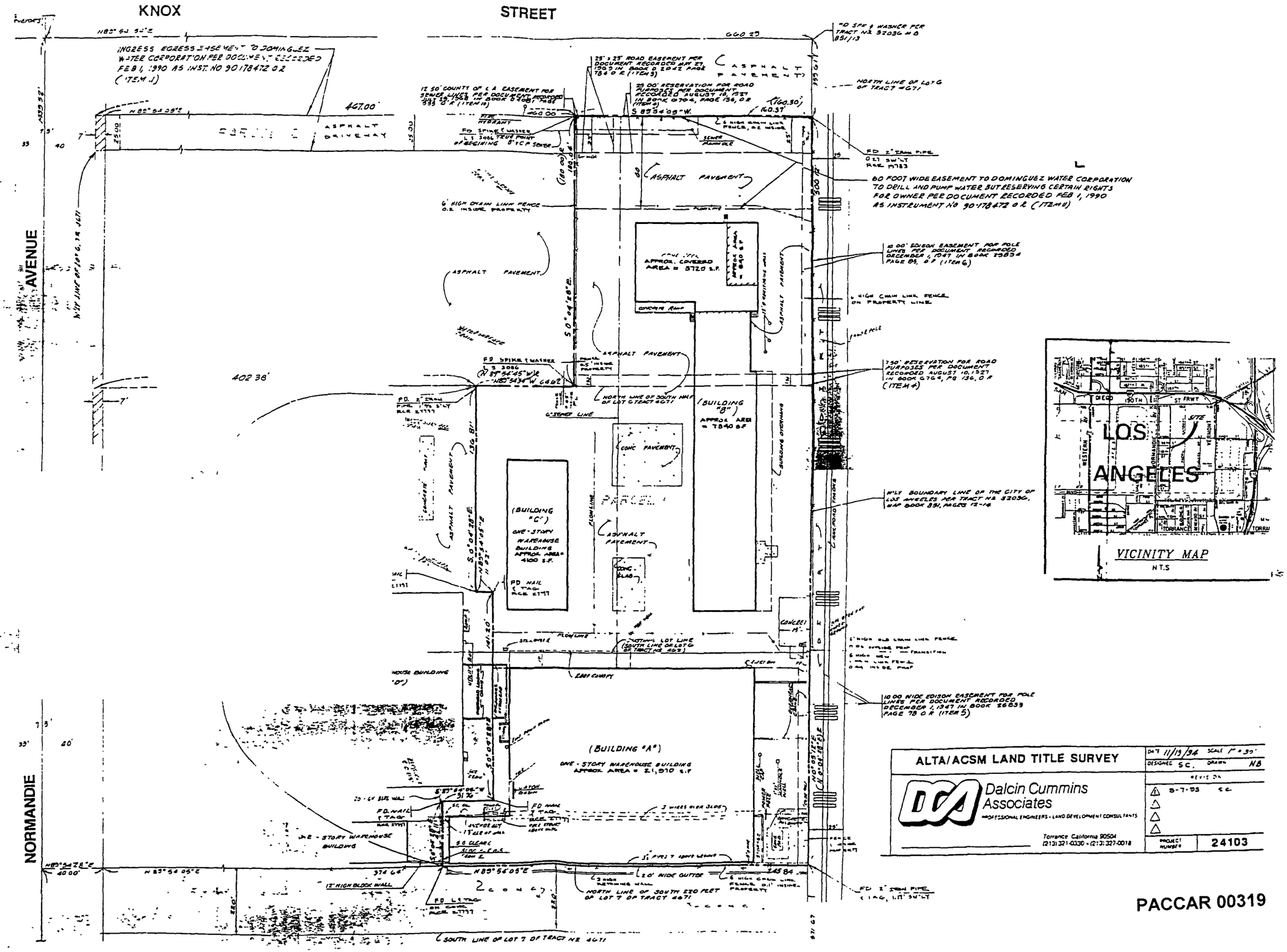
Sincerely,

FOR BRANT & PETTITT

RCP:c

Enclosures:

cc: Mr. Phillip Gladfelter, Attorney at Law
PACCAR Real Estate Department
Bellevue, Washington



PACCAR 00319

COMMERCE ESCROW COMPANY

JANUARY 23, 1990

RECEIVED
JAN 24 1990
A.J.C.

TRICO INDUSTRIES, INC.
3040 EAST SLAWSON AVENUE.
HUNTINGTON PARK, CA 90265
ATTN: ROBERT L. LITSCHI, VICE PRESIDENT

MR. PETER TSAI
C/O GUREWITZ & LIEB
10780 SANTA MONICA BLVD., SUITE 350
LOS ANGELES, CA 90025

RE: 89-10731

DEAR CLIENTS:

WE ARE ENCLOSING THE FOLLOWING ITEMS:

1. AMENDED PRELIMINARY REPORT DATED DECEMBER 11, 1989 ISSUED BY STEWART TITLE.

SHOULD YOU HAVE ANY QUESTIONS CONCERNING THIS MATTER, PLEASE DO NOT HESITATE TO CONTACT US.

VERY TRULY YOURS,

JB JENNINGS,
ESCROW ASSISTANT

ENCLOSURES

CC: ROGER C. PETTITT
BRANT & PETTITT
626 WILSHIRE BLVD., SUITE 410
LOS ANGELES, CA 90017

THE SEELEY COMPANY
20300 S. VERMONT, #200
TORRANCE, CA 90502
ATTN: JOHN CARVER

1545 Wilshire Blvd., Suite 600, Los Angeles, California 90017 (213) 484-0855

STEWART TITLE

PRELIMINARY TITLE REPORT

OUR NO. 338922 YOUR NO. _____

ATTN: JOHN CARVER
THE SEELEY COMPANY
20300 SOUTH VERMONT AVENUE SUITE #200
TORRANCE, CALIFORNIA

AMENDED

DATED AS OF DECEMBER 11, 1989 AT 7:30 A.M.

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, STEWART TITLE HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A STEWART TITLE GUARANTY COMPANY POLICY OR POLICIES OF TITLE INSURANCE DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERENCED TO AS AN EXCEPTION ON SCHEDULE B OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS, AND STIPULATIONS OF SAID POLICY FORMS.

THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH IN THE ATTACHED LIST. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT.

THIS REPORT, (AND ANY SUPPLEMENTS OR AMENDMENTS THERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE A BINDER OR COMMITMENT SHOULD BE REQUESTED.

LARRY MCGUIRE
TITLE OFFICER

BILLING RATE 100%

505 N. Brand 12th Floor Glendale, CA 91203
(818) 502-2700/(800) 821-8685
MEMBER CALIFORNIA LAND TITLE ASSOCIATION

THE FORM OF THE POLICY OF TITLE INSURANCE CONTEMPLATED BY THIS REPORT IS:

1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY ( )
2. AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY FORM B (X)
3. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY ( )
4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY ( )

SCHEDULE A

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE AS TO PARCEL 1 AND AN EASEMENT AS TO PARCEL 2

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION

SCHEDULE A (CONTINUED)

DESCRIPTION: THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.66 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 FEET OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

THE SOUTH 76.66 FEET OF THE WEST 150 FEET OF LOT 6 OF TRACT NO. 4671, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WESTERLY 7 FEET THEREOF.

SCHEDULE B

AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS CONTAINED IN SAID POLICY OR POLICIES WOULD BE AS FOLLOWS:

1. GENERAL AND SPECIAL CITY AND/OR COUNTY TAXES FOR THE FISCAL YEAR 1989-1990

TOTAL AMOUNT	$19,900.47
FIRST INSTALLMENT	$12,664.07 OPEN AND DELINQUENT
SECOND INSTALLMENT	$7,236.40 OPEN
FIRST INSTALLMENT PENALTY	$1,266.40
EXEMPTION	NONE
CODE AREA	1519
PARCEL NUMBER	7351-35-223

SAID MATTER AFFECTS THIS AND OTHER PROPERTY.

2. THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5 (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA.

3. RIGHT OF ENTRY AND WAY FOR THE EXCAVATION, CLEARING AND REPAIR OF ZANJAS, DITCHES, FLUMES, PIPES OR OTHER WATER CONDUITS FOR WATERS USED FOR IRRIGATION OR DOMESTIC PURPOSES AND FOR THE TRANSMISSION AND FLOW OF WATERS AS PROVIDED BY THE FINAL DECREE OF PARTITION ENTERED IN CASE NO. 3284 OF THE SUPERIOR COURT, IN AND FOR THE COUNTY OF LOS ANGELES.

4. THE RIGHT TO ENTER AND DEVELOP AND REMOVE WATER AND CONSTRUCT PUMPING PLANTS, ALSO THE RIGHT OF WAY FOR PIPES, DITCHES, CANALS, ETC. AND OTHER RIGHTS AND EASEMENTS AS CONVEYED IN A DEED FROM GUADALUPE MERCELINA DOMINGUEZ TO DOMINGUEZ WATER COMPANY, AS EXCEPTED IN THE DEED FROM DOMINGUEZ ESTATE COMPANY TO TITLE INSURANCE AND TRUST COMPANY, RECORDED IN BOOK 871 PAGE 349, OFFICIAL RECORDS.

5. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	DOMINGUEZ WATER COMPANY, A CALIFORNIA CORPORATION
FOR	PIPE LINE AND WATER DISTRIBUTION SYSTEM
RECORDED	NOVEMBER 9, 1922 AS INSTRUMENT NO. 1030, IN BOOK 1515 PAGE 265, OFFICIAL RECORDS
AFFECTS	SAID LAND

6. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	TITLE INSURANCE AND TRUST COMPANY,

	A CALIFORNIA CORPORATION
FOR	IRRIGATION AND DOMESTIC PIPES
RECORDED	AUGUST 10, 1927 IN BOOK 6697 PAGE 399, AS INSTRUMENT NO. 5, OFFICIAL RECORDS

SAID MATTER AFFECTS A PORTION OF SAID LAND AS MORE PARTICULARLY DESCRIBED IN SAID DOCUMENT.

7. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

FOR	PIPE LINES
RECORDED	IN BOOK 35705 PAGE 352, OFFICIAL RECORDS
AFFECTS	WITHIN 5 FEET OF THE FOLLOWING DESCRIBED LINES:

BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID LOT 6, DISTANT THEREON NORTH 0 DEGREES 03' WEST 20 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 6; THENCE NORTH 89 DEGREES 57' EAST 150 FEET TO THE EASTERLY LINE OF SAID LAND.

8. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	SOUTHERN CALIFORNIA GAS COMPANY, A CORPORATION
FOR	POLE LINES
RECORDED	DECEMBER 1, 1947 IN BOOK 25833 PAGE 78, OFFICIAL RECORDS
AFFECTS	THE NORTHERLY 10 FEET AND THE EASTERLY 10 FEET OF LOT 7

THE WESTERLY 460 FEET OF SAID NORTHERLY 10 FEET HAVING BEEN QUITCLAIMED BY SOUTHERN CALIFORNIA EDISON COMPANY BY AN INSTRUMENT RECORDED JUNE 9, 1988 AS INSTRUMENT NO. 88-915728, OFFICIAL RECORDS.

9. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	DOMINGUEZ ESTATE COMPANY, A CORPORATION, AND DOMINGUEZ WATER CORPORATION, A CORPORATION
FOR	WATER PIPES AND MAINS
RECORDED	JUNE 16, 1954 IN BOOK 44822 PAGE 424, OFFICIAL RECORDS
AFFECTS	THE EASTERLY 7 1/2 FEET OF THE WESTERLY 139.5 FEET EXCEPT THE NORTHERLY 128.33 FEET OF SAID LOT 6.

10. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	WILLIAM PHILLIP GUIDRY, A WIDOWER
FOR	GAS LINE
RECORDED	MARCH 22, 1956 IN BOOK 50667 PAGE 154, OFFICIAL RECORDS
AFFECTS	THE NORTHERLY 10 FEET OF THE SOUTHERLY 25 FEET OF THE EASTERLY 60 FEET OF THE WESTERLY 467 FEET OF LOT 6.

11. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	WILLIAM PHILLIP GUIDRY, A WIDOWER
FOR	GAS LINE
RECORDED	MARCH 22, 1956 IN BOOK 50667 PAGE 154, OFFICIAL RECORDS
AFFECTS	THE NORTH 10 FEET OF THE SOUTHERLY 25 FEET OF THE EASTERLY 100 FEET OF THE WESTERLY 407 FEET OF LOT 6.

12. THE REQUIREMENT THAT A RESOLUTION OF THE BOARD OF DIRECTORS FOR THE HEREIN BELOW NAMED CORPORATION, AUTHORIZING SAID CONTEMPLATED TRANSACTION BE SUBMITTED FOR EXAMINATION AND APPROVAL PRIOR TO OR CONCURRENT WITH THE CLOSE OF THIS TRANSACTION.

CORPORATION | TRICO INDUSTRIES, INC.

13. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER RECORDED OR NOT.

14. ANY RIGHTS, CLAIMS OR INTEREST WHICH MAY EXIST OR ARISE BY REASON OF THE FOLLOWING FACTS AS SHOWN ON A SURVEY OF SAID LAND MADE BY DALCIN CUMMINS ASSOCIATES SHOWN AS PROJECT NUMBER 241 AND DATED APRIL 27, 1989:

A. THE FACT THAT AN "OVERHEAD LOADING CRANE" EXTENDS EASTERLY FROM THE BUILDING LOCATED ON SAID LAND ONTO LAND ADJOINING TO THE EAST.

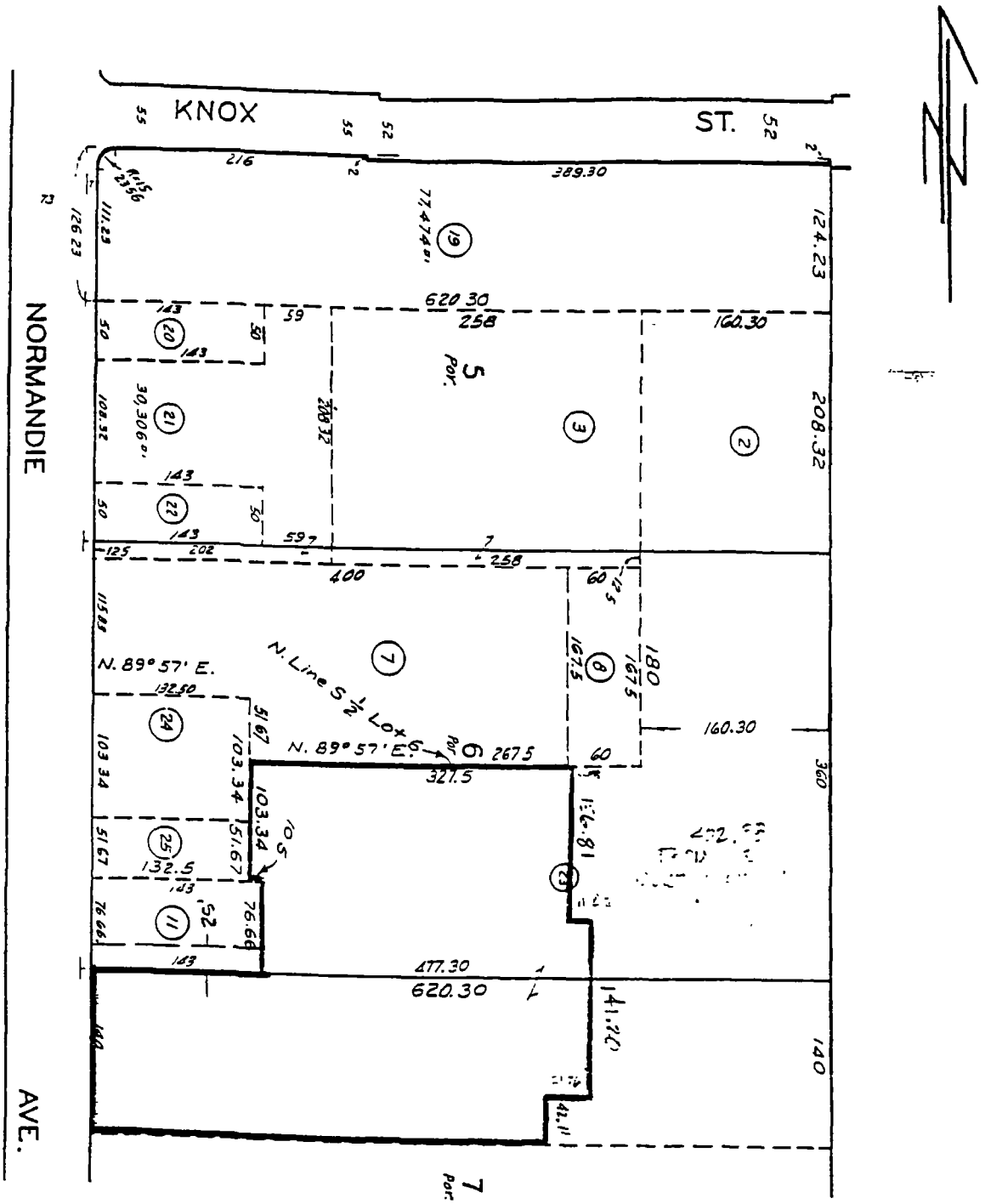
B. THE FACT THAT A PORTION OF A CONCRETE LOADING CRANE PLATFORM EXTENDS NORTHERLY 0.4 FEET ONTO LAND ADJOINING TO THE NORTH.

15. RIGHTS OF PARTIES IN POSSESSION OF SAID LAND BY REASON OF UNRECORDED LEASES, IF ANY. KINDLY FORWARD SAID LEASES FOR OUR EXAMINATION.

16. OTHER MATTERS OF RECORD WHICH DO NOT DESCRIBE SAID LAND, BUT WHICH, IF ANY EXIST, MAY AFFECT THE TITLE. THE NECESSARY SEARCH AND EXAMINATION WILL BE COMPLETED WHEN A STATEMENT OF INFORMATION HAS BEEN RECEIVED FROM NEW OWNERS.

PLATS ENCLOSED.

Stewart Title



TRACT NO. 4671

M.B. 56-30-31

This is not a survey of the land but is compiled for information from data shown only by official records

PACCAR 00327

CLTA PRELIMINARY REPORT FORM
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

SCHEDULE B

1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1988
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i)the occupancy, use, or enjoyment of the land, (ii)the character, dimensions or location of any improvement now or hereafter erected on the land, (iii)a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv)environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation effecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant,
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy, or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner or indebtedness, to comply with the applicable doing business laws, of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records

(List of Printed Exceptions and Exclusions Continued on Next Page)

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein the as to assessments for street improvements under construction or completed at Date of Policy); or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

4. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-21-87)
and
AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-21-87)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land, (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(List of Printed Exceptions and Exclusions Continued on Next Page)

2. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from

1 Governmental police power, and the existence or violation of any law or governmental regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- land use
- land division
- improvements on the land
- environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2 The right to take the land by condemning it, unless:

- a notice of exercising the right appears in the public records on the Policy Date
- the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3 Title Risks.

- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date - - unless they appeared in the public records
- that result in no loss to you
- that first affect your title after the Policy Date - - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4 Failure to pay value for your title.

5 Lack of a right.

- to any land outside the area specifically described and referred to in Item 3 of Schedule A or
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

3. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-21-87) WITH ALTA ENDORSEMENT– FORM 1 COVERAGE and AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-21-87) WITH ALTA ENDORSEMENT – FORM 1 COVERAGE EXCLUSIONS AND COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

(List of Printed Exceptions and Exclusions Continued on Next Page)

DO NOT DESTROY THIS ORIG NOTE: When paid, said original note ether with the Deed of Trust securing same, must be surrend o Trustee for cancellation and retention b reconveyance will be made.

NOTE SECURED BY DEED OF TRUST ORIGINAL

(STRAIGHT NOTE)

$ 1,370,000.00 LOS ANGELES, California, FEBRUARY 1 1990

after date, for value received, I/we promise to pay to TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION, or order at SUCH PLACE AS PAYEE MAY DESIGNATE the sum of ONE MILLION THREE HUNDRED SEVENTY THOUSAND AND 00/100 DOLLARS, with interest on the unpaid principal amount from FEBRUARY 6, 1990, at the rate of ** per cent per annum, interest ~~payable~~ ONLY OR MORE ON THE SAME DAY OF EACH CALENDAR MONTH, BEGINNING ON THE 6th DAY OF MARCH 1990 AND CONTINUING UNTIL JUNE 6, 1990 AT WHICH TIME THE ENTIRE REMAINING UNPAID PRINCIPAL BALANCE PLUS ACCRUED INTEREST DUE THEREON SHALL ALL BE DUE AND PAYABLE.

** PRIME PLUS TWO (2) PERCENT AS PER SECURITY PACIFIC NATIONAL BANK PUBLISHED PRIME RATE IN LOS ANGELES, CALIFORNIA.

"PRIVILEGE IS RESERVED OF PAYING THE UNPAID PRINCIPAL BALANCE IN PART OR IN FULL AT ANY TIME PRIOR TO THE MATURITY HEREOF WITHOUT PENALTY OR BONUS."

"THIS NOTE SHALL, AFTER ANY BREACH, CONTINUE TO BEAR INTEREST AT THE RATE STIPULATED THEREIN."

THE DEED OF TRUST SECURING THIS NOTE CONTAINS THE FOLLOWING RECITAL:

"IN THE EVENT TRUSTOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELLS, AGREES TO SELL, TRANSFERS OR CONVEYS, ITS INTEREST IN THE REAL PROPERTY OR ANY PART THEREOF, OR ANY INTEREST THEREIN, BENEFICIARY MAY AT ITS OPTION, DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. CONSENT TO ONE SUCH TRANSACTION SHALL NOT BE DEEMED TO BE A WAIVER OF THE RIGHT TO REQUIRE SUCH CONSENT TO FUTURE OR SUCCESSIVE TRANSACTIONS. THE TERMS 'TRUSTOR' AND 'BENEFICIARY' INCLUDES THEIR SUCCESSORS."

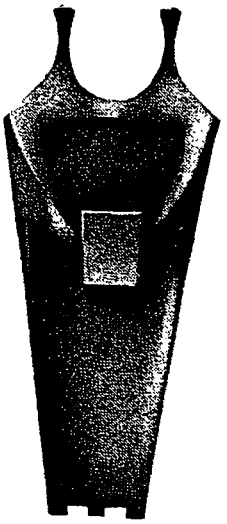
Should default be made in payment of interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I/we promise to pay such sum as the Court may fix as attorney's fees. This note is secured by DEED OF TRUST to Commerce Enterprises, Inc. a California corporation, as Trustee. THIS IS A FIRST TRUST DEED OF RECORD

PETER TSAI

THIS FORM FURNISHED BY Commerce Enterprises, Inc.

DO NOT DESTROY THIS NOTE

Policy of Title Insurance



Sanctity of Contract

Dear Insured -

This is a valuable document. Keep it in a safe place. In the event of a sale of this property, your broker, escrow company or attorney should have access to its contents. This will result in expediency of the transfer of title, also if within a certain time frame a reduced title fee may be applicable.

Sincerely Yours,

Eric D. Swenson, President

Stewart Title

505 North Brand Blvd., Suite 1200 • Glendale, California 91203 • (818) 502-2700

TL 1-80

POLICY OF TITLE INSURANCE ISSUED BY

STEWART TITLE
GUARANTY COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, STEWART TITLE INSURANCE COMPANY, a Texas corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;

and in addition, as to an insured lender only:

5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage, said mortgage being shown in Schedule B in the order of its priority;
7. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule B, or the failure of the assignment shown in Schedule B to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

Signed under seal for the Company, but this Policy is to be valid only when it bears an authorized countersignature.

STEWART TITLE
GUARANTY COMPANY

Carlos Morris
Chairman of the Board

Stewart Morris
President

Countersigned by:

Authorized Signatory

Company

City, State

Page 1 of Policy Serial No. CNJP-1581-103899

151 (Rev. 7-1-88)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1 (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

(c) resulting in no loss or damage to the insured claimant;

(d) attaching or created subsequent to Date of Policy; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5 Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors. The term "insured" also includes

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2(a) of these Conditions and Stipulations

(b) "insured claimant": an insured claiming loss or damage.

(c) "insured lender": the owner of an insured mortgage.

(d) "insured mortgage": a mortgage shown in Schedule B, the owner of which is named as an insured in Schedule A.

(e) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(f) "land". the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(g) "mortgage". mortgage, deed of trust, trust deed, or other security instrument

(h) "public records". records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(i) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2 CONTINUATION OF INSURANCE.

(a) **After Acquisition of Title by Insured Lender.** If this policy insures the owner of the indebtedness secured by the insured mortgage, the coverage of this policy shall continue in force as of Date of Policy in favor of (i) such insured lender who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of fc sure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) **After Conveyance of Title by an Insured.** The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from an insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to an insured.

(c) **Amount of Insurance.** The amount of insurance after the acquisition or after the conveyance by an insured lender shall in neither event exceed the least of:

(i) The amount of insurance stated in Schedule A;

(ii) The amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) The amount paid by any governmental agency or governmental instrumentality, if the agency or the instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

An insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to that insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by an insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of such insured in litigation in w h any third party asserts a claim adverse to the title or interest as insured, nly as to those stated causes of action alleging a

STANDARD COVERAGE POLICY FORM-1988

SCHEDULE A

GF OR
ORDER NO.: 338922 CHARGE: $65.00, 3.22, C

EFFECTIVE DATE: FEB 06, 1990 AT 11:01 A.M.POLICY NO.: CNJPLA 1581-103899

AMOUNT: $1,370,000.00

1. NAME OF INSURED: TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION

2. THE ESTATE OR INTEREST IN THE LAND DESCRIBED HEREIN AND WHICH IS COVERED BY THIS POLICY IS:

   A FEE AS TO PARCEL 1 AND AN EASEMENT AS TO PARCEL 2

3. THE ESTATE OR INTEREST REFERRED TO HEREIN IS AT DATE OF POLICY VESTED IN:

   PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY

SCHEDULE A

PART II

4. THE LAND REFERRED TO IN THIS POLICY IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.00 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

THE SOUTH 76.66 FEET OF THE WEST 150 FEET OF LOT 6 OF TRACT NO. 4671, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WESTERLY 7 FEET THEREOF.

CLTA STANDARD COVERAGE 1988

SCHEDULE B

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEY'S FEES OR EXPENSES) WHICH ARISE BY REASON OF:

PART 1

1. TAXES OR ASSESSMENTS WHICH ARE NOT SHOWN EXISTING LIENS BY THE RECORDS OF ANY TAXING AUTHORITY THAT LEVIES TAXES OR ASSESSMENTS ON REAL PROPERTY OR BY THE PUBLIC RECORDS.

PROCEEDINGS BY A PUBLIC AGENCY WHICH MAY RESULT IN TAXES OR ASSESSMENTS, OR NOTICES OF SUCH PROCEEDINGS, WHETHER OR NOT SHOWN BY THE RECORDS OF SUCH AGENCY OR BY THE PUBLIC RECORDS.

2. ANY FACTS, RIGHTS, INTERESTS OR CLAIMS WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS BUT WHICH COULD BE ASCERTAINED BY AN INSPECTION OF THE LAND OR WHICH MAY BE ASSERTED BY PERSONS IN POSSESSION THEREOF.

3. EASEMENTS, LIENS OR ENCUMBRANCES, OR CLAIMS THEREOF, WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.

4. DISCREPANCIES, CONFLICTS IN BOUNDARY LINES, SHORTAGE IN AREA, ENCROACHMENTS, OR ANY OTHER FACTS WHICH A CORRECT SURVEY WOULD DISCLOSE, AND WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.

5. (A) UNPATENTED MINING CLAIMS: (B) RESERVATIONS OR EXCEPTIONS IN PATENTS OR IN ACTS AUTHORIZING THE ISSUANCE THEREOF; (C) WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT THE MATTERS EXCEPTED UNDER (A) (B) OR (C) ARE SHOWN BY THE PUBLIC RECORDS.

SCHEDULE B

PART II

1. TAXES FOR THE FISCAL YEAR 1989-1990 HAVE BEEN PAID. AMOUNTS FOR PRORATION PURPOSES ARE:

FIRST INSTALLMENT	$12,664.07
SECOND INSTALLMENT	$7,236.40
EXEMPTION	NONE
CODE AREA	1519
PARCEL NUMBER	7351-35-23

2. THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5 (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA.

3. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	DOMINGUEZ WATER COMPANY, A CALIFORNIA CORPORATION
FOR	PIPE LINE AND WATER DISTRIBUTION SYSTEM
RECORDED	NOVEMBER 9, 1922 AS INSTRUMENT NO. 1030, IN BOOK 1515 PAGE 265, OFFICIAL RECORDS
AFFECTS	SAID LAND

4. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

FOR	PIPE LINES
RECORDED	IN BOOK 35705 PAGE 352, OFFICIAL RECORDS
AFFECTS	WITHIN 5 FEET OF THE FOLLOWING DESCRIBED LINES:

BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID LOT 6, DISTANT THEREON NORTH 0 DEGREES 03' WEST 20 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 6; THENCE NORTH 89 DEGREES 57' EAST 150 FEET TO THE EASTERLY LINE OF SAID LAND.

5. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	SOUTHERN CALIFORNIA GAS COMPANY, A CORPORATION
FOR	POLE LINES
RECORDED	DECEMBER 1, 1947 IN BOOK 25833 PAGE 78, OFFICIAL RECORDS
AFFECTS	THE NORTHERLY 10 FEET AND THE EASTERLY 10 FEET OF LOT 7

THE WESTERLY 460 FEET OF SAID NORTHERLY 10 FEET HAVING BEEN QUITCLAIMED BY SOUTHERN CALIFORNIA EDISON COMPANY BY AN INSTRUMENT RECORDED JUNE 9, 1988 AS INSTRUMENT NO. 88-915728, OFFICIAL RECORDS.

6. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	WILLIAM PHILLIP GUIDRY, A WIDOWER
FOR	GAS LINE
RECORDED	MARCH 22, 1956 IN BOOK 50667 PAGE 154, OFFICIAL RECORDS
AFFECTS	THE NORTHERLY 10 FEET OF THE SOUTHERLY 25 FEET OF THE EASTERLY 60 FEET OF THE WESTERLY 467 FEET OF LOT 6.

7. AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,

IN FAVOR OF	WILLIAM PHILLIP GUIDRY, A WIDOWER
FOR	GAS LINE
RECORDED	MARCH 22, 1956 IN BOOK 50667 PAGE 154, OFFICIAL RECORDS
AFFECTS	THE NORTH 10 FEET OF THE SOUTHERLY 25 FEET OF THE EASTERLY 100 FEET OF THE WESTERLY 407 FEET OF LOT 6.

8. THE REQUIREMENT THAT A RESOLUTION OF THE BOARD OF DIRECTORS FOR THE HEREIN BELOW NAMED CORPORATION, AUTHORIZING SAID CONTEMPLATED TRANSACTION BE SUBMITTED FOR EXAMINATION AND APPROVAL PRIOR TO OR CONCURRENT WITH THE CLOSE OF THIS TRANSACTION.

CORPORATION	TRICO INDUSTRIES, INC.

9. ANY RIGHTS, CLAIMS OR INTEREST WHICH MAY EXIST OR ARISE BY REASON OF THE FOLLOWING FACTS AS SHOWN ON A SURVEY OF SAID LAND MADE BY DALCIN CUMMINS ASSOCIATES SHOWN AS PROJECT NUMBER 241 AND DATED APRIL 27, 1989:

A. THE FACT THAT AN "OVERHEAD LOADING CRANE" EXTENDS EASTERLY FROM THE BUILDING LOCATED ON SAID LAND ONTO LAND ADJOINING TO THE EAST.

B. THE FACT THAT A PORTION OF A CONCRETE LOADING CRANE PLATFORM EXTENDS NORTHERLY 0.4 FEET ONTO LAND ADJOINING TO THE NORTH.

10. AN EASEMENT AGREEMENT DATED DECEMBER 21, 1989 BY AND BETWEEN PETER TSAI AND TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION, RECORDED FEBRUARY 6, 1990 AS INSTRUMENT NO. 90-204896, OFFICIAL RECORDS.

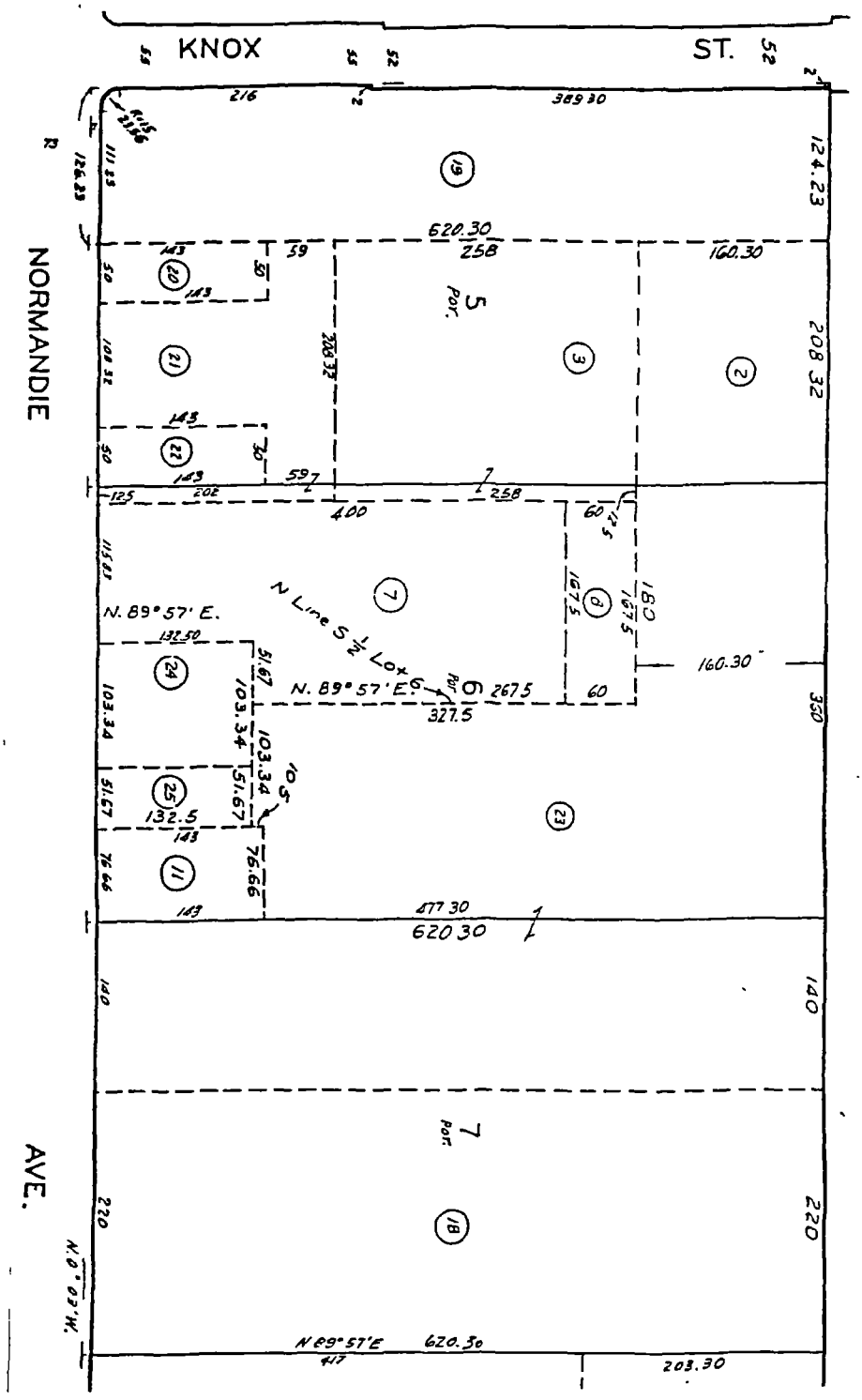
11. A DEED OF TRUST TO SECURE AN INDEBTEDNESS OF THE AMOUNT STATED HEREIN AND ANY OTHER AMOUNTS PAYABLE UNDER THE TERMS THEREOF

DATED	FEBRUARY 1, 1990
AMOUNT	$1,370,000.00
TRUSTOR	PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY
TRUSTEE	COMMERCE ENTERPRISES, INC., A CALIFORNIA

CLTA STANDARD COVERAGE 1988

BENEFICIARY	CORPORATION TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION
RECORDED INSTRUMENT	FEBRUARY 6, 1990, OFFICIAL RECORDS 90-204897

Stewart Title



TRACT NO. 4671

M.B. 56-30-31

This is not a survey of the land but is compiled for information from data shown only by official records.

PACCAR 00342

defect, lien or encumbrance or other matter insured against by this policy The Company shall have the right to select counsel of its choice (subject to the right of such insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel The company will not pay any fees, costs or expenses incurred by an insured in the defense of those causes of action which allege matters not insured against by this policy

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to an insured The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, an insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for this purpose. Whenever requested by the Company, an insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured If the Company is prejudiced by the failure of an insured to furnish the required cooperation, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by each insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage If the Company is prejudiced by the failure of an insured claimant to provide the required proof of loss or damage, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, an insured claimant may reasonably be required to submit an examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by an insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim Failure of an insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that insured for that claim.

6 OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) **To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.**

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay, or

(ii) in case loss or damage is claimed under this policy by the owner of the indebtedness secured by the insured mortgage, to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor

Upon the exercise by the Company of the option provided for in paragraph a(i), all liability and obligations to the insured under this policy, other than to make the payment required in that paragraph, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

Upon the exercise by the Company of the option provided for in paragraph a(ii) the Company's obligation to an insured Lender under this policy for the claimed loss or damage, other than the payment required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

(b) **To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay, or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or b(ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy to an insured lender shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2 (c) of these Conditions and Stipulations,

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured lender has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The liability of the Company under this policy to an insured owner of the estate or interest in the land described in Schedule A shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy

(d) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, or, if applicable, to the lien of the insured mortgage, as insured

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company

(d) The Company shall not be liable to an insured lender for (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements, or (ii) construction loan advances made subsequent to Date of Policy, except construction loan *advances made* subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which *at Date of* Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy

9 **REDUCTION OF INSURANCE, REDUCTION OR TERMINATION OF LIABILITY.**

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto However, as to an insured lender, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of insurance afforded under this policy as to any such insured, except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company to an insured lender except as provided in Section 2(a) of these Conditions and Stipulations

10 **LIABILITY NONCUMULATIVE.**

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which *exception is taken in* Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

The provisions of this Section shall not apply to an insured lender, unless such insured acquires title to said estate or interest in satisfaction of the indebtedness secured by an insured mortgage.

11. **PAYMENT OF LOSS.**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12 **SUBROGATION UPON PAYMENT OR SETTLEMENT.**

(a) The Company's Right of Subrogation

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation *The insured claimant* shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated (i) as to an insured owner, to all rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss, and (ii) as to an insured lender, to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation

(b) The Insured's Rights and Limitations

Notwithstanding the foregoing, the owner of the indebtedness secured by an insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of an insured mortgage, as insured, the Company shall be required *to pay only* that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation

(c) The Company's Rights Against Non-insured Obligors

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of an insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. **ARBITRATION.**

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated *only when agreed* to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the *demand for* arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request

14. **LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.**

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company

15. **SEVERABILITY.**

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect

16 **NOTICES, WHERE SENT.**

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at P O Box 2029, Houston, Texas 77252-2029, and identify this policy by its printed policy serial number which appears on the bottom of the front of the first page of this policy

17 The charge specified in Schedule A is the entire charge for title search, title examination and title insurance

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name

Street Address

City & State

MAIL TAX STATEMENTS TO

Name

Street Address

City & State

COPY

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Corporation Grant Deed

CAT. NO. NN00578
TO 1921 CA (2-83)

THIS FORM FURNISHED BY TICOR TITLE INSURERS

ALL | PTN.

The undersigned grantor(s) declare(s):
Documentary transfer tax is $_____.
(x) computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale.
(x) Unincorporated area: ( ) City of _____, and
FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

TRICO INDUSTRIES, INC. ("Grantor")

a corporation organized under the laws of the State of California hereby GRANTS to

PETER TSAI, a married man ("Grantee"),

the following described real property in the
County of Los Angeles, State of California:

All of the real property particularly described in Exhibit A attached hereto and incorporated herein.

SUBJECT TO current taxes and assessments and special district levies and to covenants, conditions, restrictions, exceptions, reservations, rights, rights-of-way and easements of record and subject to the terms and conditions set forth in said Exhibit A attached hereto.

In Witness Whereof, said corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its Chief Financial Officer ~~President~~ and Vice President & Corporate Secretary thereunto duly authorized.

Dated January 24, 1990

TRICO INDUSTRIES, INC.

By [signature]
GARY L. BROOKSHIRE, Chief Financial Officer ~~President~~

By [signature]
ROBERT L. LITSCHI, V.P.&Corporate Secretary

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } SS

On January 26, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared GARY L. BROOKSHIRE personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Chief Financial Officer ~~President~~ and ROBERT L. LITSCHI personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the V.P.&Corporate Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature [signature]

RENATE MULLER
Notary Public - California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19, 1991

(This area for official notarial seal)

Title Order No. _____ Escrow or Loan No. _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

EXHIBIT A

DESCRIPTION: THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.66 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 FEET OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

THE SOUTH 76.66 FEET OF THE WEST 150 FEET OF LOT 6 OF TRACT NO. 4671, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WESTERLY 7 FEET THEREOF.

The Grantee agrees that it and its successors and assigns shall assume all risk of and hereby expressly and generally releases the Grantor herein and its officers, directors, employees, shareholders, predecessors, successors and assigns, and each of them, from any and all claims, liabilities, damages, response costs and other expenses whatsoever respecting the condition of the real property described herein at the date of recordation of this Deed and thereafter. No further writing shall be required to evidence the Grantee's foregoing assumption of risk and general release. Such release shall not affect or apply to any use by the Grantor herein of or activity by the Grantor herein on any real property not described herein which subsequently affects the real property described herein, nor shall such release impair or abrogate any of the express representations and warranties made by the Grantor herein to the Grantee herein.

EVIDENCE O INSURANCE FOR MORTGAG E INTERESTS

Coverage afforded by the policy is provided by:

☐ Fire Insurance Exchange ☐ Mid-Century Insurance Company ☐ Farmers Insurance Exchange

☐ The Company designated on the reverse side as number _____

Mortgagee Name and Address: TRICO INDUSTRY INC
3040 SLAUSON AVE.
HUNTINGTON PARK, CA 90265

Loan Number: _____

Policy Number: 9391 70 77

Second Mortgagee: _____

Named Insured Address: PETER TSAI, A MARRIED MAN AS HIS SOLE & SEPARATE PROPERTY
30160 MATISSE DRIVE
RANCHO PALOS VERDES, CA 90274

Location of Premises (If other than shown above): 19706 S. NORMANDIE AVE.
TORRANCE, CA 90502

This form is not the contract of insurance. It is a memorandum of coverage limited to mortgagee interests and applicable to the dwelling building or Mobile Home at the location above. The provisions of the policy will prevail in all respects.

Inception Date FEB. 06, 1990

Expiration Date NONE (If "none", the policy will be renewed automatically, subject to the forms then current, for each succeeding policy period, and is subject to termination by this company only after written notice to the Insured, to the Mortgagee, and to all other interested parties.)

		EXAMPLES OF TYPES OF POLICIES
POLICY TYPE:	☒ ACCIDENTAL DIRECT PHYSICAL LOSS (Special Form)	Special Form Homeowner; Protector Plus Homeowner; Landlords Protector, Townhouse Owner; HO–B; HO–C; DF–3; DP–3, Special Form Mobile Homeowners
	☐ BROAD (Broad Form)	Condominium Owner; HO–B; DF–2; DP–2
	☐ FIRE, E.C. (Basic Form) ☐ V & MM	Basic Homeowner; Actual Cost Basic; HO–A; DF–1; DP–1; Basic Form Mobile Homeowners

FULL REPLACEMENT COST APPLY ON THE BUILDING COVERAGE.

POLICY LIMIT of LIABILITY: Dwelling Building or Mobile Home Protection $ 500,000.00

Deductible Applicable to Dwelling or Mobile Home $ 500.00 ☒ All Insured Perils ☐ _____

Total Annual Policy Premium $ 2,502.00

Forms and Endorsements Applicable at Inception

☒ 438 BFU NS (copy on reverse side)

Bill Chang
Authorized Representative

AGENT
Title

02-02-90
Date

Agents Name & Address: BILL CHANG
7628 FRAZER DRIVE
RIVERSIDE, CA 92509

Phone Number (818) 333-7740
AREA CODE

29 St. 90 Dist. 371 Agt.

FARMERS INSURANCE GROUP OF COMPANIES

25-1460 5-89 11501 W/200 C/1200 PRINTED IN U S A.

See Reverse Side for Lender's Loss Payable Endorsement

Mortgagee's Copy

PACCAR 00347

EXHIBIT "A"

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.66 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 FEET OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

THE SOUTH 76.66 FEET OF THE WEST 150 FEET OF LOT 6 OF TRACT NO. 4671, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WESTERLY 7 FEET THEREOF.

90- 204897

3

EXHIBIT "B"

"IN THE EVENT TRUSTOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELLS, AGREES TO SELL, TRANSFERS OR CONVEYS ITS INTEREST IN THE REAL PROPERTY OR ANY PART THEREOF, OR ANY INTEREST THEREIN, BENEFICIARY MAY AT ITS OPTION, DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. CONSENT TO ONE SUCH TRANSACTION SHALL NOT BE DEEMED TO BE A WAIVER OF THE RIGHT TO REQUIRE SUCH CONSENT TO FUTURE OR SUCCESSIVE TRANSACTIONS. THE TERMS 'TRUSTOR' AND 'BENEFICIARY' INCLUDES THEIR SUCCESSORS."

90- 204897

1989

JOINT CONSOLIDATED TAX BILL

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY

SECURED PROPERTY TAX FOR FISCAL YEAR JULY 1, 1989 TO JUNE 30, 1990

SANDRA M. DAVIS, TREASURER AND TAX COLLECTOR
225 N. HILL ST. LOS ANGELES, CA. 90012

	10% Penalty After	10% Penalty + $10.00 Cost After	TOTAL TAX Penalties Apply When Shown
TAX	12-10-89 12664.07	04-10-90 7236.40	19900.47

OWNER OF RECORD AS OF MARCH 1, 1989
SAME AS BELOW

7351 035 023
TRICO INDUSTRIES INC
P O BOX 2909
HUNTINGTON PARK CA 90255

Year	Seq No	Map Book	Page	Parcel	TRA
18138	27	33213318	89	000 7351 035 023	01519

LOCALLY ASSESSED VALUES ARE DETERMINED BY THE COUNTY ASSESSOR AT FULL VALUE EXCEPT AS OTHERWISE PROVIDED BY LAW

	89-90	
	567320	567320
	494424	494424
	179276	179276
PERS PROP	529372	529372
		1770392
NET TAXABLE VALUE		1770392

PROPERTY LOCATION AND/OR PROPERTY DESCRIPTION
19706 NORMANDIE AVE TORRANCE C
*TR=4671*LOT COM AT NE COR OF LOT 6 TH
W ON N LINE OF SD LOT 160.3 FT TH S
COMPLETE DESCRIPTION IN ASSESSOR RECORDS
LOT 7

MAILING ADDRESS CHANGE FORM
IF YOUR MAILING ADDRESS IS DIFFERENT FROM THE ABOVE FILL IN THE BOXES ON THIS FORM DETACH AND RETURN WITH YOUR PAYMENT

7351 035 023 TRICO IN

TRICO INDUSTRIES INC

NEW NUMBER STREET NAME AND UNIT NUMBER

CITY | STATE | ZIP CODE

PERMIT DATE

SEE REVERSE SIDE FOR IMPORTANT TAXPAYER INFORMATION

DETAIL OF TAXES DUE	RATE	AMOUNT
GENERAL TAX LEVY		
ALL AGENCIES		17703 92
VOTED INDEBTEDNESS		
COUNTY	002242	39 69
UNIFIED SCHOOLS	010958	194 00
FLOOD CONTROL	006944	86 17
METRO WATER DIST	012100	214 22
DIRECT ASSESSMENTS		
CO LIGHTING DIST **		92.50
FLOOD CONTROL **		1466.48
CONS SEWER MAINT **		57 50
MOSQUITO ABATE **		1 99
SAN DISTRICT 8 **		44 00
TOTAL FULL YEAR TAXES DUE		19900.47

FOR INFORMATION ON ASSESSMENTS WITH ASTERISKS - SEE ITEM 10 ON REVERSE SIDE

Please make checks payable to
LOS ANGELES COUNTY TAX COLLECTOR

THERE WILL BE A $10.00 SERVICE CHARGE FOR ANY CHECK RETURNED BY THE BANK.
KEEP THIS UPPER PORTION FOR YOUR RECORD YOUR CANCELLED CHECK IS YOUR RECEIPT

GENERAL TAX RATE - 1.000000%

PACCAR 00350

RECORDING REQUESTED BY

Stewart Title

90 204897

AND WHEN RECORDED MAIL TO

Name: Trico Industries, Inc
Street Address: 3040 Slauson Avenue
City & State: Huntington Park, Ca 90265

RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
MIN. PAST 11 A.M. FEB 6 1990
1.

FEE $9 | 1 | 3

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS (INDIVIDUAL)

ALL | PTN.

This Deed of Trust, made this 1ST day of FEBRUARY, 1990, between PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, herein called Trustor, whose address is 19706 NORMANDIE AVE., TORRANCE, CA (number and street) (city) (state) (zip)

Commerce Enterprises, Inc., a California corporation, herein called Trustee, and

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION, herein called Beneficiary,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that property in LOS ANGELES County, California, described as:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

ADDITIONAL PROVISIONS TO THT E DEED OF TRUST ATTACHED HERETO AS EXHIBIT "B" AND MADE A PART HEREOF.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

For the Purpose of Securing: 1 Performance of each agreement of Trustor incorporated by reference or contained herein 2 Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of $1,370,000.00 executed by Trustor in favor of Beneficiary or order 3. Payment of such further sums as the then record owner of said property hereafter may borrow from Beneficiary, when evidenced by another note (or notes) *reciting it is so secured.*

To Protect the Security of This Deed of Trust, Trustor Agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded in Santa Barbara County and Sonoma County October 18, 1961, and in all other counties October 23, 1961, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, viz

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	435	684	Kings	792	833	Placer	895	301	Sierra	29	335
Alpine	1	250	Lake	362	39	Plumas	151	5	Siskiyou	468	181
Amador	104	348	Lassen	171	471	Riverside	3005	523	Solano	1105	182
Butte	1145	1	Los Angeles	T2055	899	Sacramento	4331	62	Sonoma	1851	689
Calaveras	145	152	Madera	810	170	San Benito	271	383	Stanislaus	1715	456
Colusa	296	617	Marin	1508	339	San Bernardino	5567	61	Sutter	572	297
Contra Costa	3978	47	Mariposa	77	292	San Francisco	A332	905	Tehama	401	289
Del Norte	78	414	Mendocino	579	530	San Joaquin	2470	311	Trinity	93	366
El Dorado	568	456	Merced	1547	538	San Luis Obispo	1151	12	Tulare	2294	275
Fresno	4626	572	Modoc	184	851	San Mateo	4078	420	Tuolumne	135	47
Glenn	422	184	Mono	52	429	Santa Barbara	1878	860	Ventura	2062	386
Humboldt	657	527	Monterey	2194	538	Santa Clara	5336	341	Yolo	653	245
Imperial	1091	501	Napa	639	86	Santa Cruz	1431	494	Yuba	334	486
Inyo	147	598	Nevada	305	320	Shasta	684	528			
Kern	3427	60	Orange	5889	611	San Diego	Series 2 Book 1961, Page 183887				

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions, and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth

Signature of Trustor

PETER TSAI

STATE OF CALIFORNIA
COUNTY OF Los Angeles } SS.
On Feb. 5, 1990 before me, the undersigned, a Notary Public in and for said State, personally appeared Peter Tsai

personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same
WITNESS my hand and official seal
Signature Willie T Whitaker
2-5-1990

OFFICIAL SEAL
WILLIE T WHITAKER
NOTARY PUBLIC CALIFORNIA
LOS ANGELES COUNTY
MY COMM. EXP. APR. 27, 1990

(This area for official notarial seal)

Title Order No. 338922 Escrow or Loan No.

PACCAR 00351

DO NOT RECORD

The following is a copy of provisions (1) - (14), inclusive, of the fictitious deed of trust, recorded [illegible] each county in California, as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

To Protect the Security of This Deed of Trust, *Trustor Agrees:*

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

(6) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(7) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(8) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(9) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).

(10) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(11) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

(12) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

(13) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(14) That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

To be used only when note has been paid.

To COMMERCE ENTERPRISES, INC., TRUSTEE: Dated_____

The undersigned is the legal owner and holder of all indebtedness secured by the within Deed of Trust. All sums secured by said Deed of Trust have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel all evidences of indebtedness, secured by said Deed of Trust, delivered to you herewith together with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, the estate now held by you under the same.

MAIL RECONVEYANCE TO.

_____

_____

_____

_____

_____

_____

_____

By _____

By _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

Short Form Deed of Trust

WITH POWER OF SALE

(INDIVIDUAL)

COMMERCE ENTERPRISES, INC.

AS TRUSTEE

TRICO INDUSTRIES, INC.
KOBE HYDRAULIC PUMPS

P.O. Box 2909 • 3040 East Slauson Avenue, Huntington Park, California 90255
(213) 586-8800 • Telex 683-1574 • FAX (213) 586-8808/8809

February 6, 1990

Mary LaBlanc
COMMERCE ESCROW
1545 Wilshire
Suite 600
Los Angeles, CA 90017

Dear Mary,

Ref.: Escrow Number 89-10731

You are hereby authorized and instructed to wire-transfer or deposit, to the account of Trico Industries, Inc., the amount of $298,267.25, all funds accruing to our account pertaining to the above referenced.

Please wire-transfer to:

Union Bank
2430 S. Hawthorne Blvd.,
Torrance, CA 90503
ABA #: 122000496
A/c #: 25065-2546

Thank you for your assistance in this matter.

Yours truly,
TRICO INDUSTRIES, INC.

Bill Selvig
Executive Vice President

Gary Brookshire
CFO/Controller

GB:nt

(GB121)

BRANT & PETTITT
ATTORNEYS AT LAW

FREEMAN R. BRANT (1908-1987)
ROGER C. PETTITT

626 WILSHIRE BOULEVARD, SUITE 410
LOS ANGELES, CALIFORNIA 90017
(213) 624-7201
FAX NO (213) 624-7203

OF COUNSEL
RICHARD C. HENDERSON

February 5, 1990

VIA MESSENGER

Commerce Escrow Company
1545 Wilshire Boulevard, Suite 600
Los Angeles, California 90017

Attention: Mary LeBlanc/J. B.

Re: Trico Industries, Inc. - Peter Tsai Escrow No. 89-10731.

Ladies and Gentlemen:

On behalf of Trico Industries, Inc., we hand you herewith the following:

1. Amended Escrow Instructions executed on behalf of our client as Seller.

2. Commission Order executed on behalf of our client as Seller in favor its only listing and authorized broker in this transaction, The Seeley Company, from which all reference to Crown Associates has been deleted.

3. Original Promissory Note executed by Trico Industries in favor of The Seeley Company in the sum of $46,000.00 in accordance with the Broker's Commission Order.

4. FAX copy of Commission Order bearing the signature of Ralph Zeller on behalf of The Seeley Company confirming the Commission Order as modified.

5. Approved copy of Peter Tsai Trust Deed Note.

6. Approved copy of Peter Tsai Deed of Trust and Assignment of Rents.

7. Certified copy of resolutions adopted by Board of Directors of Trico Industries, Inc. as certified by W. D. Wagner, President and Chief Executive Officer.

8. Delegation of Authority of Trico Industries, Inc. duly executed by C. M. Pigott as Chairman and certified by B. N. Holliday, Assistant Secretary, attached to which is a photocopy of the By-Laws of Trico Industries, Inc. as currently in effect. See Section 6 on page 4 of these By-Laws.

Please promptly advise me if you require any further information or documents from or on behalf of Trico Industries, Inc. as Seller in your above referenced Escrow to consummate the closing of this transaction. Please confirm to me by phone tomorrow the closing of the transaction on that date (or on the closing date as soon as you are able to do so) so that my client can make arrangements for transfer of the net funds accruing to its account at close of escrow.

Many thanks for your patience and help in this matter.

Cordially yours,

FOR BRANT & PETTITT

RCP:ml

Enclosure

cc: Mr. David M. Gurewitz
Gurewitz & Lieb, Attorneys at Law

TO:

COMMERCE ESCROW COMPANY
1545 Wilshire Blvd., Suite 600, Los Angeles, California 90017
(213) 484-0855

ESCROW NO.: 89-10731
DATE: FEBRUARY 1, 1990
ESCROW OFFICER: MARY LE BLANC/JB

AMENDMENT TO ESCROW

THE ABOVE REFERENCED ESCROW INSTRUCTIONS IS AMENDED IN THE FOLLOWING PARTICULARS ONLY:

BUYER HANDS YOU HEREWITH	$50,000.00
BUYER WILL DEPOSIT ONE (1) BUSINESS DAY PRIOR TO CLOSE OF ESCROW IN THE FORM OF A CASHIER'S CHECK DRAWN ON LOCAL CALIFORNIA BANK, OR BY WIRE TRANSFER	300,000.00
BUYER TO EXECUTE A NEW FIRST TRUST DEED SECURING ONE NOTE IN FAVOR OF SELLER	1,370,000.00
FOR THE TOTAL CONSIDERATION OF	$1,720,000.00

* * * * * * * * * *

1. BUYER TO EXECUTE A NOTE SECURED BY NEW FIRST TRUST DEED IN FAVOR OF SELLER AS TITLE IS NOW HELD, DRAWN ON YOUR FORM, PAYABLE AT PLACE DESIGNATED BY BENEFICIARY FOR $1,370,000.00, WITH INTEREST TO ACCRUE FROM CLOSE OF ESCROW AT THE RATE OF PRIME PLUS TWO (2) PERCENT AS PER SECURITY PACIFIC NATIONAL BANK PUBLISHED PRIME RATE IN LOS ANGELES, CALIFORNIA, PER ANNUM, PAYABLE INTEREST ONLY BEGINNING 30 DAYS FROM THE CLOSE OF ESCROW AND CONTINUING UNTIL FOUR (4) MONTHS AFTER CLOSE OF ESCROW, ON WHICH DATE, THE THEN UNPAID PRINCIPAL PLUS ANY UNPAID INTEREST ACCRUED SHALL ALL BE DUE AND PAYABLE. NOTWITHSTANDING THAT SAID NOTE HAS BEEN SIGNED, AT CLOSE OF ESCROW, ESCROW HOLDER IS INSTRUCTED TO INSERT/ENDORSE THE PRESIGNED NOTE AT CLOSE OF ESCROW WITH THE APPROPRIATE DATES SHOWN ABOVE, WITHOUT FURTHER WRITTEN INSTRUCTIONS. THE NOTE SHALL CONTAIN THE FOLLOWING RECITAL:

"PRIVILEGE IS RESERVED OF PAYING THE UNPAID PRINCIPAL BALANCE IN PART OF IN FULL AT ANY TIME PRIOR TO THE MATURITY HEREOF WITHOUT PENALTY OR BONUS."

"THIS NOTE SHALL, AFTER ANY BREACH, CONTINUE TO BEAR INTEREST AT THE RATE STIPULATED THEREIN."

THE NOTE AND DEED OF TRUST SHALL CONTAIN THE FOLLOWING RECITAL:

THE DEED OF TRUST WHICH SECURES THIS NOTE CONTAINS THE FOLLOWING RECITAL:

"IN THE EVENT TRUSTOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELLS, AGREES TO SELL, TRANSFERS OR CONVEYS ITS INTEREST IN THE REAL PROPERTY OR ANY PART THEREOF, OR ANY INTEREST THEREIN, BENEFICIARY MAY AT ITS OPTION, DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. CONSENT TO ONE SUCH TRANSACTION SHALL NOT BE DEEMED TO BE A WAIVER OF THE RIGHT TO REQUIRE SUCH CONSENT TO FUTURE OR SUCCESSIVE TRANSACTIONS. THE TERMS 'TRUSTOR' AND 'BENEFICIARY' INCLUDES THEIR SUCCESSORS."

2. SELLER AND BUYER HEREBY APPROVE THE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF.

3. BUYER HEREBY APPROVES ALL CONTINGENCIES WITH REFERENCE TO THE LETTER AGREEMENT DATED SEPTEMBER 29, 1989 AND ANY AND ALL AMENDMENT THERETO.

4. THE AMOUNT OF TAXES TO BE USED FOR PRORATION PURPOSES SHALL BE $6,975.11. ESCROW HOLDER IS AUTHORIZED AND INSTRUCTED TO CREDIT THE SELLER AND DEBIT THE BUYER $19.37 PER DAY FROM THE CLOSE OF ESCROW TO 7-1-90.

PLEASE INITIAL MLB

TO:

COMMERCE ESCROW COMPANY
1545 Wilshire Blvd., Suite 600, Los Angeles, California 90017
(213) 484-0855

ESCROW NO.: 89-10731
DATE: FEBRUARY 1, 1990
ESCROW OFFICER: MARY LE BLANC/JB

5. BUYER VESTING IS HEREBY AMENDED AS FOLLOWS:

PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY.

6. ESCROW HOLDER IS AUTHORIZED AND INSTRUCTED TO DEBIT BUYER AND CREDIT SELLER $8,600.00 WITH REFERENCE TO MONIES PREPAID TO DOMINGUEZ WATER CORPORATION BY SELLER IN CONNECTION WITH THE COMFORT LETTER AGREEMENT.

7. ESCROW HOLDER IS NOT TO BE CONCERNED WITH THE PAYMENT OF THE PREMIUM FOR FIRE INSURANCE DUE TO THE FACT THAT THE BUYER WILL PAY THE INSURANCE PREMIUM DIRECT TO THE INSURANCE AGENT. ESCROW HOLDER IS RELEASED AND RELIEVED FROM ANY AND ALL LIABILITY AND/OR RESPONSIBILITY IN CONNECTION WITH SAME.

8. BUYER HEREBY APPROVES ITEMS 5, 7, 8, 10, 11, 14 AND 15 OF THE AMENDED PRELIMINARY TITLE REPORT DATED 12-11-89, ISSUED BY STEWART TITLE, TO SHOW ON THE A.L.T.A. EXTENDED POLICY OF TITLE INSURACE.

** 9.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

TRICO INDUSTRIES, INC.

BY: _____
W. D. WAGNER, PRESIDENT AND CEO

BY: _____
CARY L. BROOKSHIRE, CONTROLLER AND CFO

BUYER

_____
PETER TSAI

** 9. Escrowholder is instructed to record Easement Agreement dated December 21, 1989 as executed by Buyer and Seller. Escrowholder shall have no liability for the form or content of this document.

10. Deliver Seller's $45,000.00 promissory note as handed to you herewith by Seller to The Seeley Company per broker's Commission Instructions signed by Seller and Brokers.

WDW
BB

EXHIBIT "A"

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.66 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 FEET OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

THE SOUTH 76.66 FEET OF THE WEST 150 FEET OF LOT 6 OF TRACT NO. 4671, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 56 PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WESTERLY 7 FEET THEREOF.

COPY

CERTIFIED COPY OF RESOLUTIONS
ADOPTED BY BOARD OF DIRECTORS OF
TRICO INDUSTRIES, INC., a California Corporation

"RESOLVED THAT, the Letter Agreement dated September 29, 1989, executed by PETER TSAI for the purchase of the real property particularly described therein and located at 19706 South Normandie Avenue, Torrance, California, be and the same is hereby approved and that any of the following named officers, either alone or with any other officer of the corporation, be and he is hereby authorized and directed to execute and deliver said Letter Agreement and each and all of the instruments and documents described and/or referred to therein and to execute and deliver any and all other agreements, including but not limited to Escrow Instructions and Amendments thereto and to take such other action and do such other things in the name on behalf of this corporation as such officers shall determine to be necessary or proper and lawful to complete and consummate the sale and transfer of said real property on such terms, provisions and conditions as shall be approved by such officer, such determination and/or approval to be conclusively evidenced by execution and delivery of such instruments and documents and the taking of such other action and doing of such other things by such officer.

W. D. WAGNER	-	President and Chief Executive Officer
W. N. SELVIG	-	Executive Vice President
R. L. LITSCHI	-	Vice President and Secretary"

CERTIFICATION

I hereby certify that I am now and have been at all times herein mentioned the duly elected President and Chief Executive Officer of Trico Industries, Inc., a California corporation, and that I am authorized to make this certification; that the foregoing resolution was duly adopted by the Board of Directors of Trico Industries, Inc. on or about October 1, 1989 at a meeting thereof regularly held and that the same is in full force and effect at the date hereof.

IN WITNESS WHEREOF, I have executed this certification on February 5, 1990 at Huntington Park, California.

W. D. WAGNER, President and
Chief Executive Officer,
Trico Industries, Inc.

PACCAR 00360

AND WHEN RECORDED MAIL TO

Name

Street Address

City & State

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS (INDIVIDUAL)

ALL | PTN

This Deed of Trust, made this 1ST day of FEBRUARY, 1990, between PETER TSAI, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, herein called Trustor, whose address is 19706 NORMANDIE AVE., TORRANCE, CA (number and street) (city) (state) (zip)

Commerce Enterprises, Inc., a California corporation, herein called Trustee, and

TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION, herein called Beneficiary,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that property in LOS ANGELES County, California, described as:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

ADDITIONAL PROVISIONS TO THT E DEED OF TRUST ATTACHED HERETO AS EXHIBIT "B" AND MADE A PART HEREOF.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

For the Purpose of Securing: 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of $1,370,000.00 executed by Trustor in favor of Beneficiary or order. 3. Payment of such further sums as the then record owner of said property hereafter may borrow from Beneficiary, when evidenced by another note (or notes) reciting it is so secured.

To Protect the Security of This Deed of Trust, Trustor Agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded in Santa Barbara County and Sonoma County October 18, 1961, and in all other counties October 23, 1961, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, viz

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	435	684	Kings	792	833	Placer	895	301	Sierra	29	335
Alpine	1	250	Lake	382	39	Plumas	151	5	Siskiyou	468	181
Amador	104	348	Lassen	171	471	Riverside	3005	523	Solano	1105	182
Butte	1145	1	Los Angeles	T2055	899	Sacramento	4331	62	Sonoma	1851	689
Calaveras	145	152	Madera	810	170	San Benito	271	383	Stanislaus	1715	456
Colusa	296	617	Marin	1508	339	San Bernardino	5567	61	Sutter	572	297
Contra Costa	3978	47	Mariposa	77	292	San Francisco	A332	905	Tehama	401	289
Del Norte	78	414	Mendocino	579	530	San Joaquin	2470	311	Trinity	93	366
El Dorado	568	456	Merced	1547	538	San Luis Obispo	1151	12	Tulare	2294	275
Fresno	4626	572	Modoc	184	851	San Mateo	4078	420	Tuolumne	135	47
Glenn	422	184	Mono	52	429	Santa Barbara	1878	860	Ventura	2062	386
Humboldt	657	527	Monterey	2194	538	Santa Clara	5336	341	Yolo	653	245
Imperial	1091	501	Napa	639	86	Santa Cruz	1431	494	Yuba	334	486
Inyo	147	598	Nevada	305	320	Shasta	684	528			
Kern	3427	60	Orange	5889	611	San Diego	Series 2 Book 1961, Page 183887				

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length, that he will observe and perform said provisions, and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

STATE OF CALIFORNIA
COUNTY OF _____ } ss.
On _____ before me, the undersigned, a Notary Public in and for said State, personally appeared _____

_____

personally known to me or proved to me on the basis of satisfactory evidence to be the person ___ whose name _____ subscribed to the within instrument and acknowledged that _____ executed the same
WITNESS my hand and official seal

Signature _____

Signature of Trustor

_____
PETER TSAI

APPROVED TRICO INDUSTRIES, INC.

By _____
W. D. WAGNER, PRESIDENT & CEO

By _____
GARY L. BROOKSHIRE, CFO &Controller

(This area for official notarial seal)

Title Order No _____ Escrow or Loan No _____

PACCAR 00361

EXHIBIT "A"

ALL OF THOSE PORTIONS OF LOTS 6 AND 7 OF TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS ALL OF SAID LOTS 6 AND 7 EXCEPT THE WEST 467.00 FEET OF THE NORTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE WEST 139.50 FEET OF THE SOUTH ONE-HALF OF SAID LOT 6 AND EXCEPT THE EAST 10.50 FEET OF THE WEST 150.00 FEET OF THE SOUTH 76.66 FEET OF SAID LOT 6 AND EXCEPT THE SOUTH 220.00 FEET OF SAID LOT 7, ALSO EXCEPT THE WESTERLY 7.00 FEET OF LOT 7 SAID PORTIONS OF LOTS 6 AND 7 LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH ONE-HALF OF SAID LOT 6, SAID POINT BEING DISTANT NORTH 89 DEGREES 54' 45" EAST MEASURED ALONG SAID NORTH LINE 402.38 FEET FROM THE WEST LINE OF SAID LOTS 6 AND 7; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81 FEET; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7 31.76 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7.

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A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTHERLY 25.00 FEET OF THE FOLLOWING DESCRIBED LAND:

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EXCEPT THE WESTERLY 7 FEET THEREOF.

APPROVED TRICO INDUSTRIES, INC.

By W. D. WAGNER, President & CEO

By GARY L. BROOKSHIRE, CFO & CONTROLLER

EXHIBIT "B"

"IN THE EVENT TRUSTOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELLS, AGREES TO SELL, TRANSFERS OR CONVEYS ITS INTEREST IN THE REAL PROPERTY OR ANY PART THEREOF, OR ANY INTEREST THEREIN, BENEFICIARY MAY AT ITS OPTION, DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. CONSENT TO ONE SUCH TRANSACTION SHALL NOT BE DEEMED TO BE A WAIVER OF THE RIGHT TO REQUIRE SUCH CONSENT TO FUTURE OR SUCCESSIVE TRANSACTIONS. THE TERMS 'TRUSTOR' AND 'BENEFICIARY' INCLUDES THEIR SUCCESSORS."

APPROVED TRICO INDUSTRIES, INC.

By _____
W. D. WAGNER, PRESIDENT & CEO

By _____
GARY L. BROOKSHIRE, CFO &CONTROLLE

DO NOT DESTROY THIS ORIGINAL NOTE: When paid, said original note, together with the Deed of Trust securing same, must be surrendered to Trustee for cancellation and retention before reconveyance will be made

NOTE SECURED BY DEED OF TRUST

(STRAIGHT NOTE)

$ 1,370,000.00 LOS ANGELES, California, FEBRUARY 1 1990

after date, for value received, I/we promise to pay to TRICO INDUSTRIES, INC., A CALIFORNIA CORPORATION, or order at SUCH PLACE AS PAYEE MAY DESIGNATE the sum of ONE MILLION THREE HUNDRED SEVENTY THOUSAND AND 00/100 DOLLARS, with interest on the unpaid principal amount from _____, at the rate of ** per cent per annum, interest ~~payable~~ ONLY OR MORE ON THE SAME DAY OF EACH CALENDAR MONTH, BEGINNING ON THE DAY OF 19 AND CONTINUING UNTIL AT WHICH TIME THE ENTIRE REMAINING UNPAID PRINCIPAL BALANCE PLUS ACCRUED INTEREST DUE THEREON SHALL ALL BE DUE AND PAYABLE.

** PRIME PLUS TWO (2) PERCENT AS PER SECURITY PACIFIC NATIONAL BANK PUBLISHED PRIME RATE IN LOS ANGELES, CALIFORNIA.

"PRIVILEGE IS RESERVED OF PAYING THE UNPAID PRINCIPAL BALANCE IN PART OR IN FULL AT ANY TIME PRIOR TO THE MATURITY HEREOF WITHOUT PENALTY OR BONUS."

"THIS NOTE SHALL, AFTER ANY BREACH, CONTINUE TO BEAR INTEREST AT THE RATE STIPULATED THEREIN."

THE DEED OF TRUST SECURING THIS NOTE CONTAINS THE FOLLOWING RECITAL:

"IN THE EVENT TRUSTOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELLS, AGREES TO SELL, TRANSFERS OR CONVEYS, ITS INTEREST IN THE REAL PROPERTY OR ANY PART THEREOF, OR ANY INTEREST THEREIN, BENEFICIARY MAY AT ITS OPTION, DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. CONSENT TO ONE SUCH TRANSACTION SHALL NOT BE DEEMED TO BE A WAIVER OF THE RIGHT TO REQUIRE SUCH CONSENT TO FUTURE OR SUCCESSIVE TRANSACTIONS. THE TERMS 'TRUSTOR' AND 'BENEFICIARY' INCLUDES THEIR SUCCESSORS."

Should default be made in payment of interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I/we promise to pay such sum as the Court may fix as attorney's fees. This note is secured by DEED OF TRUST to Commerce Enterprises, Inc. a California corporation, as Trustee. THIS IS A FIRST TRUST DEED OF RECORD

PETER TSAI

THIS FORM FURNISHED BY Commerce Enterprises, Inc

DO NOT DESTROY THIS NOTE

APPROVED TRICO INDUSTRIES, INC.

By W. D. WAGNER, ~~President & CEO~~

By GARY L. BROOKSHIRE, ~~CFO and~~ Controll

PACCAR 00364

COPY

Delegation of Authority

Trico Industries, Inc.

W. D. Wagner, President and Chief Executive Officer, W. N. Selvig, Executive Vice President and General Manager, and R. L. Litschi, Vice President and Secretary, respectively, of Trico Industries, Inc., each is hereby individually authorized to execute such documents and take such other action as may be required to consummate sale to Peter Tsai and wife that portion of the Company's Torrance, California manufacturing property described as the Tsai Sale Parcel in, and pursuant to, the Agreement of Sale dated September 19, 1989 between Peter Tsai and wife and Trico Industries, Inc.

C. M. Pigott
Chairman

* * * * *

I, B. N. Holliday, Assistant Secretary of Trico Industries, Inc., a California corporation, hereby certify that C. M. Pigott is Chairman of Trico Industries, Inc., that the signature appearing above is his signature, and that as Chairman C. M. Pigott is authorized pursuant to the bylaws of the corporation to delegate the authority set forth in the foregoing Delegation.

Bruce N. Holliday
B. N. Holliday
Assistant Secretary

Adopted 10/20/88

COPY

R.C. PETTITT
FYI

B Y L A W S

Of

Trico Industries, Inc.

ARTICLE I

Offices

Sec. 1. The principal office of the corporation in the State of California shall be located in the City of Huntington Park. The corporation may have such other offices, either within or without the United States and the State of California, as the Board of Directors may designate or as the business of the corporation may require from time to time.

ARTICLE II

Directors

Sec. 1. The business and affairs of the Company shall be managed by a Board of Directors. The number of Directors shall be not less than four (4) and not more than seven (7) as determined by the stockholders at the annual meeting or by the Directors. Their term of office shall be until the next annual meeting of the stockholders following their election or until their successors shall be duly elected and qualified. The Directors shall be elected by the stockholders and by a plurality of the votes cast at the annual stockholders' meeting.

A majority of the Board of Directors shall elect a Director to fill each vacancy on the Board, however created; such

PACCAR 00366

Director to serve until the next annual meeting of the stockholders and until his successor is duly elected and qualified.

ARTICLE III

Meetings of Directors

Sec. 1. The Board of Directors shall hold a regular meeting for organization and all other business following the annual meeting of the stockholders.

Sec. 2. Special meetings of the Board of Directors may be called by the Chairman at any time. Meetings of the Board of Directors shall also be called by the Secretary at any time upon written request therefor signed by any two of the Directors filed with him. Notice of a meeting need not be given to any director who signs a waiver of notice, attends without protesting or approves the minutes.

Sec. 3. At any Directors' meetings, a majority of the authorized number of Directors shall constitute a quorum and the concurring vote of a majority of the Directors present shall be sufficient to pass any measure.

ARTICLE IV

Stockholders' Meetings

Sec. 1. The annual meeting of stockholders shall be held at such place, day and hour during each calendar year as may be designated by the Board of Directors in the notice of annual meeting to stockholders.

PACCAR 00367

ARTICLE V

Officers

Sec. 1. The officers of the Company shall be the Chairman of the Board of Directors, a President, a Treasurer, a Secretary and such other officers as may be provided for from time to time.

Sec. 2. The Chairman and President shall be elected by the Board of Directors. The Board of Directors shall elect or the Chairman shall appoint the Treasurer and Secretary and such other officers and agents as may be deemed necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as may be prescribed by these Bylaws or as shall be determined from time to time by the Board of Directors or by the Chairman.

Sec. 3. The Chairman may call all stockholders' or Directors' meetings to order and may preside thereat. He shall have such other powers as the Board of Directors may from time to time confer upon him or as are customary to that office. He may direct the President, Vice President or other designee to assume such of his powers as he may state in writing.

Sec. 4. The President shall, subject to the direction of the Board of Directors and the Chairman, generally supervise and control the policy and affairs of the Company. He shall have such other powers as the Board of Directors or the Chairman may confer upon him.

PACCAR 00368

Sec. 5. Subject to any specific assignments of duties made by the Board of Directors, the Treasurer, Secretary, other officers and assistants thereto shall act under the direction of the Chairman. The Secretary shall prepare and keep minutes of the meetings of the stockholders and of the Directors and shall have the general charge of the stock records of the Corporation. The Treasurer shall have the custody of the funds of the Corporation and keep its financial records.

Sec. 6. The Chairman and such other officers, employees or agents of the Company as may be specifically authorized and to the extent authorized by the Chairman in writing so to do, shall have the right to enter into such agreements and to execute such documents as are or become necessary in the ordinary course of the Company's business.

ARTICLE VI

Corporate Stock

Sec. 1. Certificates representing shares of the Corporation shall be in such form as the Board of Directors shall determine. Transfer of shares shall be made only on the stock transfer books of the Corporation. The person in whose name shares are recorded on the books of the Corporation shall be considered the owner thereof for all purposes by the Corporation.

PACCAR 00369

ARTICLE VII

Place of Keeping Corporate Books

Sec. 1. The Board of Directors shall designate at what place the books of the Company shall be kept.

ARTICLE VIII

Indemnification

Sec. 1. The Company shall have all such powers to furnish, indemnify, pay expenses and maintain insurance for the benefit of Directors, officers, employees and agents as may be permissible under the laws of California as they now exist or may hereafter be amended.

ARTICLE IX

Fiscal Year

Sec. 1. For purposes of accounting and for all other purposes, the fiscal and tax year of this Company shall run from January 1st to December 31st in each year.

PACCAR 00370

COPY

PROMISSORY NOTE

(STRAIGHT NOTE)

$46,000.00 LOS ANGELES, CALIFORNIA February 6, 1990

On or before six months after date, FOR VALUE RECEIVED, the undersigned, TRICO INDUSTRIES, INC., a California corporation, promises to pay to THE SEELEY COMPANY, or order, the sum of FORTY-SIX HUNDRED THOUSAND DOLLARS, with interest on the unpaid principal from the date hereof at the rate of prime plus 2% as per Security Pacific National Bank published prime rate in Los Angeles, California, per annum, interest only, or more, on the same date of each calendar month beginning on the sixth day of March, 1990 and continuing until September 6, 1990, at which time the entire remaining unpaid principal balance, plus accrued interest due therein, shall be due and payable in full.

The undersigned reserves the right to pre-pay the unpaid principal balance of this Note, in whole or in part, at any time prior to maturity without premium or penalty.

Should default be made in payment of interest when due, the whole sum of principal and interest shall become immediately due at the option of the Holder of this Note.

Principal and interest payable in lawful money of the United States. If action is instituted to collect on this Note, the undersigned promises to pay such sum as the court may fix as reasonable attorneys' fees in such action.

TRICO INDUSTRIES, INC.

By _____ COPY
W. D. WAGNER, President

By _____ COPY
GARY BROOKSHIRE, Chief
Financial Officer/Controller

RECORDING REQUESTED BY

And When Recorded Mail To:

David M. Gurewitz, Esq.
GUREWITZ & LIEB, Attorneys at Law
10780 Santa Monica Boulevard, Suite 350
Los Angeles, California 90025

The value and consideration given for this easement is less than $1.00.

Documentary transfer tax is $0

David M. Gurewitz
Attorney for Peter Tsai

EASEMENT AGREEMENT

This Easement Agreement (hereinafter referred to as "Agreement") is made this 21st day of December, 1989, by and between Peter Tsai (hereinafter referred to as "Tsai") and Trico Industries, Inc., a California corporation (hereinafter referred to as "Trico") with reference to the following facts:

a. Tsai is the owner of certain real property located in the County of Los Angeles, State of California and more particularly described as:

All of those portions of Lots 6 and 7 of Tract No. 4671, as per map recorded in Book 56 Page 30 of maps, in the Office of the County Recorder of said County described as all of said Lots 6 and 7 except the west 467.00 feet of the north one-half of said Lot 6 and except the west 139.50 feet of the south one-half of said Lot 6 and except the east 10.50 feet of the west 150.00 feet of the south 76.66 feet of said Lot 6 and except the south 220.00 feet of said Lot 7, also except the westerly 7.00 feet of Lot 7 said portions of Lots 6 and 7 lying westerly of a line described as follows:

Beginning at a point in the north line of the south one-half of said Lot 6, said point being distant north 89 degrees 54' 45" east measured along said north line 402.38 feet from the west line of said Lots 6 and 7; thence south 00 degrees 04' 28" east parallel to said west line 136.81 feet; thence north 89 degrees 54' 05" east parallel to the south line of said Lot 7 11.02 feet; thence south 00 degrees 04' 28" east parallel to said west line 141.20 feet; thence south 89 degrees 54' 05" west parallel to the south line of said Lot 7 31.76 feet; thence south 00 degrees 04' 28" east parallel to said west line 42.11 feet to a point in the north line of the south 220.00 feet of said Lot 7.

(hereinafter referred to as "Dominant Tenement"); and

b. Trico is the owner of certain real property located in the County of Los Angeles, State of California and more particularly described as:

Those portions of Lots 6 and 7 of Tract No. 4671, as per map recorded in Book 56, Pages 30 and 31 of maps, in the Office of the County Recorder of said county, described as follows:

Beginning at a point in the northerly line of said Lot 6, distant thereon, 467.00 feet easterly, from the westerly line of said Lot 6; thence southerly, parallel with said westerly line, 180.00 feet, to the north line of the south half of said Lot 6; thence north 89 degrees 54' 45" west, along said north line, to a point distant easterly, 402.38 feet from the westerly line of said Lot 6; thence south 00 degrees 04' 28" east parallel to said west line 136.81; thence north 89 degrees 54' 05" east parallel to the south line of said Lot 7, a distance of 11.02 feet; thence south 00 degrees 04' 28" east parallel to said west line 141.20 feet; thence south 89 degrees 54' 05" west parallel to the south line of said Lot 7, a distance of 31.76; thence south 00 degrees 04' 28" east parallel to said west line, 42.11 feet to a point in the north line of the south 220.00 feet of said Lot 7; thence along said northerly line north 89 degrees 54' 05" east to the easterly line of said Lot 7, thence north 00 degrees 04' 28" east along the easterly lines of said Lots 6 and 7 to the north line of said Lot 6; thence along said north line south 89 degrees 54' 05" west 160.30 feet to the point of beginning.

(hereinafter referred to as the "Servient Tenement"); and

c. The flow of natural surface water runs from the Dominant Tenement onto the Servient Tenement; and

d. The Dominant Tenement adjoins the Servient Tenement; and

e. Tsai and Trico desire that the Dominant Tenement have an easement over the Servient Tenement to allow the natural surface water to run as it naturally may from the Dominant Tenement onto the Servient Tenement.

In consideration of the mutual agreements contained in this Agreement, Tsai and Trico agree as follows:

1. Grant of Easement

Trico hereby grants to Tsai an easement allowing natural surface water to flow without diminution or disturbance of any kind from the Dominant Tenement onto the Servient Tenement, provided, however, that by grant of this easement, Tsai may not divert such natural surface water, add to the flow thereof or contaminate the same.

2. No obstructions to easement:

Trico shall not take any action or do anything which would obstruct or interfere with the easement herein granted.

3. Easement runs with the land:

The easement contained in this Agreement is made for the benefit of the Dominant Tenement and shall be binding upon the Servient Tenement in favor of the Dominant Tenement, shall create rights and obligations between the respective owners of such properties and privy of contract and estate between all

grantees of such property, their heirs, successors and assigns, and shall, as to the owner of each property, its heirs, successors and assigns, operate as an easement running with the land.

4. Modification amendment or termination:

This Agreement shall not be modified, amended or supplemented other than by written instrument executed by the parties or their successors-in-interest and recorded in the Office of the County Recorder of Los Angeles County, California.

5. Recordation:

The parties to this Agreement shall cause this Agreement to be recorded in the Office of the County Recorder of Los Angeles County, California.

6. Legal fees:

In the event either party to this Agreement brings an action against the other by reason of any breach of or interpretation of any of the agreements or provisions in or arising out of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other party all costs and expenses of suit, including reasonable attorneys'fees as awarded by the court.

7. Binding effect:

Without limiting or derogating the provisions of paragraph 3 of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of Tsai and Trico and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement on the date and year first above written.

By: _____
Peter Tsai

TRICO INDUSTRIES, INC.,
a California corporation

By: _____ Robert L. Litschi

Its: Secretary

By: _____ Gary L. Brookshire

Its: Chief Financial Officer

STATE OF CALIFORNIA)
)
COUNTY OF Los Angeles) ss.

On February 5, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Peter Tsai, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.

WITNESS my hand and official seal.

Willie T. Whitaker 2-5-1990
Notary Public in and for said State.

OFFICIAL SEAL
WILLIE T WHITAKER
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
MY COMM. EXP. APR. 27, 1990

1664D

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

On DECEMBER 21, 1989, before me, the undersigned, a Notary Public in and for said County and State, personally appeared GARY L. BROOKSHIRE known to me to be the CHIEF FINANCIAL OFFICER ~~President~~, and ROBERT L. LITSCHI known to me to be the — Secretary of the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.

WITNESS my hand and official seal.

Renate Muller

Notary Public in and for said State

RENATE MULLER
Notary Public - California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19, 1991

1664D

FEB 08 1990

BRANT & PETTITT
ATTORNEYS AT LAW

FREEMAN R BRANT (1908-1987)
ROGER C. PETTITT

626 WILSHIRE BOULEVARD, SUITE 410
LOS ANGELES, CALIFORNIA 90017
(213) 624-7201
FAX NO (213) 624-7203

OF COUNSEL
RICHARD C. HENDERSON

February 6, 1990

Mr. David M. Gurewitz
Gurewitz & Lieb
Attorneys at Law
10780 Santa Monica Boulevard, Suite 350
Los Angeles, California 90025

Re: Trico Industries, Inc. - Peter Tsai Transaction.

Dear David:

On behalf of Trico Industries, Inc., I hand you herewith executed copy of Letter Agreement dated February 2, 1990 between Trico and Peter Tsai of which you have concurrently sent me a copy signed by Peter Tsai and the original executed Dominguez Water Corporation "Comfort Letter" dated January 26, 1990 with all Exhibits attached.

Many thanks for your exceptional professional courtesy and cooperation in bringing this matter to a mutually satisfactory conclusion.

With kind regards.

Sincerely,

FOR BRANT & PETTITT

RCP:ml

cc: Trico Industries, Inc. (w/enclosures)
Attention: Mr. Robert L. Litschi, Vice President

Paccar Inc. (w/enclosures)
Attention: Messrs. Phillip Gladfelter and
Richard Bangert, III

GUREWITZ & LIEB
ATTORNEYS AT LAW
SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

DAVID M. GUREWITZ
ROBERT D. LIEB
ROBIN S. KURTZ
JEFFREY M. LIEBOWITZ
DONALD L. KARR
OF COUNSEL

AREA CODE 213
TELEPHONE 475-855
FAX (213) 474-6225

By Fax and Regular Mail

February 2, 1990

Roger Pettitt, Esq.
Brant & Pettitt
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

Re: Trico Industries, Inc. - Peter Tsai
Agreement dated September 29, 1989
In ref to: 19706 South Normandie Avenue
Torrance, California property/Commerce Escrow Company
Escrow No. 89-10731/Our File No. 2329

Dear Roger:

This letter shall confirm our telephone conversation of February 1, 1990 whereby we agreed on behalf of our respective clients to close the above-referenced transaction as follows:

Cash through escrow on account of the purchase price of Three Hundred Fifty Thousand Dollars ($350,000.00), with the balance of the purchase price of One Million Seven Hundred Twenty Thousand Dollars ($1,720,000.00) to be paid by a Promissory Note in favor of Trico Industries, Inc. at Security Pacific National Bank's prime (as issued in Los Angeles, California) plus two (2%) per cent, the term of said Note to be for four (4) months, interest only payable monthly. There shall be a Due On Sale clause on that Note, and there shall be no prepayment penalty on that Note. Said Note is to be secured by a Deed of Trust on the subject property on the usual form of Commerce Escrow Company.

Escrow is to close on or before February 8, 1990. In regards to close of escrow, please let me know if your client will be able to remove its personal property from the Sale Parcel by Monday, February 5, 1990, in that, in talking with Peter, I think he wants to close on February 6.

Furthermore, my client is to reimburse Trico the Eighty Six Hundred Dollars ($8,600.00) which it paid to Dominguez Water Company in connection with the "comfort letter" agreement, which is to be done upon close of escrow.

I have spoken with J.B. at Commerce Escrow Company and advised her of the above.

As I mentioned to you earlier in the week, I never expounded upon the agreement between our respective clients regarding splitting the electric, above and beyond what was set forth in my December 21, 1989 letter to you at paragraph 4 on page 2 thereof. I do so hereafter:

Upon close of escrow, to the extent not prohibited by Southern California Edison, Tsai shall share Trico's existing electric service until such time as his own separate electric service is established. In regards to such sharing of electric service, Tsai shall pay Trico all sums in excess of Trico's electric bill for the same periods of time of last year as shared this year after close of escrow. Such sums shall be paid by Tsai to Trico within ten (10) days after Trico gives Tsai its current electric bill and its electric bill for the same period of time as last year.

Upon close of escrow, Tsai shall begin such work as is necessary to split the electric service between the Sale Parcel and the Trico Retained Parcel. Trico shall cooperate with Tsai in this regard, including, without limitation, granting Tsai an Easement over the Trico Retained Parcel as may be necessary for purposes of establishing separate electric service to the Sale Parcel. Upon completion by Tsai of the establishment of separate electric service to the Sale Parcel, Trico shall pay Tsai one half (1/2) the cost thereof, but not to exceed Five Thousand Dollars ($5,000.00). Such electric service easement shall not exceed 10 feet in width and shall be along the South Line of the Trico Retained Parcel

In establishing separate electric service to the Sale Parcel, Tsai shall restore and/or repair any damage to the Trico Retained Parcel which may result from such activity. This agreement shall be effective at the time of and upon close of the escrow, above-referenced.

If you desire any additional provisions relating to the above agreement regarding splitting electric service, please let me know. Otherwise, please have your client sign a copy of this letter at the place noted for its signature to confirm this agreement. I will have my client do likewise.

The last matter which we discussed last week is the fact that upon close of escrow I would like to have the Dominguez Water Company "comfort letter" agreement, bearing original signatures thereon of Dominguez Water Company. You told me that you would provide the same to me.

I believe this wraps up the loose ends, and my client looks forward to closing escrow next week.

~~Subsequent to dictation of the above, and fifteen (15) minutes ago, I learned that Stewart Title was reneging on my agreement with Larry McGuire of December 20, 1989 regarding deleting exception #13 from the Title Policy to be issued. I am trying to resolve this, and I advise you that I will not allow my client to purchase the property with that exception to title. I will keep you apprised.~~

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/pm:1686D:
cc: Joe Enfield
Peter Tsai

The above has been read and agreed to.

DATED: December 21, 1989. By: _____
Peter Tsai

TRICO INDUSTRIES, INC.,
a California corporation

DATED: February 7, 1990 By: _____

Its: _____

DATED: February 7, 1990 By: _____

Its: _____

GUREWITZ & LIEB
ATTORNEYS AT LAW
SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

DAVID M. GUREWITZ
ROBERT D. LIEB
ROBIN S. KURTZ
JEFFREY M. LIEBOWITZ
DONALD L. KARR
OF COUNSEL

AREA CODE 213
TELEPHONE 475-8551
FAX (213) 474-6225

By Fax and Regular Mail

February 2, 1990

Roger Pettitt, Esq.
Brant & Pettitt
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

Re: Trico Industries, Inc. - Peter Tsai
Agreement dated September 29, 1989
In ref to: 19706 South Normandie Avenue
Torrance, California property/Commerce Escrow Company
Escrow No. 89-10731/Our File No. 2329

Dear Roger:

This letter shall confirm our telephone conversation of February 1, 1990 whereby we agreed on behalf of our respective clients to close the above-referenced transaction as follows:

Cash through escrow on account of the purchase price of Three Hundred Fifty Thousand Dollars ($350,000.00), with the balance of the purchase price of One Million Seven Hundred Twenty Thousand Dollars ($1,720,000.00) to be paid by a Promissory Note in favor of Trico Industries, Inc. at Security Pacific National Bank's prime (as issued in Los Angeles, California) plus two (2%) per cent, the term of said Note to be for four (4) months, interest only payable monthly. There shall be a Due On Sale clause on that Note, and there shall be no prepayment penalty on that Note. Said Note is to be secured by a Deed of Trust on the subject property on the usual form of Commerce Escrow Company.

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I have spoken with J.B. at Commerce Escrow Company and advised her of the above.

As I mentioned to you earlier in the week, I never expounded upon the agreement between our respective clients regarding splitting the electric, above and beyond what was set forth in my December 21, 1989 letter to you at paragraph 4 on page 2 thereof. I do so hereafter:

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In establishing separate electric service to the Sale Parcel, Tsai shall restore and/or repair any damage to the Trico Retained Parcel which may result from such activity. This agreement shall be effective at the time of and upon close of the escrow, above-referenced.

If you desire any additional provisions relating to the above agreement regarding splitting electric service, please let me know. Otherwise, please have your client sign a copy of this letter at the place noted for its signature to confirm this agreement. I will have my client do likewise.

The last matter which we discussed last week is the fact that upon close of escrow I would like to have the Dominguez Water Company "comfort letter" agreement, bearing original signatures thereon of Dominguez Water Company. You told me that you would provide the same to me.

I believe this wraps up the loose ends, and my client looks forward to closing escrow next week.

~~Subsequent to dictation of the above, and fifteen (15) minutes ago, I learned that Stewart Title was reneging on my agreement with Larry McGuire of December 20, 1989 regarding deleting exception #13 from the Title Policy to be issued. I am trying to resolve this, and I advise you that I will not allow my client to purchase the property with that exception to title. I will keep you apprised.~~

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/pm:1686D:
cc: Joe Enfield
Peter Tsai

The above has been read and agreed to.

DATED: December 21, 1989. By: _____
Peter Tsai

TRICO INDUSTRIES, INC.,
a California corporation

DATED: February 5, 1990 By: W. D. Wagner
W. D. WAGNER
Its: President and CEO

DATED: February 5, 1990 By: Gary L. Brookshire
GARY L. BROOKSHIRE
Its: Chief Financial Officer and Controller

GUREWITZ & LIEB
ATTORNEYS AT LAW
SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

DAVID M. GUREWITZ
ROBERT D. LIEB
ROBIN S. KURTZ
JEFFREY M. LIEBOWITZ
DONALD L. KARR
OF COUNSEL

AREA CODE 213
TELEPHONE 475-8551
FAX (213) 474-6225

February 5, 1990

Certified Mail
Return Receipt Requested

Roger Pettitt, Esq.
Brant & Pettitt
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

Re: Trico Industries, Inc.. - Peter Tsai
Agreement dated September 29, 1989
In ref to: 19706 South Normandie Avenue
Torrance, California property/Commerce Escrow Company
Escrow No. 89-10731/Our File No. 2329

Dear Roger:

Enclosed herewith please find two (2) copies of the December 19, 1989 Letter Agreement between our clients in the above-referenced matter, each of which bears an original signature thereon of Mr. Tsai.

Also enclosed herewith, please find a photocopy of my February 2, 1990 letter to you containing the agreement between our clients regarding splitting electric service between the Sale Parcel and the Trico Retained Parcel. As we discussed, I have made the addition in hand to the 4th paragraph on the 2nd page of that letter and have had my client sign the enclosed copy, in original, and initial such change. You are to provide me with a copy of this Letter Agreement signed in original by your client.

Lastly, enclosed herewith, please find 2 copies of the Easement Agreement dated December 21, 1989 (regarding the water flow) which have been signed in original by my client. Please note that a duplicate original of this has gone to escrow for recordation upon close of escrow, above-referenced.

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/pm:1686D:83
Enclosures

GUREWITZ & LIEB
ATTORNEYS AT LAW
SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

RECEIVED
DEC 2 0 1989
Ans'd.....

DAVID M. GUREWITZ
ROBERT D. LIEB
ROBIN S. KURTZ
JOSEPH DAIGRE
DONALD L. KARR
OF COUNSEL

AREA CODE 213
TELEPHONE 475-8551
FAX (213) 474-6225

December 19, 1989

BY FAX AND REGULAR MAIL

Roger C. Pettitt
Brant & Pettitt
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

Re: My Client: Peter Tsai (Tsai)
Your Client: Trico Industries, Inc. (Trico)
In Reference to acquisition by Tsai from Trico of real property commonly known as 19706 South Normandie Avenue, Torrance, California, agreement in respect thereto dated September 29, 1989 upon which said parties are in escrow as escrow no. 89-10731 at Commerce Escrow Company (hereinafter referred to as "the Escrow")
Our File No. 2329

Dear Roger:

Pursuant to our meeting of December 12, 1989, regarding the above-referenced matter, at which you and I attended with our respective clients and our respective clients' brokers, I write this letter setting forth certain agreements reached thereat.

For purposes of this letter agreement, the definitions set forth in the September 29, 1989 agreement between our clients (September 29 Agreeement) shall be used as defined therein.

The three areas of agreement covered by this letter are disposition of the crane and craneway installation at the east

line of the Sale Parcel, the fence to be installed by Mr. Tsai between the Sale Parcel and the Trico Retained Parcel and the address to be used by Trico as to the Trico Retained Parcel upon close of the above-referenced Escrow. Those agreements are as follows:

1. Crane and Craneway:

The parties agree that the crane and craneway installation at and across the east line of the Sale Parcel, upon close of Escrow, shall be the property of Tsai. It is further agreed that subject to either party giving notice to the other of its desire to move or have the crane and craneway moved, the crane and craneway shall be allowed to remain as it is now situated upon close of Escrow and this letter agreement constitutes a license by Trico to Tsai to allow the crane and craneway to remain as it is, extending into and onto the Trico Retained Parcel and affixed to the structure as it now exists on the Trico Retained Parcel.

Notwithstanding the foregoing, at any time in the future, should Trico desire Tsai to move the crane and craneway so that the same exists solely within the Sale Parcel, Trico shall give Tsai 30 days notice of its desire that the crane and craneway be so moved and within said 30 days Tsai shall move said crane and craneway by cutting the crane and craneway at the point it is affixed to the building on the Trico Retained Parcel and re-supporting and affixing the same so that the crane and craneway exist solely upon and within the Sale Parcel. In the event such notice is given to Tsai, Tsai shall prepare plans for doing said work, which shall be approved by Trico prior to Tsai commencing such work. Trico shall not unreasonably withhold its approval to such plans presented to it by Tsai. Upon completion by Tsai of the moving of the crane and craneway, Trico shall pay Tsai the sum of $5,500.00 as and for its contribution to moving the crane and craneway or one-half the cost, whichever is less.

Alternatively, Tsai, at any time in the future, may give notice to Trico that he desires to move the crane and craneway in the manner set forth above, and in the event Tsai gives such notice to Trico, upon completion of the moving of

the crane and craneway, Trico shall pay Tsai the sum of $5,500.00 as and for its contribution for moving the crane and craneway or one-half the actual cost thereof, whichever is less.

~~The $5,500.00 contribution by Trico, as set forth hereinabove, is fixed at said sum, irrespective of the actual cost to move the crane and craneway as set forth above~~.

In the event either party gives such notice as hereinabove set forth, Trico shall allow Tsai and his contractors and workers reasonable access to the Trico Retained Parcel for purposes of performing the work necessary to move the crane and craneway.

Notwithstanding the fact that this letter agreement shall not be recorded in the County Recorder's Office, the parties hereto agree that this agreement as to the crane and craneway runs with the Sale Parcel and the Trico Retained Parcel and that in the event either of said parties shall transfer their interest in the Sale Parcel or the Trico Retained Parcel, that the transferee of such property shall be advised of this agreement prior to such transfer and agree to be bound by the terms and conditions hereof.

The parties furthermore agree and stipulate that because of the uniqueness of this agreement, this agreement may be specifically enforced.

Any notice to be given hereunder shall be given in the manner set forth in the September 29 Agreement.

2. Fence between Sale Parcel and Trico Retained Parcel:

The parties furthermore agree that upon close of Escrow, Tsai may install a fence at the east boundary line of the Sale Parcel and within the Sale Parcel. Such fence may be a chain link fence or block wall as Tsai desires. Upon completion of such fence, Trico shall pay Tsai ~~one-half of the cost thereof, as shown by invoice presented to Trico by Tsai, provided, however, that Trico's contribution to such fence shall not exceed~~ the sum of $2,500.

Both in moving the crane and craneway and installing its fence, Tsai shall restore and/or repair any damage to the Trico Retained Parcel which may result from such activities.

3. Address to be used by Trico as to Trico Retained Parcel:

Trico agrees that as of close of Escrow, Trico shall use a common address that is other than South Normandie Avenue.

All three of the above agreements shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, assigns, heirs and representatives.

In the event of the bringing of any action or suit by either party hereto against the other by reason of any breach of any conditions, covenants, or agreements set forth herein, the prevailing party in any such action or suit, whether at law or in equity, shall be entitled to recover from the other party its reasonable attorneys'fees therein incurred, to be fixed by the court in such action or suit, in addition to such other relief as such party may be entitled.

The agreements hereinabove set forth shall be effective at the time of and upon close of the Escrow.

Please review the above and the enclosed and please call in the event you have any questions or comments. If the above and the enclosed meet with your approval, please let me know and I will have my client sign at the place noted for his signature below and you will do likewise as to your client. We agree that this letter agreement may be executed in counterparts and if so executed shall be binding at the time each of the parties hereto signs a counterpart.

Lastly, I enclose herewith the easement regarding surface water rights which we discussed at our meeting of December 12, 1989. We understand that this easement shall record concurrently with close of the Escrow.

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/ck:1663D
Enclosure
cc: Peter Tsai (by fax)
Joe Enfield (by fax)

The above has been read and agreed to.

DATED: December 21, 1989. By: _____
Peter Tsai

TRICO INDUSTRIES, INC.,
a California corporation

DATED: December 21, 1989. By: _____ Robert L. Litschi

Its: Secretary

DATED: December 21, 1989. By: _____ Gary L. Brookshire

Its: Chief Financial Officer

ORIGINAL

Torrance, California

September 29, 1989

Trico Industries, Inc.
P. O. Box 2909
3040 East Slauson Avenue
Huntington Park, California 90265

Attention: Mr. Robert L. Litschi, Vice President

Re: 19706 South Normandie Avenue Torrance Property.

Gentlemen:

You (hereinafter referred to as "Trico") are the owner of two (2) contiguous parcels of real property described as the "TSAI SALE PARCEL" and the "TRICO RETAINED PARCEL" on the plat attached hereto, marked Exhibit A and incorporated herein (collectively the "Torrance Property") located at and commonly known as 19706 South Normandie Avenue, Torrance, Los Angeles County, California. This letter will constitute the offer (the "Offer") of the undersigned, Peter Tsai ("Buyer"), to purchase the Tsai Sale Parcel (hereinafter the "Sale Parcel") of the Torrance Property, on the terms, provisions and conditions herein set forth. The Sale Parcel is more particularly described in that certain ALTA survey dated April 27, 1989 prepared by Dalcin Cummins Associates, pursuant to Stewart Title Company preliminary title report no. 338922 dated April 21, 1989 (hereinafter "the Survey"). The description of the

PACCAR 00392

Sale Parcel is set forth in the Survey and takes precedence over the description of the Sale Parcel as set forth in Exhibit "A" hereto.

1. Purchase of Property. At the "Closing" (as hereinafter defined), Buyer will buy, and Trico will sell, the Sale Parcel, including all shell improvements and fixtures thereon and therein, consisting of three buildings and overhead cranes and craneways serving the Sale Parcel. The craneway extending into the Trico Retained Parcel shall be closed at the property line in a mutually satisfactory manner during the 60 day contingency period specified in Section 4. The purchase price of the Property ("Purchase Price") shall be $1,720,000.00. The Purchase Price shall be payable all in cash at Closing. This Offer, when accepted in the manner hereinafter provided is hereinafter called this Agreement.

2. Payment of Purchase Price. The Purchase Price shall be payable as follows:

(a) Concurrently with Trico's acceptance of this Offer and Trico's delivery of a fully executed copy of this Agreement to Buyer, Buyer shall deliver to Escrow the sum of Fifty Thousand Dollars ($50,000.00) as a good faith deposit (the "Good Faith Deposit"). The Good Faith Deposit shall be

PACCAR 00393

returned by Escrow to Buyer if Trico's Board of Directors disapproves this transaction within 10 business days from and after Trico's acceptance, whereupon this Agreement shall be void. If Trico's Board of Directors approves this transaction within 10 business days from such acceptance, this Agreement shall remain in effect and the Good Faith Deposit shall remain in Escrow. If the purchase of the Sale Parcel is consummated by the "Closing Date" (as hereinafter defined), the Good Faith Deposit shall be applied against the Purchase Price at the Closing.

(b) Buyer shall pay the balance of the Purchase Price by delivering to "Escrowholder" (as hereinafter defined) a cashier's check or other immediately available funds at the Closing.

3. Title Report. Trico has caused to be delivered to Buyer the Stewart Title Company (the "Title Company") ALTA Preliminary Title Report No. 338922 (the "Title Report"), dated April 21, 1989, with respect to the Sale Parcel containing such exceptions as the Title Company would specify in an ALTA Owner's Extended Coverage Policy of Title Insurance (the "Title Policy"). Copies of all documents of record identified as exceptions in the Title Report shall be delivered to Buyer on or before the Effective Date. Trico has also caused to be

PACCAR 00394

delivered to Title Company and Buyer an ALTA extended coverage survey of the Sale Parcel (the "Survey") prepared by Dalcin Cummins Associates, licensed surveyors. The Title Company shall furnish Buyer with an updated ALTA Owner's Extended Coverage Preliminary Report (the "Updated Title Report") issued by the Title Company, together with copies of any additional documents and exceptions to title referred to therein not previously delivered to Buyer. Trico agrees to remove at or prior to close of Escrow, at no expense to Buyer, all monetary encumbrances on the Sale Parcel, if any, other than current non-delinquent taxes.

4. Conditions Precedent.

(a) Buyer's Conditions. Buyer's obligations to perform its undertakings provided in this Agreement, including, without limitation, the payment of the Purchase Price, shall be subject to the satisfaction or written waiver by Buyer of the following conditions precedent within the period specified:

(i) Within sixty (60) days following the "Effective Date" (as hereinafter defined), Buyer shall have approved in writing the Updated Title Report and each of the exceptions referred to therein, and The Title Company shall have committed to issue to Buyer its ALTA Extended Coverage Owner's Policy of Title Insurance pursuant to the approved

PACCAR 00395

Updated Title Report with liability in the amount of the Purchase Price, insuring title to the Sale Parcel as vested in Buyer, free and clear of all liens, encumbrances, claims, covenants, conditions, restrictions, reservations, easements, rights and rights of way and other matters, other than (A) matters approved by Buyer as provided above, (B) non-delinquent ad valorem real property taxes and assessments for the current year, and (C) access and utility easements and drainage easements to the Trico Retained Parcel as mutually agreed upon between Trico and Buyer and shown in the Survey (or in an Amended Survey, if necessary).

(ii) Within sixty (60) days following the Effective Date, Buyer shall have approved, in its sole and absolute discretion, its environmental, engineering, development, use, construction, economic, marketing, and financing feasibility reports and studies with respect to the Sale Parcel and the Property Information Sheet attached hereto as Exhibit B.

Buyer's failure to give Trico written notice of Buyer's disapproval of or dissatisfaction with any matter referred to in this Paragraph 4 within the 60 day period specified above shall be deemed Buyer's conclusive approval and acceptance thereof.

PACCAR 00396

(b) Mutual Conditions. The obligations of Trico and Buyer to consummate the purchase and sale of the Sale Parcel will be subject to Trico and Buyer having reached, within thirty (30) days following the Effective Date, reasonably satisfactory agreement providing for (i) electric power service to the Sale Parcel, (ii) disposition of the crane and craneway installation at the East line of the Sale Parcel, (iii) access and utility easements to the Trico Retained Parcel for the benefit thereof, (iv) surface water drainage easements for the benefit of the Sale Parcel over the Trico Retained Parcel, and (v) the design and location of a boundary wall between the Sale Parcel and the Trico Retained Parcel, including cost allocations for creating and maintaining same. Such easements shall be shown in the Amended Survey provided for in paragraph 4(a) above.

(c) At the time set for the Closing as called for herein, should any of Trico's representations and warranties hereinafter set forth in paragraph 8 be untrue or should the Title Company be unwilling to issue an ALTA owners extended coverage policy of title insurance for the Sale Parcel insuring title to the Sale Parcel to Buyer in the condition approved by Buyer as called for in paragraph 4(a)(i) hereinabove, then

PACCAR 00397

Buyer shall not be obligated to close Escrow in either of such events.

(d) Trico shall allow Buyer reasonable access to the Sale Parcel to conduct such work as Buyer deems necessary in respect to Buyer's conditions as set forth in subparagraph (a) of this paragraph 4. All such work shall be done at Buyer's sole expense and Buyer shall fully protect, indemnify and save Trico harmless from and against any and all costs, expenses, claims, risks and liabilities arising out of, connected with or resulting from such work by or on behalf of Buyer.

5. Escrow. Within five (5) days after the Effective Date, Trico and Buyer shall open an Escrow (the "Escrow") with Commerce Escrow Company in Los Angeles, California ("Escrowholder"). A fully executed copy of this Agreement shall be provided to Escrowholder and shall constitute mutual instructions of Trico and Buyer to the Escrowholder. Trico and Buyer agree to execute, on or before the third (3rd) business day after receipt thereof such additional Escrow instructions as Escrowholder may request; provided, however, that (a) such instructions shall not be in conflict with the terms of this Agreement and (b) such instructions shall be subject to the reasonable approval of Buyer and Trico. In the event of any conflict between such Escrow instructions and this Agreement,

PACCAR 00398

the terms of this Agreement shall prevail and the additional Escrow instructions shall so provide. Escrow shall be deemed opened when a copy of this Agreement signed by Trico and Buyer has been delivered to Escrowholder, together with the Buyer's check for the $50,000.00 Good Faith Deposit. Buyer shall deposit into the Escrow the balance of the Purchase Price in cash or other immediately available funds not less than one day before the Closing Date. Upon Buyer's demand therefor and without any additional instructions by Trico, the Good Faith Deposit and all interest thereon shall be immediately and fully refunded to Buyer should the Escrow not close for any reason not the fault of Buyer or if any of the Buyer's conditions provided for in paragraph 4 above should fail to be satisfied and not be waived by Buyer within the 60 day period specified therein in which event the Escrow shall be automatically cancelled and neither party shall have any further liability to the other on account of or under this Agreement. Not less than one day before the Closing Date, Trico shall deposit into the Escrow a duly executed and acknowledged grant deed (the "Deed") conveying the Sale Parcel to Buyer in accordance with the Title Policy. The Good Faith Deposit shall be held in an interest-bearing account, the interest from which shall be paid to

PACCAR 00399

Buyer at the Closing or termination of the Escrow, except as otherwise provided below.

7. Closing. The Closing of the Escrow (the "Closing") shall take place on or before 90 days from and after the Effective Date. At the Closing, Escrowholder shall deliver to Trico the balance of the Purchase Price set forth in Paragraph 1 above, less Trico's share of closing costs and prorations as set forth below, and shall deliver the Deed, the ALTA Extended Coverage owners policy of title insurance and all interest on the Good Faith Deposit to Buyer. All Deed recording fees and transfer taxes, the premium cost of a standard owners (CLTA) coverage title insurance policy in the amount of the Purchase Price of the Sale Parcel and one-half (1/2) of the Escrow fee shall be paid by Trico at Closing, and any additional premium cost of title insurance, and one-half (1/2) of the Escrow fee shall be paid by Buyer at the Closing. The cost of the Amended Survey shall be paid one-half (1/2) by Trico and one-half (1/2 by the Buyer. Trico alone shall pay the cost of all survey work performed to date.

If the Escrow shall not have closed for any reason by the close of business on the 90th day after the Effective Date, the party not in default may terminate the Escrow by written notice to the other party and to Escrowholder. If such

PACCAR 00400

non-defaulting party is Buyer, the Escrowholder shall return all monies, documents and other things of value deposited in the Escrow to the party depositing the same, all interest on the Good Faith Deposit shall be paid to Buyer, and all cancellation charges and other fees associated with such termination of the Escrow shall be paid by Trico.

If, upon such cancellation of the Escrow by Buyer, Trico shall be in default, then Trico shall pay to Buyer the sum of $50,000.00 as liquidated damages, it being agreed that said sum is a reasonable estimate of such damages and that it is difficult and impracticable to fix actual damages. Conversely, if the Escrow is otherwise in a position to close on the 90th day after the Effective Date, including but not limited to all conditions and contingencies as between Buyer and Trico being satisfied and Trico has deposited the Deed, then should Buyer fail to deposit the balance of the Purchase Price on or before said 90th day after the Effective Date in immediately available funds, the Escrowholder is hereby instructed, without any further written authorization from Buyer and/or Trico, to immediately cancel the Escrow on the first business day after such 90th day and to pay to Trico the Good Faith Deposit ($50,000.00) and all interest thereon, less Escrow cancellation charges, without any liability whatever to

PACCAR 00401

the Escrowholder. The parties agree that it would be difficult and impracticable to fix actual damage in the event of Buyer's default and that the amount of the Good Faith Deposit is a reasonable estimate of Trico's damages which Trico shall retain as its sole right to damages.

8. Representations and Warranties of Seller and Disclaimer. In addition to the representations and warranties, if any, contained in other paragraphs of this Agreement, Trico hereby makes the following warranties and representations to Buyer, which warranties and representations shall survive the Closing and delivery of the Deed for the period of time stated below with respect thereto, if any, and if no time is stated, then for the applicable Statute of Limitations period, and each of which, unless otherwise noted herein, is (a) material and reasonably relied upon by Buyer and (b) true in all respects both as of the date of this Agreement and the date of Closing:

(i) Authority of Trico. Trico is the owner of the Sale Parcel and/or has the full right, power and authority to sell, convey and transfer the same to Buyer as provided herein, and to perform Trico's obligations hereunder.

(ii) Maintenance During Escrow and Equipment Condition At Closing. Except as otherwise provided herein with respect to destruction, damage or loss, Trico shall maintain

PACCAR 00402

the Sale Parcel until the Closing in its present condition, ordinary wear and tear excepted.

(iii) Hazardous Substances/Storage Tanks. Trico has no actual knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Sale Parcel of any Hazardous Substance (as defined in federal and/or California laws, rules or regulations), nor of the existence or prior existence of any above or below ground storage tank or tanks on or in the Sale Parcel. This warranty shall expire and be of no force or effect two years from the Closing Date.

(iv) Compliance. Except as otherwise disclosed to Buyer in writing, Trico has no actual knowledge of any condition of the Sale Parcel which violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, or of improvements or alterations made to the Sale Parcel without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency, or of any casualty insurance company that any work of investigation, remediation, repair, maintenance or improvement is to be performed on the Sale Parcel. This warranty shall likewise expire and be of no force or effect one year from the Closing Date.

PACCAR 00403

(v) Possessory Rights. To the knowledge of Trico, no one will, at the Closing, have any right to possession of the Sale Parcel, except as disclosed by this Agreement or otherwise in writing to Buyer.

(vi) Mechanic's Liens. There are no unsatisfied mechanic's or materialman's lien rights concerning the Sale Parcel.

(vii) Actions, Suits, or Proceedings. To the actual knowledge of Trico, no actions, suits, or proceedings are pending or threatened before any governmental department, commission, board, bureau, agency or instrumentality that would affect the Sale Parcel or the right to occupy or utilize it.

(viii) Notice of Changes. Trico will promptly notify Buyer in writing of any matter described in this paragraph affecting the Sale Parcel that becomes known to Trico prior to the Closing.

(ix) Trico has not entered into or undertaken any other contract, agreement or obligation which materially and adversely affects its ability to consummate the transaction contemplated herein.

(x) Trico has made no commitments to or agreements with any governmental authority or agency (federal,

PACCAR 00404

state or local) affecting the Sale Parcel which have not been disclosed by Trico to Buyer in writing.

(xi) Except as shown in the Title Report and/or the Title Policy, as of the Closing, the Sale Parcel shall be free and clear of all tenancies, leasehold interests and rights of occupancy or possession.

(xii) Trico is not a "foreign person," as defined in Internal Revenue Code Section 1445(f)(3). Trico shall execute and deliver to the Escrowholder its form of IRC Section 1445(b)(2) affidavit.

(b) Buyer Waiver. Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Sale Parcel in its existing condition and will, by the time called for herein, make or have waived all inspections of the Sale Parcel Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Sale Parcel. The parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, or assurances, oral or written, concerning the Sale Property, or any aspect of the Occupational Safety and Health Act, hazardous substance laws, or any other act, ordinance or law, have been made by either party, or are relied upon by either party hereto.

PACCAR 00405

9. Prorations. Real property taxes shall be prorated as of the Closing based upon the latest available tax bill and allocation of all real property taxes and assessments on the Torrance Property, one-half (1/2) to the Sale Parcel and one-half (1/2) to the Trico Retained Parcel. Such allocation and proration shall be made by deleting the personal property assessment and the taxes attributable thereto. For example, based upon the 1988-89 tax bill, the total taxes and assessments allocable to the real property would be $14,459.91, one-half of which would be attributed to the Sale Parcel for proration purposes. In the event any supplemental real property tax bill is issued after the Closing, Trico hereby agrees to be responsible for and to pay any additional taxes assessed for any period preceding the Closing and Buyer shall pay all other taxes allocable to the Sale Parcel from and after the Closing.

10. Brokerage Commissions and Finder's Fees. Each party hereby represents to the other that no real estate brokerage commissions or finder's fees are payable by either party with respect to the transactions contemplated herein as a result of such representing party's conduct, except those certain commissions and fees which may be payable to The Seeley Company pursuant to agreement with Trico and shared by The Seeley Company with Crown Associates pursuant to agreement between

PACCAR 00406

such two brokerage firms with which neither Buyer nor Seller is to be concerned. Trico agrees to pay such commissions and fees to The Seeley Company and to indemnify and hold Buyer harmless from any claim or liability in connection therewith or with respect to any other person representing or purporting to have represented Trico regarding the Sale Parcel. Buyer agrees to indemnify Trico and hold it harmless from any claim for commissions or other compensation asserted by Crown Associates or any other person representing or purporting to have represented Buyer with respect to the Sale Parcel.

11. Eminent Domain - Damages Prior to Closing.

(a) Eminent Domain. In the event prior to the Closing any eminent domain proceedings are pending or threatened, or any portion of the Sale Parcel has been taken under eminent domain or threat of eminent domain, Buyer shall have the option of (a) either terminating this Agreement and the Escrow, in which event each party shall be fully released of and from any and all liability to the other hereunder, or (b) of consummating the purchase of the Sale Parcel, in which event Buyer shall be entitled to all condemnation proceeds payable or paid with respect to the Sale Parcel and Trico shall be entitled to all condemnation proceeds payable or paid with respect to the Trico Retained Parcel and appurtenant rights and

PACCAR 00407

easements affecting the same. Trico represents that so far as known to it there are no public improvements in process or contemplated which would materially affect the Sale Parcel or its taxation.

(b) Destruction, Damage or Loss. If the cost of repair or cure for any destruction, damage or loss to the Sale Parcel occurring prior to the Closing is $10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within ten (10) days after receipt of written notice of a loss costing more than $10,000.00 to repair or cure, to either terminate this transaction or to purchase the Sale Parcel notwithstanding such loss, but without deduction or offset against the Purchase Price. If the cost to repair or cure is more than $10,000.00, and Buyer does not elect to terminate this transaction, Buyer shall be entitled to all of the insurance proceeds, if any, applicable to such loss and the exclusive right to settle and dispose of applicable insurance claim(s). Buyer is hereby informed that Trico's insurance coverage carries a $250,000.00 deductible amount. Unless otherwise notified in writing by either party, Escrowholder shall assume no destruction, damage or loss costing more than $10,000.00 to repair or cure has occurred prior to Closing.

PACCAR 00408

12. Legal Fees. In the event of the bringing of any action or suit by a party hereto against the other party hereunder by reason of any breach of any of the covenants, conditions, or provisions of this Agreement on the part of the other party, the party in whose favor final judgment on the principal issues shall be entered shall be entitled to recover from the other party all costs and expenses of the suit, including reasonable attorneys' fees, to be fixed by the Court in such action.

13. Soil Conditions. Subject to and without thereby qualifying or diminishing any of Trico's representations, warranties, covenants or agreements herein set forth, Buyer acknowledges that (a) the Sale Parcel is to be purchased by Buyer strictly "as is," "where is" and "with all faults," subject to all existing conditions of the soil and all improvements thereto and subject to all soil, groundwater and environmental conditions; and (b) Buyer further acknowledges and agrees that Trico disclaims any and all warranties whatsoever, express or implied, regarding the condition of the Sale Parcel, including without limitation any warranty of merchantability or fitness or utility or usability for a particular purpose. Trico's only obligation hereunder with respect to the condition of the Sale Parcel and all improvements thereto and/or the

PACCAR 00409

subsurface condition thereof shall be to provide to Buyer all documents and information covering the soil and groundwater studies made for Trico and relating to the Torrance Property, true and complete copies of which have been delivered to Buyer and are attached hereto and marked Exhibit B, receipt of which Buyer hereby acknowledges, which Trico warrants to be all documents known to Trico relating to such matters. Buyer further acknowledges and agrees that all test data and information included in Exhibit B relating to the Torrance Property, and all such data and information hereafter acquired by Buyer, are and shall be and remain the confidential property of Trico until Close of Escrow and that none of such data or information may be disclosed by Buyer to any person, firm or corporation prior to the Closing as to the Sale Parcel, except to Buyer's lenders, counsel, engineers and other advisors and prospective investors on the same confidential basis, and after the Closing as to any part of the Trico Retained Parcel not purchased by Buyer, without Trico's prior written consent unless pursuant to court order. Trico shall retain absolute dominion and control over and with respect to agency disclosures and negotiations until the Closing and thereafter with respect to any part of the Trico Retained Parcel not sold to Buyer. In furtherance and not in limitation of the foregoing provisions of this

PACCAR 00410

paragraph 12, the Deed shall contain the following statement which is a part of this Agreement:

> "The Grantee agrees that it and its successors and assigns shall assume all risk of and hereby expressly and generally releases the Grantor herein and its officers, directors, employees, shareholders, predecessors, successors and assigns, and each of them, from any and all claims, liabilities, damages, response costs and other expenses whatsoever respecting the condition of the real property described herein at the date of recordation of this Deed and thereafter. No further writing shall be required to evidence the Grantee's foregoing assumption of risk and general release. Such release shall not affect or apply to any use by the Grantor herein of or activity by the Grantor herein on any real property not described herein which subsequently affects the real property described herein, nor shall such release impair or abrogate any of the express representations and warranties made by the Grantor herein to the Grantee herein."

Subject to Trico's prior written approval in each instance thereof, which approval shall not be unreasonably

PACCAR 00411

withheld, Buyer may make such additional investigations and tests, assessments, studies and inspections as Buyer and its advisors may deem necessary or desirable during Buyer's 60 day investigation period specified in Section 4 above. Buyer shall fully protect, indemnify and save Trico harmless from and against any and all costs, expenses, claims, risks and liabilities arising out of, connected with or resulting from such investigatory and assessment work by or on behalf of Buyer, true copies of all documentation of which shall be delivered to Trico concurrently with delivery thereof to Buyer, all of which shall remain absolutely confidential and the property of Trico as provided above, excepting only for such data, information, investigatory and test results as may relate to the Sale Parcel only, which shall belong to Buyer from and after the Closing.

14. Possession. Possession of the Sale Parcel shall be delivered to Buyer at Closing, free and clear of all existing tenancies, if any, with all tenants, if any, having vacated the Sale Parcel.

15. Further Documentation. Each party agrees to provide to the other such documents, instruments and agreements, executed and acknowledged by such party (but without risk or expense to it), if necessary, as the other party shall reasonably require.

PACCAR 00412

16. Notices. All notices required or permitted under this Agreement shall be in writing, personally delivered or sent by certified mail or telecopier addressed to the parties at their respective addresses set forth below. Notices shall be effective and deemed given when personally delivered, or one day (24 hours) after telecopier transmission thereof or three days (72 hours) after mailing thereof. Either party may, by notice to the other, specify another address for the purpose of notification. The initial addresses of the parties are:

TO TRICO:

Mr. Robert L. Litschi, Vice President
Trico Industries, Inc.
P. O. Box 2909
3040 East Slauson Avenue
Huntington Park, California 90265

cc: Mr. Roger C. Pettitt
Brant & Pettitt
Attorneys at Law
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

TO BUYER:

Mr. Peter Tsai
c/o Gurewitz & Lieb
Attorneys at Law
10780 Santa Monica Boulevard, Suite 350
Los Angeles, California 90025

Attention: Mr. David Gurewitz

17. Successors and Assigns. All representations, warranties and agreements contained herein shall inure to the

PACCAR 00413

benefit of, and be binding upon, the parties hereto and their respective successors and assigns, provided that any assignment by Buyer of any of his rights hereunder shall not release Buyer from any of his obligations hereunder.

18. LIQUIDATED DAMAGES. TRICO AND BUYER, BEFORE ENTERING INTO THIS TRANSACTION, HAVE BEEN CONCERNED WITH THE FACT THAT DAMAGES WILL BE SUFFERED BY THE OTHER IF BUYER OR TRICO SHOULD FAIL TO PERFORM ACCORDING TO THE TERMS OF THIS AGREEMENT. TRICO AND BUYER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT AND IMPRACTICAL TO DETERMINE WITH ANY DEGREE OF CERTAINTY THE AMOUNT AND EXTENT OF DETRIMENT TO THE OTHER IF BUYER OR TRICO SHOULD FAIL OR REFUSE TO CLOSE ESCROW ACCORDING TO THE TERMS OF THIS AGREEMENT. TRICO AND BUYER, HEREBY AGREE THAT IN THE EVENT EITHER PARTY BREACHES ITS OBLIGATIONS TO CLOSE ESCROW, THE SUM OF FIFTY THOUSAND DOLLARS ($50,000.00) IS A REASONABLE ESTIMATE OF SUCH DAMAGES AND SAID SUM SHALL CONSTITUTE LIQUIDATED DAMAGES TO THE NON-DEFAULTING PARTY AND SHALL CONSTITUTE SUCH PARTY'S SOLE AND EXCLUSIVE REMEDY AT LAW OR EQUITY BY REASON OF SUCH BREACH AND ITS SOLE RIGHT TO DAMAGES, EXCEPT AS SET FORTH IN THE IMMEDIATELY FOLLOWING PARAGRAPH.

RH
Trico

Buyer

PACCAR 00414

Provided, however, that notwithstanding the foregoing, (a) Trico may not give notice of its intention to or otherwise purport to cancel this Agreement and pay to Buyer the sum of $50,000.00 as liquidated damages for such Trico breach during the Buyer's sixty (60) day contingency period specified in paragraph 4(a) above and (b) Trico may give to the Buyer and the Escrowholder written notice of cancellation of this Agreement and the Escrow after the expiration of the Buyer's sixty (60) day contingency period but more than 15 days prior to the Closing Date, any lesser notice of cancellation by Trico being ineffective for any purpose. If Trico should give such notice of cancellation then the Buyer may elect to either accept $50,000.00 as liquidated damages from Trico for such breach or to conclude the transaction by depositing in Escrow the balance of the purchase price and all documents required from the Buyer in accordance with this Agreement. Such election shall be made by the Buyer by written notice to Trico and the Escrowholder given not less than five days prior to the Closing Date and if the Buyer fails to give such notice, it shall be conclusively presumed that the Buyer has elected to accept said sum of $50,000.00 as liquidated damages whereupon this Agreement and the Escrow shall be cancelled and of no further force or effect and Trico shall pay all Escrow cancellation charges. Such

PACCAR 00415

election shall constitute the Buyer's sole and exclusive remedy for Trico's breach and the Buyer expressly waives any and all rights and/or remedies it may otherwise have, at law or in equity, by reason of such breach.

19. Effective Date. As used herein the term "Effective Date" means the date Buyer receives written notice from Trico that Trico's Board of Directors has approved this Agreement, which date shall be not later than ten (10) business days from the date hereof. If such notice is not received by Buyer within said ten (10) business day period, this Agreement shall be void.

20. Entire Agreement. This Offer revokes and supersedes any and all prior offers and counteroffers which may have been made by Buyer or Trico and, upon acceptance of this Offer by Trico, this Agreement shall constitute the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. It may not be changed orally but only be a writing signed by the party against whom any waiver, change, modification, extension or discharge is sought to be enforced.

21. Purchase Opportunity on Trico Retained Parcel. Upon consummation by Buyer of his purchase of the Sale Parcel, Trico grants to Buyer the purchase rights with respect to the Trico

PACCAR 00416

Retained Parcel on the terms and conditions set forth in Exhibit C attached hereto and incorporated herein.

Please indicate your acceptance of this Offer by executing it and dating it in the space provided below, in two or more counterparts, each of which shall be an original and all of which shall be one Agreement.

Very truly yours,

PETER TSAI

WIFE OF PETER TSAI

- BUYER

ACCEPTED this 12 day of ~~September~~ October, 1989:

TRICO INDUSTRIES, INC.

By_____
ROBERT L. LITSCHI

Its: Vice President

By_____

Its: Secretary

PACCAR 00417

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On September _____, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared PETER TSAI and _____ TSAI, husband and wife, personally known to me or proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

_____
Notary Public in and for Said County and State.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On ~~September~~ OCTOBER 12, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared ROBERT L. LITSCHI and _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person~~s~~ who executed the within instrument as the Vice President and Secretary, respectively, of TRICO INDUSTRIES, INC., the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors

WITNESS my hand and official seal.

Renate Müller
_____
Notary Public in and for Said County and State.

RENATE MULLER
Notary Public - California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19, 1991

EXHIBIT A - PLAT OF APPROXIMATE BOUNDARIES
OF SALE PARCEL AND TRICO RETAINED PARCEL

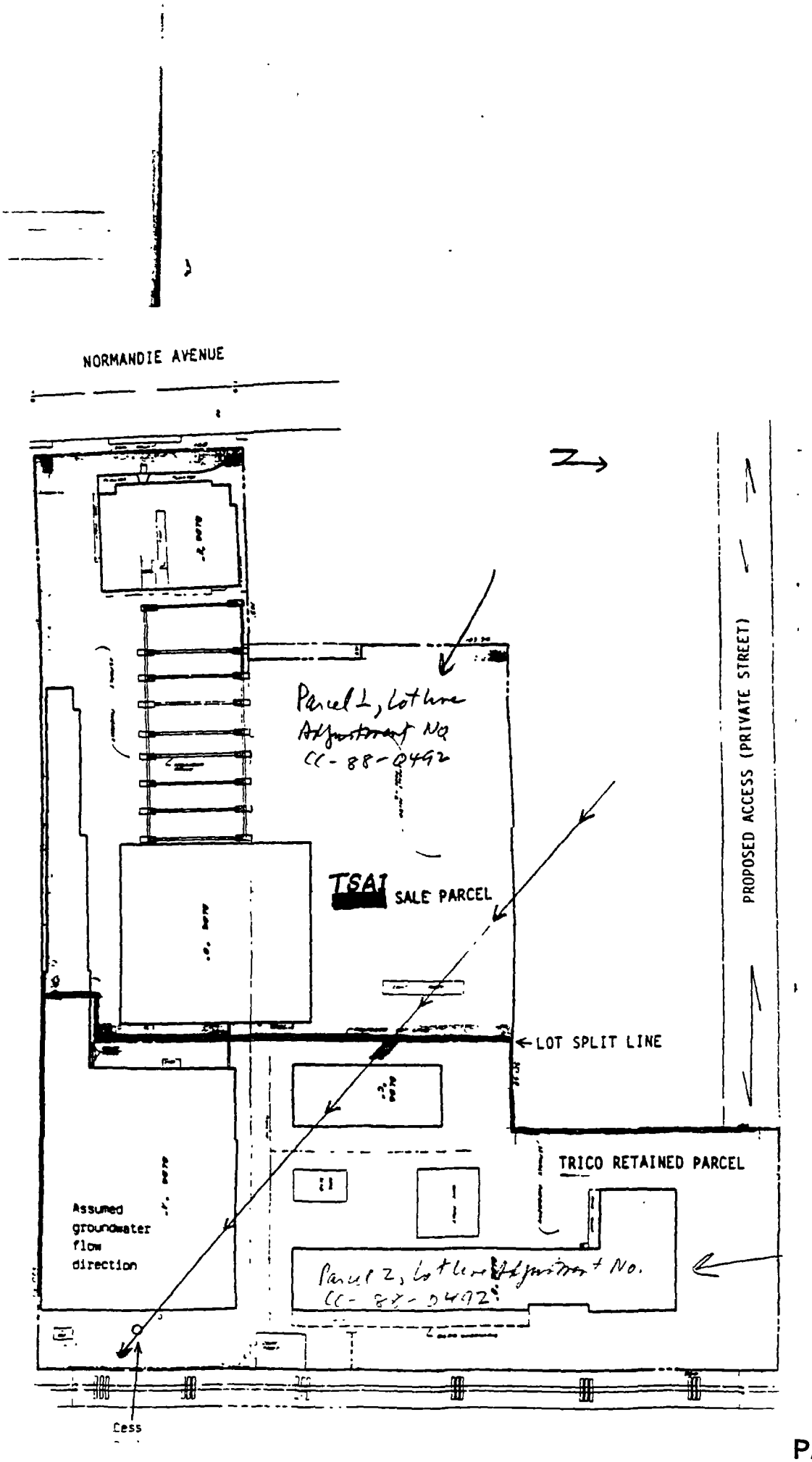
NORMANDIE AVENUE
N
Parcel 1, Lot line Adjustment No CC-88-0492
TSAI SALE PARCEL
PROPOSED ACCESS (PRIVATE STREET)
LOT SPLIT LINE
TRICO RETAINED PARCEL
Assumed groundwater flow direction
Parcel 2, Lot line Adjustment No. CC-88-0492
Cess

EXHIBIT B

This Exhibit B consists of the following:

1. Attachment 1 - August 14, 1989 Soils Investigation of Torrance Property - Summary of Results.

2. Attachment 2 - SCS Engineering Report

3. Attachment 3 - Environmental Permit and Related Documents.

4. Attachment 4 - Southern California Edison Co. Transformer Oil PCB Test.

TRICO INDUSTRIES, INC.
3040 East Slauson Ave., Huntington Park, CA 90255 • Telex 683-1574 • FAX (213) 586-8449 • (213) 588-1271

August 14, 1989

Soils Investigation for Torrance Property
Summary of Results

1. Preliminary Draft Report for Additional Site Investigation ... November 1987
   including -
   Report for Preliminary Site Investigation .... April 1987

   Initially, six borings were made for soils samples from various locations throughout the property. One area of low to moderate contamination was indicated at the location of a former cesspool, 40 - 50 feet below grade. The other borings did not result in any significant levels of hazardous waste contamination.

   Additional site investigation included drilling and installation of a ground water monitoring well and two additional bore holes for soils tests, all in the vacinity of the former cesspool. Conclusions indicated trace levels of industrial solvents and petroleum related hydrocarbons around and beneath the former cesspool. The ground water contamination could be site-specific, possibly a regional problem, or a combination of both.

2. Report for Further Site Investigation ... April 1988

   One additional ground water monitoring well was located upgradient approximately 170 feet from the first and one more soils boring was made to better define the contamination area. The soils samples indicate that the contamination (40-50 feet below grade) does not extend more than 40 feet north of the former cesspool.

   The ground water upgradient from the first well contained low levels of solvents of different concentrations and some different contaminants not found downgradient. This indicates that the contaminants in the second ground water samples originated upgradient, possibly off-site.

Both reports have been properly filed with the appropriate agency (SCWQCB).

TRICO INDUSTRIES, INC.
P.O. Box 108 • 15707 South Main Street, Gardena, California 90247 • (213) 516-5000
KOBE HYDRAULIC PUMPS

TRICO INDUSTRIES, INC.

Environmental Permit and Related Documents

Torrance Facility

1. Permit - Los Angeles Fire Department
   Abandon gasoline storage tank (1/15/87). Refiled as Application for Closure Permit - Los Angeles County Department of Public Works

2. Violation No. 268806 - Los Angeles County D.O.H.S. (4/25/83).
   Oil spill and clean-up with response of 10/5/83.

3. Permit L18847SFS - LPG tank (Cal OSHA)

4. Permit M216878 - paint dip tank (S.C.A.Q.M.D.)

F-350

Granted 1/15/87 Expires 1/15/88	**Fire Department** **City of Los Angeles** **PERMIT**	Reg. No. 55515 Fee Paid $190.00

In accordance with terms of the application on file with the Fire Prevention Bureau, permission is granted to:

Name
Trico Industries Inc.

Mail to
Trico Industries Inc.
19706 South Normandie Ave.
Torrance, California 90502

Permit to: abandon one atmospheric tank(s) as per specifications of the Fire Prevention Bureau and subject to the field inspectors approval at the site.

Location
19706 So. Normandie Ave.
Los Angeles, California

BY ORDER OF CHIEF ENGINEER

By: C. V. Drummond
Fire Marshal

B

APPLICATION FOR CLOSU'
HAZARDOUS MATERIALS UNDERGROUND STORAGE
COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS
WASTE MANAGEMENT DIVISION
2250 ALCAZAR STREET
LOS ANGELES, CALIFORNIA 90033

OWNER:
NAME Trico Industries, Inc
ADDRESS 15707 S. Main Street CITY Gardena STATE CA ZIP 90247

FACILITY:
NAME Trico Industries Torrance Facility
SITE ADDRESS 19706 S. Normandie Ave CITY Torrance, CA ZIP 90502
MAILING ADDRESS Same CITY STATE ZIP
CONTACT PERSON Leo P. Cahill TITLE Plant Manager PHONE (213) 516-5115

CLOSURE REQUESTED:
☐ TEMPORARY (REFER TO CONDITIONS A AND B ON BACK OF THIS FORM)
EFFECTIVE DATE OF CLOSURE
DATE OPERATION WILL RESUME
■ PERMANENT, TANK(S) REMOVAL DISPOSAL DESTINATION National Metals in Ontari
(REFER TO CONDITIONS A AND C ON BACK OF THIS FORM)
☐ PERMANENT, TANK(S) IN PLACE
(REFER TO CONDITIONS A AND D ON BACK OF THIS FORM)

TANK(S) DESCRIPTION: (ATTACH ADDITIONAL LIST IF NECESSARY.)

TANK NO.	MATERIAL	AGE (YEARS)	CAPACITY (GAL)	MATERIALS STORED (PAST AND PRESENT)
	Single Wall Steel	25+	500 gal.	Unleaded Gasoline

	YES	NO
HAS ANY UNAUTHORIZED DISCHARGE EVER OCCURRED AT THIS SITE?	☐	☒
HAVE STRUCTURAL REPAIRS EVER BEEN MADE ON THESE TANKS?	☐	☒
WILL NEW UNDERGROUND TANKS BE INSTALLED FOLLOWING CLOSURE?	☐	☒
WILL ANY WELLS, INCLUDING MONITORING WELLS, BE ABANDONED?	☐	☒

IF THE RESPONSE TO ANY OF THE ABOVE QUESTIONS IS YES, ATTACH EXPLANATION.

BY SIGNATURE BELOW THE APPLICANT CERTIFIES THAT HE/SHE HAS READ AND UNDERSTANDS THE CONDITIONS ON THE REVERSE SIDE OF THIS FORM AND THAT THE STATEMENTS AND DISCLOSURES ABOVE ARE TRUE AND CORRECT.

APPLICANT'S SIGNATURE DATE
OWNER ☐ OPERATOR ☐ CONTRACTOR
STATE LICENSE NO.

TO BE COMPLETED BY THE COUNTY ENGINEER

BY SIGNATURE BELOW APPLICANT IS GRANTED APPROVAL TO PROCEED WITH THE CLOSURE.

FEE COLLECTED $
PERMIT NO
FILE NO N/C

DATE
TO ARRANGE FOR AN INSPECTION, TELEPHONE

CL295 Revised 9/86

SCS ENGINEERS
STEARNS CONRAD AND SCHMIDT
CONSULTING ENGINEERS, INC.

4014 LONG BEACH BOULEVARD
LONG BEACH, CALIFORNIA 90807 2687
(213) 426-9544

ROBERT P STEARNS PE
E T CONRAD, PE

Terrill J Chang, PE
Miles J Haven
Michael W McLaughlin
Gary L Mitchell PE
Dean A Richesin CEG
David E Ross, PE
Krishan K Saigal PE
William L Schubert
James J Walsh, PE

July 16, 1987
File No. 18719.00

Mr. John Huff
County of Los Angeles
Department of Public Works
1540 Alcazar Street
Los Angeles, California 90033

Dear John,

Enclosed please find the completed permit application and related information for the Trico Industries Torrance facility. This facility had a 500 gallon underground unleaded gasoline storage tank removed on or about 1/15/87, and were granted a permit by the City of L.A. Fire Department. An inspector from the Fire Department was present during the removal of the tank, and soil samples taken during the tank removal reportedly were free of any contamination.

On 5/17/87, SCS Engineers preformed a preliminary site investigation at the Trico Industries Torrance facility. As is shown in the attached diagram, an exploratory boring was drilled to a depth of 20 feet through the center of the pit where the tank was formerly located. Soil samples were obtained at five-foot intervals using a modified California Split Spoon Sampler. The ten and fifteen foot samples were analyzed for BTX and TRPH; both samples showed no contamination. The associated boring log and Chain-of-Custody form are included, as is the permit granted by the Fire Dept.

Based on previous experience in the Torrance area, we know ground water will be encountered between 85 to 100 feet below grade.

Please call if you have any questions or require any additional information.

Very truly yours,

Greg Helland
Geologist
SCS Engineers

CHAIN OF CUSTODY RECORD

SCS ENGINEERS

PERSONNEL

Sampler (Signature) Greg Holland

Phone 426-9588

Field Crew Supervisor Manuel

Field Company H-F Drilling

Project Geologist/Engineer Greg Holland

SITE INFORMATION

Job Name Trico

Job Number 18717

Sample Location 19706 Normandie Torrance

P.O. Number

Relinquished by (Signature)	Received by (Signature)	Date	Time
Greg Holland	[illegible]	5/12/87	3:09
Relinquished by (Signature)	Received by (Signature)	Date	Time

Analysis laboratory should complete "sample cond. upon receipt" section below, sign, and return copy to Shipper

Sample Number	Sample Type	No. of Cont.	Site Identification	Date Sampled	Analysis Requested	Sample Cond. Upon Receipt
BH1-5	Soil	1	Torrance	5/12	archive	
10					BTX/TRPH	
15					"	
20					archive	
BH2-5					8010/8020	
10					8010/8020	
15					archive	
20					archive	
BH3-5					8010/8020	
10					8010/8020	
15					archive	
20					archive	
BH4-5					8010/8020	
10					8010/8020	
15					archive	
20					archive	

Remarks: Pg 1 of 2

County of Los Angeles
Department of Health Services
Department of Health Division
[illegible]
(OFFICE ADDRESS)

OFFICIAL NOTICE OF VIOLATION № 268806

County of Los Angeles Department of Health Services

Preventive/Public Health — Environmental Management

P1 of 2

DATE 4/25/83

TO TRICO INDUSTRIES ADDRESS 19706 S. NORMANDIE AVE TOR 90502

SUBJECT HAZ. WASTE CONTROL. ADDRESS 19706 S. NORMANDIE AVE TOR. 90502

YOU ARE HEREBY DIRECTED TO:

(1) DISCONTINUE DISCHARGE OF HAZARDOUS WASTE (WASTE OILS, Hydraulic, & Cutting oils) to GROUND SURFACES. FORTHWITH

(2) REMOVE AND LEGALLY DISPOSE OF HAZARDOUS WASTE AND MATERIALS CONTAMINATED WITH HAZARDOUS WASTE. HAZARDOUS WASTE MUST BE DISPOSED OF TO AN AUTHORIZED DISPOSAL SITE (IE. CLASS I DISPOSAL SITE OR PERMITTED/AUTHORIZED RECYCLING FACILITY). HAZARDOUS WASTE MUST BE TRANSPORTED (UNDER HAZARDOUS WASTE MANIFEST) BY A STATE D.O.H.S. PERMITTED HAZ. WASTE HAULER. SHOW PROOF OF PROPER/LEGAL DISPOSAL WITH A COMPLETED HAZ. WASTE MANIFEST.

(3) SUBMIT TO THIS DEPARTMENT A WRITTEN CLEAN-UP PLAN

This notice shall be complied with as required by: ☑ State Health and Safety Code, ☑ California Administrative Code, ☐ Los Angeles County Ordinance No. 7583, ☐ _____ City Ordinance No. _____, Other Code _____

CORRECTION DATE 5/9/83

RECEIVED BY X Leo P. Cahill 4-25-83

MAIL SERVICE ☐ FIRST CLASS ☐ CERTIFIED

LOS ANGELES COUNTY HEALTH OFFICER

BY R. Kobashigawa

TITLE

(WHITE VIOLATOR YELLOW SANITARIAN PINK DISTRICT DIRECTOR)

760298 H 777 (REV 3/75) 5/81

[redacted]

[redacted]

PACCAR 00428

County of Los Angeles
Department of Health Services
Occupational Health Division
Hazardous Waste Control Program
2615 S. Grand Ave. 6th Floor
Los Angeles, CA 90007
OFFICE ADDRESS

OFFICIAL NOTICE OF VIOLATION № ~~268807~~ 268806

County of Los Angeles Department of Health Services

Preventive/Public Health **Environmental Management**

P 20 P2

DATE 4/25/83

TO TRICO INDUSTRIES ADDRESS 19706 S. NORMANDIE AVE TOR 90502

SUBJECT HAZ. WASTE CONTROL ADDRESS 19706 S NORMANDIE AVE TOR 90502

FOR THE REMOVAL & DISPOSAL OF HAZARDOUS WASTE (AT THE DRAINAGE PICK AREA).

PLAN IS TO INCLUDE: (A) METHOD OF CLEAN-UP / DISPOSAL
(B) COMPANY NAMES, ADDRESSES, AND TEL # OF CLEAN-UP COMPANY & DISPOSAL SITES
(C) TIMES & DATES OF CLEAN-UP.
(D) A METHOD

JH 5/9/83

This notice shall be complied with as required by: ☑ State Health and Safety Code, ☑ California Administrative Code, ☐ Los Angeles County Ordinance No. 7583, ☐ _____ City Ordinance No. _____, Other Code _____

CORRECTION DATE _____

RECEIVED BY Leo P. Cahill 4-25-83

MAIL SERVICE ☐ FIRST CLASS ☐ CERTIFIED

LOS ANGELES COUNTY HEALTH OFFICER

BY R. Kobushigawa

TITLE

760298 H 777 (REV 3/75) 5/81

(WHITE VIOLATOR YELLOW SANITARIAN PINK-DISTRICT DIRECTOR)

[redacted]

[redacted]

PACCAR 00429

Los Angeles
Health Services

(OFFICE ADDRESS)

HEARING NOTICE No. 243659

County of Los Angeles Department of Health Services

Preventive/Public Health — Environmental Mangement

DATE June 1, 1983, 19

TO Trico Industries ATTN: Leo Cahill ADDRESS 19706 S. Normandie Ave., Torrance 90502

SUBJECT Hazardous waste control ADDRESS Railway property (NS) Knox & Del Amo (EW) Normandie & Pacific Gatewy

Upon inspection of the above property we found that you had not complied with: official Notice #268806

RE: Hazardous waste clean-up and disposal

Therefore, you are hereby requested to appear at a hearing on this matter. It will be held at 10:00 a.m. (A.M.) (P.M.)

on Thursday, June 9, 1983, 19

Place:

At this hearing you may present your plans for correcting the existing violations or reasons for non-compliance. You may be represented by legal counsel. FAILURE TO APPEAR MAY BE DEEMED CAUSE FOR FURTHER LEGAL ACTION.

RECEIVED BY

MAIL SERVICE: First Class [X] Certified [ ]

LOS ANGELES COUNTY HEALTH OFFICER

BY Thomas J. Twillie (TITLE)

H-778 (REV. 3-75)
76H376A — 8/81

(White - VIOLATOR; Yellow - SANITARIAN; Pink - DISTRICT DIRECTOR)

[redacted]

[redacted]

TRICO INDUSTRIES, INC.
P O Box 4358
19706 South Normandie Avenue
Torrance, California 90510-4358
(213) 515-1990
Telex. 683-1233
TWX. 910 346-6776
Cable. BANDWINC. Torrance

October 5, 1983

County of Los Angeles
Department of Health Services
2615 South Grand Avenue, #607
Los Angeles, CA. 90007

Attention: Mr. Roy Kobashigawa, Environmental Health Officer

Gentlemen,

We feel our responsibility for clean up extends from the initial point of spillage behind our property for 200 feet south of that point. Beyond this 200 feet, the drainage ditch gets much dirtier, the results of two (2) drain pipes draining runoff from Redman Industries' property. We feel we are not responsible for the clean up of their spillage. If indeed it is decided that our liability for clean up extends beyond the 200 feet that we have indicated as our responsibility, then we will be willing to contribute a portion of the costs for clean up with all other properties responsible for the clean up.

Our clean up will consist of the removal of surface debris for the specified 200 feet. We will also spread a layer of pea gravel over the portion of the ditch behind our property, approximately 60 feet from the initial point of the clean up. Our clean up will start on October 17, 1983, provided the weather permits it.

Further, if the railroad's property extends only 13 feet west of the center of the tracks, as they have indicated, then we request that the properties just east of the railroad tracks stop pumping water on to our property. We do not feel that our property should be subjected to flooding as the result of water being pumped off somebody else's property on to ours.

Sincerely,

Greg Bullard

Greg Bullard
Assistant Plant Manager

GB:smh
cc: D. Wagner
C. Moody
L. Cahill

FORM NO. 5-605 (REV. 4-82)

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH INVOICE
PRESSURE VESSEL UNIT
P. O. BOX 603, SAN FRANCISCO, CA 94101

No. L 18847

Permit to Operate Liquefied Petroleum Gas Tank

TANK NO. 5975-76 SFS
Mfg. No. B-58822)
NR

Ted Johnson Propane
5140 N. Elton St.
Baldwin Park, CA 91706

Attn: Accounts Payable

INSPECTED BY F. Villanueva

Owner or User	Location of Tank (N E yard)
Trico Industries	19706 S. Normandie, Torrance, CA 90502

Date of Inspection

03-19-86 05-30-86

PAID 60.00
JUN 20 1986
DIV. OCC. SAFETY & HEALTH
SANTA FE SPRINGS OFFICE

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank, and shall be made available to any authorized person.

This permit expires
- ☐ when there is a change or alteration affecting the safety of the installation
- ☒ three years from date of inspection
- ☐ five years from date of inspection

THIS CERTIFIES *that the above described Liquefied Petroleum Gas Tank has been inspected by the Division of Industrial Safety and may be operated at a pressure not to exceed* 250 *pounds per square inch.*

Labor Code, Division 5, Part 6

/jh

Inspection Agency DIVISION OF INDUSTRIAL SAFE7

QUIN ① T OSP

PACCAR 00432

South Coast
AIR QUALITY MANAGEMENT DISTRICT

HEADQUARTERS, 9150 E. FLAIR DR., EL MONTE, CA 91731

JULY 16, 1987

TRICO INC INC. B & W DIV ID - 008599
P.O. BOX 4359
TORRANCE CA 90510

OFFICIAL DOCUMENT

ANNUAL VALIDATION OF PERMIT TO OPERATE

DEAR PERMIT HOLDER:

THIS LETTER IS THE OFFICIAL NOTICE OF RENEWAL AND ACKNOWLEDGEMENT OF PAYMENT FOR THE ATTACHED LIST OF PERMIT(S) TO OPERATE. OPERATION UNDER THIS LETTER AND THE PERMIT(S) WHICH IT RENEWS MUST BE CONDUCTED IN COMPLIANCE WITH ALL INFORMATION INCLUDED WITH THE INITIAL APPLICATION AS WELL AS THE INITIAL PERMIT CONDITIONS. THE EQUIPMENT MUST BE MAINTAINED AND KEPT IN GOOD CONDITION AT ALL TIMES. UNLESS OTHERWISE SPECIFICALLY STATED, THE ORIGINAL PERMIT TO OPERATE REMAINS IN FULL FORCE AND EFFECT, AND MUST BE RETAINED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT.

FOR FURTHER INFORMATION, OR IF YOU HAVE ANY QUESTIONS REGARDING THIS LETTER, PLEASE CALL CUSTOMER SERVICE AT (818) 572-6326.

SINCERELY,

JAMES M. LENTS, PH.D.
EXECUTIVE OFFICER

NEW CONDITIONS (NONE)
RENEWAL(S) ATTACHED

1702

PACCAR 00433

South Coast
AIR QUALITY MANAGEMENT DISTRICT

HEADQUARTERS, 9150 E FLAIR DR., EL MONTE, CA 91731

JULY 16, 1987

TRICO IND INC, B & W DIV
19706 S NORMANDIE AV
TORRANCE CA 90510000

ID - 038599

PERMIT RENEWALS

PERMIT NUMBER	DESCRIPTION	APPLIC NUMBER	EXPIRATION DATE
M21678	TANK, PAINT DIP	C39824	08/16/88

17021

PACCAR 00434

RECEIVED MAR 1 1 1988

Southern California Edison Company
P O BOX 4699
1924 CASHDAN STREET
COMPTON, CALIFORNIA 90224

March 8, 1988

TRICO INDUSTRIES
19706 South Normandie
Torrance, CA 90502

ATTENTION: Leo Cahill

REFERENCE: SCE Work Order Number 6032-8800 8-8803 For Transformer Oil PCB Test

Dear Mr. Cahill:

Enclosed you will find a copy of our PCB test for the transformers at your facility. The test results, per the laboratory report, shows a non detectable amount of PCB's, or less than 2 parts per million (2ppm).

If you have any questions, please contact me at 213/608-5000.

Sincerely,

C. P. Martin

C. P. MARTIN
Customer Service Planner
Compton District

CPM:ian

Enclosure

March 4, 1988

Mr. M. L. Merlo
District Manager
Compton District
Attention: Walt Jeffrey

Determination of PCB in
Transformer Oil

Reference Laboratory Request Number(s): 88-0549-(1-3)

Attached please find the results for the sample(s) received on March 1, 1988.

If you have any questions about the report or the manner in which the sample(s) were analyzed, please contact Reuben A. Lacuata at either PAX 37-253 or 37-215.

R. M. Warner
Supervisor, Industrial Hygiene
Occupational Safety & Health Division

Attachment

Report of Analysis

LABORATORY REQUEST NUMBER	TEST RESULT DATE	DESCRIPTION	PCB CONTENT ug/g (ppm)
18-0549-1	03/03/88	Transformer oil S/N 62SH1909 W/H 333kVA/16	N.D. <2
18-0549-2	03/03/88	Transformer oil S/N C21933-1-1 Penn 333kVA/16	N.D. <2
18-0549-3	03/03/88	Transformer oil S/N C21933-1-3 Penn 333kVA/16	N.D. <2

CB RESULTS ONLY.

SCS ENGINEERS
STEARNS, CONRAD AND SCHMIDT
CONSULTING ENGINEERS, INC.

3711 Long Beach Blvd
Ninth Floor
Long Beach, CA
90807

(213) 426-9544
FAX (213) 427-0805

June 2, 1988
File No. 18746

Mr. Newton Wells
Trico Industries
15707 South Main Street
Gardena, CA 90247
VIA TELEFAX (213) 516-5070

Subject: Revised Proposal for Installation of Additional Ground Water Monitoring Well(s) and Subsurface Borings at TRICO Torrance Facility

Dear Newton:

Enclosed herewith is our revised proposal to install additional ground water monitoring wells and subsurface borings at the Torrance facility. As we discussed, at least one additional well is needed to provide the necessary information to determine the actual direction of the ground water gradient on the property. The most likely location would be somewhere in the southwest portion of the proposed subdivided property.

If a fourth monitoring well is to be installed, we would recommend placement somewhere upgradient (preferably along Normandie Avenue). This well would provide information to determine if any contaminants are migrating onto the TRICO property.

The proposed program should provide the necessary information to demonstrate to interested buyers that the site does not contain levels of hazardous constituents and therefore would be suitable for property acquisition and development.

Based on work completed to date, we do not recommend the installation of probes for vadose zone monitoring. None of the soil data from the most recent site investigation suggests that significant levels of volatile organic compounds are present in the soil. Therefore, in our opinion, monitoring of the vadose zone is not necessary.

If our proposal meets with your approval, please sign in the space provided below and return one copy of this letter to our office. The project will be completed under the terms and conditions of the enclosed agreement. Should you have any questions regarding our proposal, please contact the undersigned.

Sincerely,

Kenneth V. LaConde
Project Director

Thomas Dong
Thomas Dong
Project Manager
SCS Engineers

enclosures

Accepted by: _____

Title: _____

Effective Date: _____

EXHIBIT 1
COST ESTIMATE FOR INSTALLATION OF TWO WELLS
TRICO TORRANCE FACILITY

==========

Task 1 - Drilling, Soil Sampling, and Well Installation

Effort required to drill and sample soils from two borings to ground water. Includes mob/demob, travel time, on-site survey, in-house prep work, etc.....$4250

On-site geologist to direct drillers, make field observations, log borings, in-house prep work, etc.....$1500

Retrieval of samples including sampler, sample tubes, proper identification, chain-of-custody documentation, transport to lab, and materials to backfill, etc.....$750

Well materials including blank and slotted casing, sand, bentonite, locking cover, steam cleaner, developing of well by surging and pumping, and grouting of well.....$4750

Sampling of ground water wells (two occasions) including geologist, pump, bailer, sampling vials, and storage containers.....$1500

Survey of wells.....$1000

Task 2 - Laboratory Analysis of Soil/Water Samples

14 samples for EPA 8240 @ $225 each.....$3150
6 water samples for EPA 624 @ $225 each.....$1350

Task 3 - Report Preparation

Prepare hydrogeologic assessment report.....$4500

Total Estimated Cost for Tasks 1 through 4 .....$22,750
Miscellaneous Direct Costs (phone, mileage, repro, etc.....$500
Subtotal Costs.....$23,250
Coordination, and Administration.....$3,500
TOTAL COST.....$26,750

==========

Cost are calculated on a non-rush basis allowing 4-5 weeks to complete the work. Monitoring wells are to be drilled to an approximate depth of 85 to 90 feet below grade.

EXHIBIT 2
COST ESTIMATE FOR SITE INVESTIGATION
TRICO TORRANCE FACILITY

	Amount($)
Task 1 - Drilling and Soil Sampling	
Effort required to drill and sample soils from 5 exploratory borings. Two borings to 40 feet and three to 20 feet. Includes mob/demob, travel time, on-site survey, in-house prep work, etc.	$2250
On-site geologist to direct drillers, make field observations, log borings, in-house prep work, etc.	$500
Retrieval of samples including sampler, sample tubes, proper identification, chain-of-custody documentation, transport to lab, and materials to backfill, etc.	$500
Task 2 - Laboratory Analysis of Soil Samples	
5 samples for selected metals @ $150 each	$ 750
10 samples for EPA Method 8010 @ $125 each	$1250
10 samples for EPA Method 8020 @ $100 each	$1000
Task 3 - Report Preparation	
Prepare report of findings	$1750
Total Estimated Cost for Tasks 1 through 4	$8,000
Miscellaneous Direct Costs (phone, mileage, repro, etc.	$250
Subtotal Costs	$8,250
Coordination, and Administration	$1,250
TOTAL COST	$9,500

AGREEMENT BETWEEN

TRICO INDUSTRIES

AND SCS ENGINEERS

This Agreement is made by and between TRICO Industries Incorporated (Client") and SCS Engineers ("SCS").

WITNESSETH

That for the considerations set forth below, the parties hereto do agree as follows:

1. Description of Services:

   Conduct Additional Ground Water and Subsurface Soil Investigation for TRICO Torrance facility as outlined in proposal and cost Exhibits 1 and 2 dated June 2, 1988. Work is to include the installation of two ground water monitoring wells and drilling of five exploratory borings.

2. Period of Performance:

   The period of performance of the project is from the effective date of contract as shown in proposal dated June 2, 1988 to November 30, 1988. SCS will provide report to client approximately four to five after on-site work is initiated.

3. Basis of Compensation

   SCS is to be compensated for completion of the work as outlined in our proposal. The not-to-exceed cost for the project is $36,250

4. Method of Invoicing:

   The client will be invoiced on a monthly basis through the completion of the project.

5. Professional Retainer:

   A retainer is not required.

PACCAR 00442

6. General Conditions:

a. Payments for invoices prepared by SCS are due and payable upon receipt. Service charges of 1.5 percent per month, compounded monthly, may be added to amounts for which payments are not received within 45 days of invoice dates.

b. This Agreement may be terminated by either party hereto upon 15 days notice in writing to the other party. Upon termination, SCS shall prepare and submit a final invoice for services rendered to date of termination together with any termination expenses incurred.

c. Any work in addition to that described in Paragraph 1 above performed at the request of the Client shall be compensated on a time-and-material basis at the rates contained in SCS's Schedule of Fees in effect at the time of performance of the work.

d. The parties hereto shall maintain in full force and effect commercial general liability insurance with coverage limits in amounts no less than $1 million combined single limit naming TRICO Industries, Inc. and PACCAR Inc., its parent corporation as additional insureds, and workers compensation insurance as required by law. Evidence of such insurance shall be provided in the form of a Certificate of Insurance prior to performance of this contract.

e. Any drawings and specifications developed pursuant to this Agreement are instruments of service, and as such the original documents, tracings, and field notes are and remain the property of SCS regardless of whether the work for which they were prepared is executed.

f. In the event that legal action is instituted to enforce any of the terms of this Agreement, the party which does not prevail shall pay the legal expenses of the prevailing party, including attorney's fees.

g. The parties hereto binds itself, its successors, executors, administrators and assigns to the other party to this Agreement and to the successors, executors, administrators, and assigns of such other party in respect of all covenants of this Agreement.

h. Client agrees to defend, indemnify, and hold SCS, its agents, subcontractors, and employees harmless for and against any and all claims, damages, and other liabilities rising out of SCS' reports or recommendations concerning this agreement, SCS' presence on the project property or the presence, sudden and/or gradual release, or threatened release of hazardous substances or pollutants on or from the project property; provided that the client shall not indemnify SCS to the extent caused by or resulting from negligence of SCS, its agents, subcontractors, or employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the effective date of this Agreement.

RESPONSE #10 cont'd

REVISED REPORT FOR PRELIMINARY SITE INVESTIGATION AT THE TRICO INDUSTRIES FACILITY, 19706 NORMANDIE AVENUE TORRANCE, CALIFORNIA

Prepared for:

TRICO
15707 South Main Street
Gardena, California 90247

Prepared by:

SCS Engineers
4014 Long Beach Boulevard
Long Beach, California 90807
(213) 426-9544

November 1987

File No. 18719

DISCLAIMER

This report has been specifically prepared for Trico Industries, Incorporated with specific application to hazardous waste site investigations. The report has been prepared in accordance with the care and skill generally exercised by reputable professionals, under similar circumstances, in this or similar localities. No other warranty, either expressed or implied, is made as to the professional advice presented herein.

INTRODUCTION

On April 27, 1987 SCS Engineers was retained by Trico Industries, Incorporated to conduct a preliminary site investigation on a proposed subdivided portion of their property located at 19706 Normandie Avenue, Torrance, California (Figure 1). The proposed subdivided parcel encompasses an area of approximately 118,000 square feet. The purpose of this investigation was to determine the presence of hazardous waste contamination, if any, at two locations on or near the property boundary. The investigation included the retrieval and analysis of soil samples from two exploratory borings.

A preliminary site reconnaissance survey was conducted on May 10, 1987. Based on the visual inspection of the property and information provided to SCS by facility personnel, two areas of potential concern were identified. The two on-site locations are the former vehicle maintenance facility and the area where a 500 gallon underground tank and fueling island were located. The underground tank and appurtenant equipment were removed from the property in January 1987. The locations of the former vehicle maintenance shop and underground tank equipment are shown in Figure 2.

The Trico Industries Torrance facility manufactures well completion equipment for the oil well industry. The plant was constructed in various phases between the 1930's and 1983, and has always been used for this type of manufacturing. Originally, the site contained only the office buildings located at the west end of the property, with the manufacturing buildings being added later.

According to facility personnel, hazardous materials currently used on-site are paints, paint thinner, and various types of lubricating and hydraulic oils.

REGIONAL GEOLOGY

The Trico Industries Torrance site is situated at an approximate elevation of 50 feet above mean sea level. The site is located on the late Pleistocene age sediments of the Lakewood formation. The Lakewood formation is composed of generally fine to medium grained sands which were deposited as alluvium. The sediments contain much fine grained material which was deposited in a flood plain environment.

The Torrance site is located in the West Coast Basin of the Los Angeles Central Basin. The uppermost ground water in

this area is found in the Gage aquifer, which is considered an important, high producing aquifer. The top of the Gage aquifer is located approximately 100 feet below grade in the vicinity of the Torrance facility.

ON-SITE INVESTIGATION

The on-site investigation was conducted on May 12, 1987. Drilling was performed by H-F Drilling utilizing a Mobile B-61 drilling rig mounted with a 7.5 inch hollow stem auger. Soil samples were retrieved using a modified California Sampler driven into the soil by a weighted slide hammer. As shown in Figure 2, two exploratory borings were drilled on-site to a depth of 20 feet. Samples were retrieved at depths 5, 10, 15, and 20 feet in each boring. Geologic logs for each boring are provided in Appendix A.

A total of eight soil samples were retrieved from the site during drilling. Each sample was retrieved by placing six 3-inch stainless steel sleeves inside the California Sampler before it was driven into the soil. Each time the sampler was retrieved, the most representative bottom sample sleeve was removed, logged by our on-site geologist, covered with aluminum foil, sealed on both ends with tight-fitting plastic end caps, and secured with electrical tape.

MATERIAL AND METHODS

Each soil sample was identified with a sample number, and placed in a refrigerated cooler for transport to the SCS Analytical Laboratory. Chain-of-custody forms were appropriately completed by our field geologist and laboratory personnel to ensure proper and accurate sample tracking/analysis in the laboratory. Upon arrival at the SCS Laboratory, all samples were placed in a freezer at -10°C.

Soil samples from each boring were selectively analyzed as shown in the following table.

SOIL SAMPLING LOCATIONS AND ANALYTICAL PARAMETERS

Sample I.D.	Location	Analytical Parameters
BH-1	Former U/G Tank	BTX and TRPH*
BH-2	Vehicle maintenance	EPA 8010/8020

* BTX = benzene, toluene, and xylene
TRPH = total recoverable petroleum hydrocarbons

PACCAR 01129

The BTX and TRPH analyses are used to determine the presence of any fuel-related constituents and total petroleum-based hydrocarbons in the soil. EPA Methods 8010 and 8020 are gas chromatographic analyses used to detect the presence of halogenated aliphatic and aromatic solvents in a soil or solid matrix.

RESULTS

The soil samples analyzed from boring BH-1 located near the former underground fuel storage tank did not contain any detectable levels of BTX or TRPH (detection limits of 0.01 and 1 part per million, respectively).

Samples analyzed from boring BH-2 contain relatively low levels (less than 30 ppb) of various solvent-related constituents, however, we do not feel that these levels represent anything especially significant. The 5-foot sample showed toluene at a concentration 128 ppb. The origin of the toluene is uncertain, but could be a remnant constituent of small amounts of petroleum related compounds which may have been released into the soil during previous maintenance activities.

CONCLUSIONS

Analysis of samples from boring BH-1 in the former underground storage tank area do not indicate or suggest that soils are contaminated with gasoline or any other fuel-related constituents.

The soil samples from BH-2 also showed low levels of solvent constituents, as well as 128 ppb toluene (a petroleum related constituent). This area was used for the servicing of vehicles, and is highly oil stained on the surface. The soil contamination is probably the result of vehicle servicing and possibly the spilling or indiscriminate disposal of oils and/or degreasing solvents.

In summary, based on the limited data generated as a result of this preliminary site investigation, we do not feel that there are any significant problems associated with hazardous constituents near the former underground tank area or vehicle maintenance facility.

RECOMMENDATIONS

Based on the results of our limited preliminary site investigation work, we do not feel that there are any significant concentrations of contaminants in subsurface soils at these two locations. Therefore, no further site investigation work in these areas is recommended.

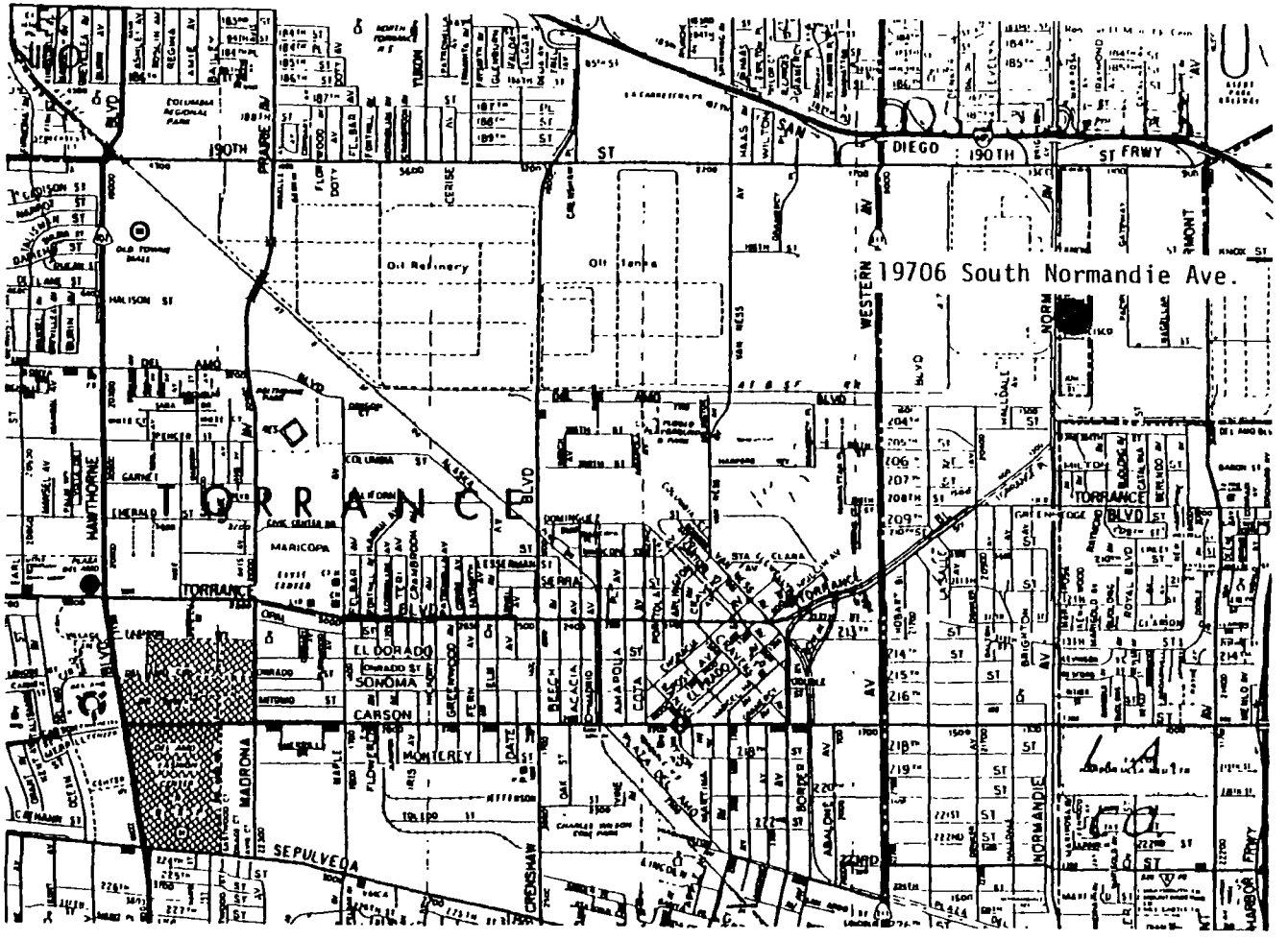

Figure 1.

Location of Trico Industries Torrance facility, 19706 South Normandie Avenue, Torrance, California.

SCS ENGINEERS

STEARNS, CONRAD AND SCHMIDT CONSULTING ENGINEERS, INC.

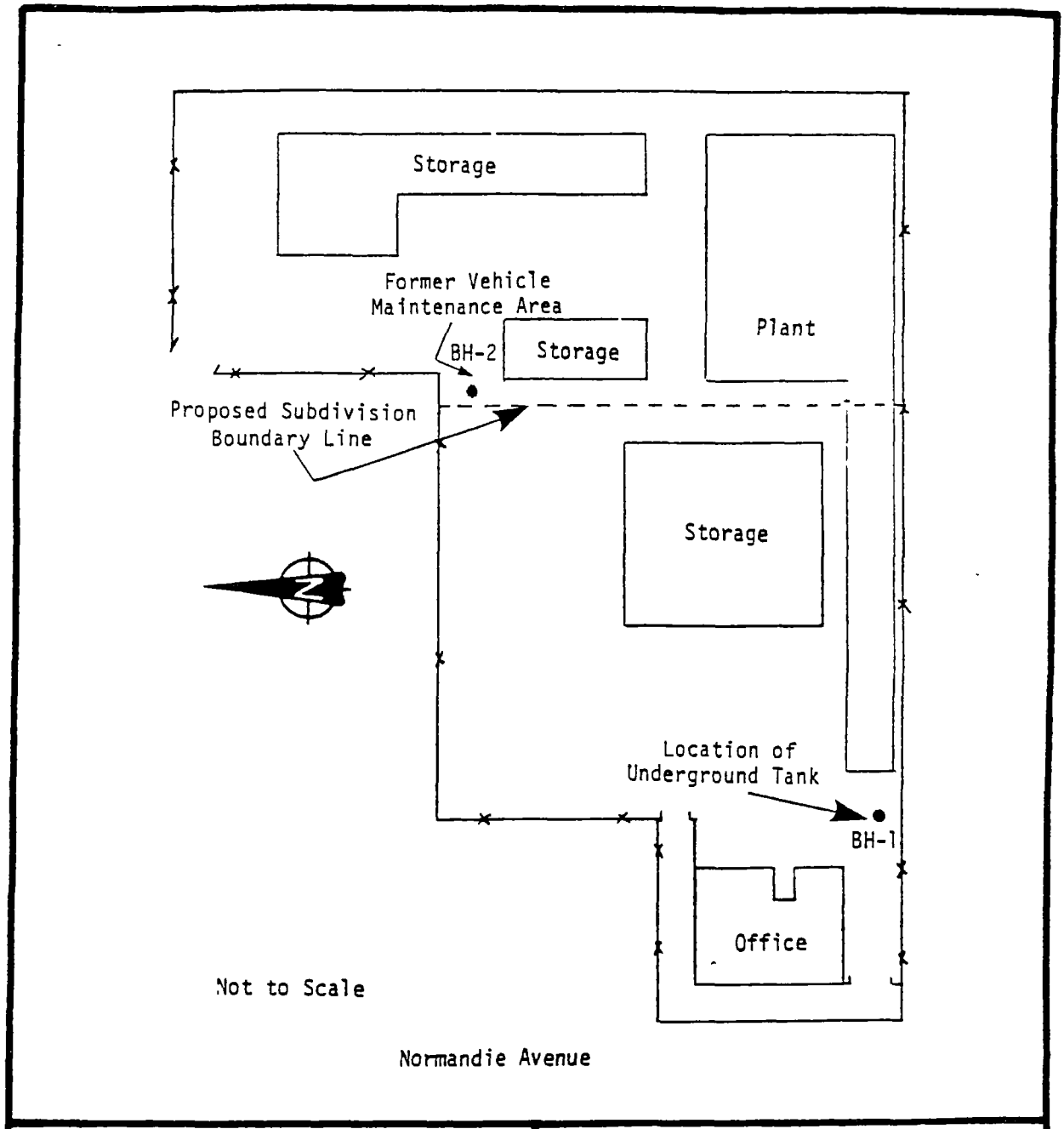

Figure 2

Location of exploratory borings at the Trico Industries facility, 19706 South Normandie Avenue, Torrance, California.

SCS ENGINEERS

00680

PACCAR 01133

APPENDIX A

GEOLOGIC BORING LOGS

SCS ENGINEERS
4014 Long Beach Blvd
Long Beach
California 90807-2587
(213) 426-9544
FAX (213) 427-0805

SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger DH-
LOGGED BY Greg Helland

SURFACE ELEVATION IN FEET DATUM

GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D					2" of asphalt underlain by a brown sandy clay with gravel - fill material	light
BH1-5		5	CL	■	brown silty clay, no fines, moist, stiff, no odor.	
BH1-10		10	CL	■	light brown clay, no fines, moist, moist, hard, no odor.	
BH1-15		15	CL	■	light brown silty sand, few fines, dry, very stiff, contains root holes, no odor.	
BH1-20		20	CL	■	light brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
		25			Total Depth 20'	
		30				
		35				

00682

PACCAR 01135

SCS ENGINEERS
Long Beach
California
(213) 426-9544
FAX (213) 427-0805

SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger
LOGGED BY Greg Helland

DH-

SURFACE ELEVATION IN FEET DATUM

	GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M - D - O (RC)
Sample I.D.						2" of asphalt underlain by a dark brown to black silty clay	
BH2-5			5	CL	■	green brown slightly sandy clay stained for 6", fine grains, moist, very stiff, slight odor.	
BH2-10			10	CL	■	light brown silty clay, slightly mottled, few fines, moist, very stiff, contains root holes, no odor.	
BH2-15			15	CL	■	light brown silty clay, few fines, dry, very stiff, no odor.	
BH2-20			20	CL	■	light brown silty clay, few fines, dry, very stiff, no odor, contains root holes.	
						Total Depth at 20 ft.	
			25				
			30				
			35				

00683

PACCAR 01136

APPENDIX B

ANALYTICAL DATA FOR SOIL SAMPLES

SCS ENGINEERS ANALYTICAL LABORATORY
4014 Long Beach Boulevard
Long Beach, CA 90807
(213) 494-2828

MEMO
To: Greg Helland

From: Curtis Jenkins — June 3, 1987

Job No.: 18719 — Page 1 of 1

LABORATORY REPORT

Samples: Fourteen (14) soil samples from Trico, Normandy, Torrance, received 5/12/87.

Sample I.D.	Benzene	Toluene	Xylenes	TRPH
	mg/kg			
BH1-10	<0.01	<0.01	<0.01	<1
BH1-15	<0.01	<0.01	<0.01	<1

EPA 8010 and 8020 - see attached; separate sheet per sample.

TRPH - Total Recoverable Petroleum Hydrocarbons
D - Diesel

David Sincerbeaux
Chemist

Curtis B. Jenkins
Laboratory Director

---

tricol.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH2-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	ND	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

trico3.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH 2-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	128	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

trico2.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH_2-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	11	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	13	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico11.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH2-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	23	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	8	5
1,1,1-trichloroethane	20	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico10.rep16

J. Dunavant
4-5-5

REPORT FOR PRELIMINARY SITE INVESTIGATION AT THE TRICO INDUSTRIES FACILITY, 19706 NORMANDIE AVENUE TORRANCE, CALIFORNIA

SCS ENGINEERS
STEARNS, CONRAD AND SCHMIDT
CONSULTING ENGINEERS, INC.

June 12, 1987

REPORT FOR PRELIMINARY SITE INVESTIGATION AT THE TRICO INDUSTRIES FACILITY, 19706 NORMANDIE AVENUE TORRANCE, CALIFORNIA

Prepared for:

TRICO
15707 South Main Street
Gardena, California 90247

Prepared by:

SCS Engineers
4014 Long Beach Boulevard
Long Beach, California 90807
(213) 426-9544

June 12, 1987

File No. 18719

DISCLAIMER

This report has been specifically prepared for Trico Industries, Incorporated with specific application to hazardous waste site investigations. The report has been prepared in accordance with the care and skill generally exercised by reputable professionals, under similar circumstances, in this or similar localities. No other warranty, either expressed or implied, is made as to the professional advice presented herein.

INTRODUCTION

On April 27, 1987 SCS Engineers was contracted by Trico Industries, Incorporated to conduct a preliminary site investigation at their facility located at 19706 Normandie Avenue, Torrance, California (Figure 1). The purpose of this investigation was to determine the presence of hazardous waste contamination, if any, on the facility. The investigation included the retrieval and analysis of soil samples from six exploratory borings.

The Trico Industries Torrance facility manufactures well completion equipment for the oil well industry. The plant was constructed in 1952, and has always been used for this type of manufacturing. Originally, the site contained only the office buildings located at the west end of the property, with the manufacturing buildings being added later.

The plant at one time had a cesspool behind the main manufacturing building. The cesspool was apparently installed in 1968, and was abandoned around 1974-75. Early in 1987, it was filled in and covered with asphalt. Reportedly, the cesspool was for sewage, but oil and solvents were disposed of in there as well. Information on the types and volumes of oil and solvent which were disposed of was not available.

According to facility personnel, hazardous materials currently used on-site are paints, paint thinner, and various types of lubricating and hydraulic oils.

REGIONAL GEOLOGY

The Trico Industries Torrance site is situated at an approximate elevation of 50 feet above mean sea level. The site is located on the late Pleistocene age sediments of the Lakewood formation. The Lakewood formation is composed of generally fine to medium grained sands which were deposited as alluvium. The sediments contain much fine grained material which was deposited in a flood plain environment.

The Torrance site is located in the West Coast Basin of the Los Angeles Central Basin. The uppermost ground water in this area is found in the Gage aquifer, which is considered an important, high producing aquifer. The top of the Gage aquifer is located approximately 100 feet below grade in the vicinity of the Torrance facility.

ON-SITE INVESTIGATION

The on-site investigation was conducted on May 12, 1987. Drilling was performed by H-F Drilling utilizing a Mobile B-61 drilling rig mounted with a 7.5 inch hollow stem auger. Soil samples were retrieved using a modified California Sampler driven into the soil by a weighted slide hammer. As shown in Figure 2, six exploratory borings were drilled on-site to a depth of 20 feet. Samples were retrieved at depths 5, 10, 15, and 20 feet in each boring with the exception of BH-6. Samples from BH-6 were retrieved at depths 5, 10, 15, 20, 30, 40, 50, and 60 feet. Geologic logs for each boring are provided in Appendix A.

A total of 28 soil samples were retrieved from the site during drilling. Each sample was retrieved by placing six 3-inch stainless steel sleeves inside the California Sampler before it was driven into the soil. Each time the sampler was retrieved, the most representative bottom sample sleeve was removed, logged by our on-site geologist, covered with aluminum foil, sealed on both ends with tight-fitting plastic end caps, and secured with electrical tape.

MATERIAL AND METHODS

Each soil sample was identified with a sample number, and placed in a refrigerated cooler for transport to the SCS Analytical Laboratory. Chain-of-custody forms were appropriately completed by our field geologist and laboratory personnel to ensure proper and accurate sample tracking/analysis in the laboratory. Upon arrival at the SCS Laboratory, all samples were placed in a freezer at -10°C.

Soil samples from each boring were selectively analyzed as shown in the following table.

SOIL SAMPLING LOCATIONS AND ANALYTICAL PARAMETERS

Sample I.D.	Location	Analytical Parameters
BH-1	Former U/G Tank	BTX and TRPH*
BH-2	Solvent storage	EPA 8010/8020
BH-3	Steam cleaning area	EPA 8010/8020
BH-4	Steam cleaning area	EPA 8010/8020
BH-5	Vehicle maintenance	EPA 8010/8020
BH-6	Cesspool area	EPA 8010/TRPH

* BTX = benzene, toluene, and xylene
TRPH = total recoverable petroleum hydrocarbons

The BTX and TRPH analyses are used to determine the presence of any fuel-related constituents and total petroleum-based hydrocarbons in the soil. EPA Methods 8010 and 8020 are gas chromatographic analyses used to detect the presence of halogenated aliphatic and aromatic solvents in a soil or solid matrix.

SITE GEOLOGY

The subsurface soils at the Trico Industries Torrance facility consist initially of dark brown to brown sandy to silty clay. This generally grades down to a light brown silty sand, except in BH-2 where a thin (six inch) layer at the 5-foot level was a grey green color. Below 20 feet, the soils in BH-6 (the only boring drilled deeper than 20 feet) graded to a brown, well graded sand. Between 40 to 48 feet this sand is stained black, and has a strong odor. Below this stained layer is a grey brown silty clay which is mottled, and has a slight odor. At 60 feet begins a layer of fine grained brown sand. The boring was drilled to a total depth of 60 feet. Ground water was not encountered in any of the exploratory borings.

RESULTS

The soil samples analyzed from boring BH-1 located near the former underground fuel storage tank did not contain any detectable levels of BTX or TRPH (detection limits of 0.01 and 1 part per million, respectively).

Soil samples taken from the area where the paint solvents are stored contain relatively low levels (less than 20 parts per billion [ppb]) of solvent-related contaminants at the 5-foot level. The 10-foot sample contains a slightly elevated level (296 ppb) of methylene chloride.

Samples analyzed from borings BH-3, BH-4, and BH-5 all contain relatively low levels (less than 30 ppb) of various solvent-related constituents, however, we do not feel that these levels represent anything especially significant. Borings BH-4 and BH-5 both contained toluene in the 5-foot samples at concentrations of 89 and 128 ppb, respectively. The origin of the toluene is uncertain, but could be a remnant constituent of small amounts of petroleum related compounds which may have been released into the soil.

Samples analyzed from boring BH-6 (near the former cesspool) contain relatively low levels of tetrachloroethane and 1,1,1-trichloroethane (TCA) in the 10- and 20-foot samples. The 40-foot sample, which was where the soils were highly stained, contains 17,600 ppb of 1,2-dichloroethane (DCA), 3070 ppb of tetrachloroethane, and 1477 parts per million (ppm) of diesel fuel. The sample at 60 feet showed reduced levels, but still contained 62 ppb of 1,2-DCA, 122 ppb of tetrachloroethane, and 117 ppb of methylene chloride. The analytical data of soil samples is provided in Appendix B.

CONCLUSIONS

Analysis of samples from boring BH-1 in the former underground storage tank area do not indicate or suggest that soils are contaminated with gasoline or any other fuel-related constituents.

The samples from the boring by the solvent storage area showed relatively low levels of solvent related constituents, which could possibly be the result of small amounts of spillage allowing the solvents to seep into the soils.

Borings BH-3 and BH-4 were located in an area where steam cleaning formerly was done. The low levels of contamination could possibly be the result of this steam cleaning process which may have washed solvents and fuel related constituents through cracks in the asphalt. A small separator sump for the steam cleaning is located in the vicinity of these two borings, and could also be a possible source of the low levels of contamination that were detected in this area.

The soil samples from BH-5 also showed low levels of solvent constituents, as well as 128 ppb toluene (a petroleum related constituent). This area was used for the servicing of vehicles, and is highly oil stained on the surface. The soil contamination is probably the result of the vehicle servicing and possibly the spilling or indiscriminate disposal of oils and/or degreasing solvents.

Boring BH-6 was placed as close as possible to the former cesspool in order to determine if any contamination occurred from the disposal of oil and solvents in the cesspool. The samples from the 10- and 20-foot depths showed low levels (less than 100 ppb) of contamination from solvents. The 40-foot sample, however, contains high levels of both chlorinated solvents and diesel fuel. The highly stained soils are approximately eight feet thick. Underlying this is a layer of clay which is approximately 12 feet thick. The sample at 60 feet was taken from sands which are under this clay layer, and shows reduced levels of tetrachloroethane, 1,2-DCA, and a trace amount of methylene chloride. This suggests that the clay layer has probably inhibited the downward migration of these contaminants.

In summary, based on the limited data generated as a result of this preliminary site investigation, we do not feel that there are any significant problems associated with hazardous constituents in borings BH-1, BH-2, BH-3, BH-4, or BH-5. However, the analytical data relevant to boring BH-6 indicates that there are significant concentrations of chlorinated solvents and petroleum hydrocarbons at approximately 40 feet below grade. Although the 60-foot sample showed a significant reduction of these chlorinated compounds, the possibility exists for potential contamination of ground water beneath the cesspool area.

RECOMMENDATIONS

Since borings BH-1 through BH-5 did not result in any significant levels of hazardous waste contamination, no further site investigation work in these areas is recommended. However, additional site investigation work is recommended for the cesspool area. Our recommendations include:

- Drill one monitoring well to determine if ground water beneath the area has been impacted by the former cesspool operation.
- Install vapor well(s) to extract solvents contained at approximately 40 feet below grade.
- Drill additional exploratory in the vicinity of the cesspool to identify the extent of possible lateral migration into surrounding soils at the 40 to 50-foot depth.

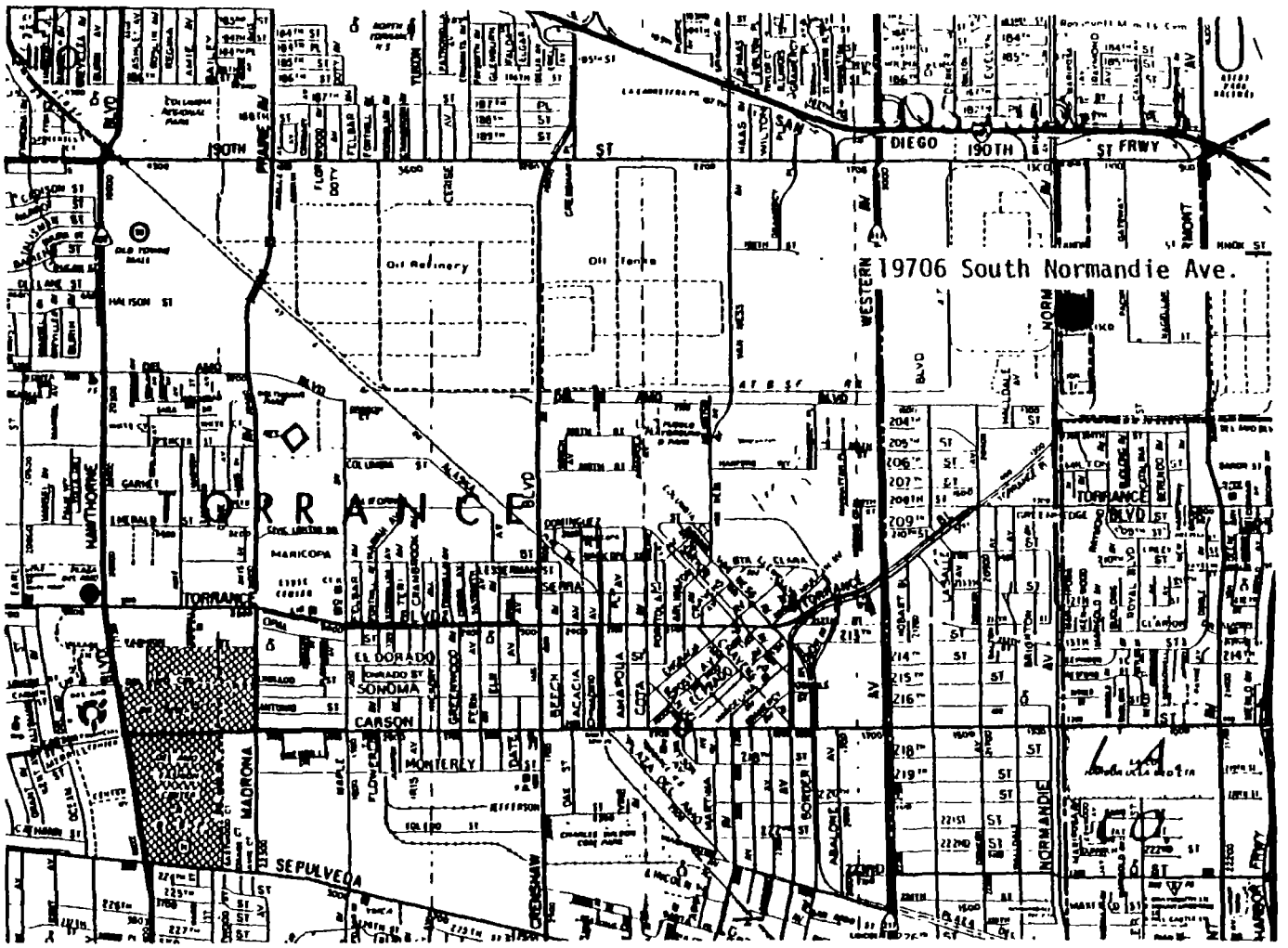

Figure 1.

Location of Trico Industries Torrance facility, 19706 South Normandie Avenue, Torrance, California.

SCS ENGINEERS

STEARNS, CONRAD AND SCHMIDT CONSULTING ENGINEERS, INC.

PACCAR 01152

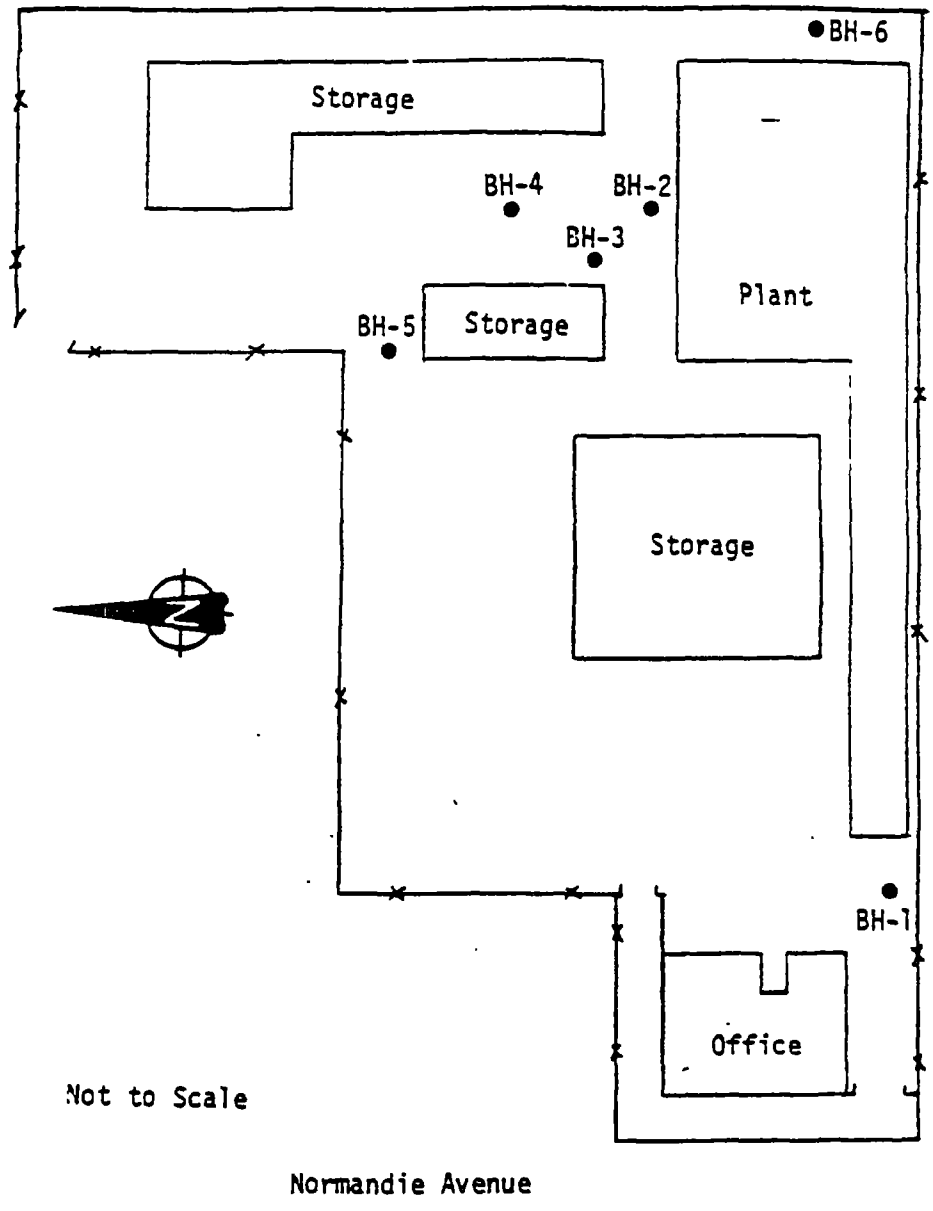

Figure 2

Location of exploratory borings at the Trico Industries facility, 19706 South Normandie Avenue, Torrance, California.

SCS ENGINEERS

APPENDIX A

GEOLOGIC BORING LOGS

SCS ENGINEERS
4014 Long Beach Blvd
Long Beach
California 90807 2587
(213) 426-9544
FAX (213) 427 0805

SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger DH-
LOGGED BY Greg Helland

SURFACE ELEVATION IN FEET DATUM

	GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D						2" of asphalt underlain by a light brown sandy clay with gravel - fill material	
BH1-5			5	CL		brown silty clay, no fines, moist, stiff, no odor.	
BH1-10			10	CL		light brown clay, no fines, moist, moist, hard, no odor.	
BH1-15			15	CL		light brown silty sand, few fines, dry, very stiff, contains root holes, no odor.	
BH1-20			20	CL		light brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
			25			Total Depth 20'	
			30				
			35				

SCS ENGINEERS
4014 Long Beach Blvd
Long Beach
California 90807 2587
(213) 426-9544
FAX (213) 427-0805

SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger
LOGGED BY Greg Helland

DH-

SURFACE ELEVATION IN FEET DATUM

GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D.					2" of asphalt underlain by a dark brown to black silty clay	
BH2-5		5	CL	■	green brown slightly sandy clay, stained for 6", fine grains, moist, very stiff, slight odor.	
BH2-10		10	CL	■	light brown silty clay, slightly mottled, few fines, moist, very stiff, contains root holes, no odor.	
BH2-15		15	CL	■	light brown silty clay, few fines, dry, very stiff, no odor.	
BH2-20		20	CL	■	light brown silty clay, few fines, dry, very stiff, no odor, contains root holes.	
					Total Depth at 20 ft.	
		25				
		30				
		35				

SCS ENGINEERS
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(213) 426-9544
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SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger
LOGGED BY Greg Helland

DH-

SURFACE ELEVATION IN FEET DATUM

GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D.					2" of asphalt underlain by dark brown to black silty clay.	
BH3-5		5	CL	■	reddish brown clay, no fines, dry, very stiff, no odor.	
BH3-10		10	CL	■	light brown silty clay, few fines, dry, hard, contains root holes, no odor.	
BH3-15		15	CL	■	light brown silty clay, few fines, dry, hard, contains root holes, no odor.	
BH3-20		20	CL	■	light brown silty clay, few fines, dry, hard, contains root holes, no odor.	
					Total Depth 20'	
		25				
		30				
		35				

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4014 Long Beach Blvd
Long Beach
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(213) 426-9544
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SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger DH-
LOGGED BY Greg Helland

SURFACE ELEVATION IN FEET DATUM

GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D.					2" of asphalt underlain by dark brown to black silty clay	
BH4-5		5	CL	■	dark brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
BH4-10		10	CL	■	light brown silty clay, few fines, dry, hard, contains root holes, no odor.	
BH4-15		15	CL	■	light brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
BH4-20		20	CL	■	light brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
		25			Total Depth 20'	
		30				
		35				

SCS ENGINEERS
4014 Long Beach Blvd
Long Beach
California 90807 2587
(213) 426-9544
FAX (213) 427-0805

SCS Job No. 18719

Site: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger DH-
LOGGED BY Greg Helland

SURFACE ELEVATION IN FEET DATUM

	GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D.					2"	of oil stained asphalt underlain by dark brown silty clay	
BH5-5			5	CL		dark brown silty clay, few fines, dry, very stiff, no odor.	
BH5-10			10	CL		light brown silty clay, few fines, dry, hard, contains root holes, no odor.	
BH5-15			15	CL		light brown silty clay, few fines, dry, very stiff, contains root holes, no odor.	
BH5-20			20	CL		light brown silty clay, few fines, moist, very stiff, contains root holes, no odor.	
			25			Total Depth 20'	
			30				
			35				

SCS ENGINEERS
4014 Long Beach Blvd
Long Beach
California 90807 2587
(213) 426-9544
FAX (213) 427 0805

SCS Job No. 18719

Location: Trico Industries - Torrance

LOG OF DRILL HOLE

DRILLED 05/12/87 WITH Mobile B-61
DIAMETER OF DRILL HOLE IN INCHES 7 inch hollow stem auger
LOGGED BY Greg Helland

DH-

SURFACE ELEVATION IN FEET DATUM

GEOLOGICAL CLASSIFICATION DESCRIPTION	ELEVATION IN FEET	DEPTH IN FEET	SYMBOL	SAMPLES	ENGINEERING CLASSIFICATION AND DESCRIPTION	TEST DATA M-D-O (RC)
Sample I.D.					2" of asphalt underlain by brown silty clay	
BH6-5		5	CL	■	dark brown silty clay, few fines, moist, very dense, no odor.	
BH6-10		10	CL	■	light brown silty clay, few fines, moist, very stiff, contains root holes, no odor.	
BH6-15		15	CL	■	light brown silty clay, few fines, moist, very stiff, contains root holes, no odor.	
BH6-20		20	CL	■	light brown silty clay, slightly mottled, few fines, very stiff, contains root holes, slight odor.	
		25				
BH6-30		30	SW	■	brown sand, fine grained, moist, dense, well graded, somewhat stained, slight odor, quartz grains.	
		35				

APPENDIX B

ANALYTICAL DATA FOR SOIL SAMPLES

SCS ENGINEERS ANALYTICAL LABORATORY
4014 Long Beach Boulevard
Long Beach, CA 90807
(213) 494-2828

MEMO
To: Greg Helland

From: Curtis Jenkins — June 3, 1987

Job No.: 18719 — Page 1 of 1

LABORATORY REPORT

Samples: Fourteen (14) soil samples from Trico, Normandy, Torrance, received 5/12/87.

Sample I.D.	Benzene	Toluene	Xylenes	TRPH
	mg/kg			
BH1-10	<0.01	<0.01	<0.01	<1
BH1-15	<0.01	<0.01	<0.01	<1
BH6-10	---	---	---	<1
BH6-20	---	---	---	<1
BH6-40	---	---	---	1477 D
BH6-60	---	---	---	<1

EPA 8010 and 8020 - see attached; separate sheet per sample.

TRPH - Total Recoverable Petroleum Hydrocarbons
D - Diesel

David Sincerbeaux
Chemist

Curtis B. Jenkins
Laboratory Director

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tricol.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH5-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	ND	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH3-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	ND	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

trico6.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH4-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	89	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

trico8.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8020

Sample I.D.: BH4-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Benzene	ND	10
Chlorobenzene	ND	10
Ethylbenzene	ND	10
Toluene	ND	10
Xylenes	ND	10
1,2-Dichlorobenzene	ND	10
1,3-Dichlorobenzene	ND	10
1,4-Dichlorobenzene	ND	10

D.L. = Detection Limit
ND = Not Detected

trico9.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH5-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	23	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	8	5
1,1,1-trichloroethane	20	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico10.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH6-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	7	5
1,1,1-trichloroethane	92	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico12.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH6-20
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	16	5
1,1,1-trichloroethane	62	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico13.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH6-40
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	17600	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	3070	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico14.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH6-60
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	62	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	117	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene (PerK)	122	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico15.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH2-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	20	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	10	5
1,1,1-trichloroethane	8	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico16.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH2-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	296	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	ND	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico17.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH3-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	ND	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico18.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH3-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	46	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	ND	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico19.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH4-5
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	ND	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	ND	5
1,1,1-trichloroethane	ND	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico20.rep16

SCS ENGINEERS ANALYTICAL LABORATORY
Addendum Report, EPA 8010

Sample I.D.: BH4-10
Date: 6/3/87
Matrix: soil

Compound	Result	D.L. ug/kg
Bromomethane	ND	50
Bromodichloromethane	ND	5
Bromoform	ND	5
Carbon Tetrachloride	ND	5
Chlorobenzene	ND	5
Chloroethane	ND	50
2-chloroethylvinyl ether	ND	50
Chloroform	ND	5
Chloromethane	ND	50
Dibromochloromethane	ND	5
1,1-dichloroethane	ND	5
1,2-dichloroethane	ND	5
1,1-dichloroethene	ND	5
trans-1,2-dichloroethene	ND	5
1,2-dichloropropane	ND	5
cis-1,3-dichloropropene	ND	5
trans-1,3-dichloropropene	ND	5
Methylene Chloride	27	50
1,1,2,2-tetrachloroethane	ND	5
Tetrachloroethene	ND	5
1,1,1-trichloroethane	11	5
1,1,2-trichloroethane	ND	5
Trichloroethene	ND	5
Trichlorofluoromethane	ND	5
Vinyl Chloride	ND	50

D.L. = Detection Limit
ND = Not Detected

trico21.rep16

RKB

MEMORANDUM

DATE: July 19,1995
TO: Larry Sims
FROM: Doug O'Halloran/Richard Coles

RE: PRELIMINARY COMMENTS TO H20 SCIENCE REPORT

Site Investigation at Trico Industries
1206 West 196th Street
Torrance California

- Several data gaps exist in the site investigation reports conducted to date. Therefore, it is difficult to clearly define the sources and extent of contamination at this site. The H20 science report identifies potential sources of soil and groundwater contamination at the site without a strong basis for such a determination. For example, the report identifies sources of VOC and hydrocarbon contamination in the groundwater without verification of the direction of groundwater flow. Given the proximity of the subject site to several known Superfund projects and other industrial sites in the immediate vicinity, it is essential to consider off-site sources of groundwater contamination.

  migration to GW

- In addition, the report does identify off-site wells with similar VOC's. Further investigation is necessary to identify potential sources of contamination.

- To determine the cleanup action levels, the Interim Guidance Document for the cleanup of VOC impacted sites, prepared by the Regional Water Quality Control Board (RWQCB), should be utilized rather than simply using 20 times the MCL for soil and 5 times the MCL for groundwater. The guidance document contains a methodology for calculating cleanup levels for VOC in the vadose zone as well as for groundwater. In addition, the use of a health based Risk Assessment may also be applicable to achieve site closure.

  Guidance Doc What does it say

- The extent and the sources of soil and groundwater contamination have not been adequately defined. Therefore, it is too early to suggest a remediation strategy (i.e soil vapor extraction and pump and treat) for this site. Further site investigations may identify off-site sources of contamination. Further investigation is necessary to:

  - Determine the direction of groundwater flow. H20 Science only drilled two wells in the first water bearing zone. A minimum of three wells are necessary to determine groundwater flow direction.

Regional Flow SE

Preliminary Comments Continued.

- Further investigation is necessary to determine the potential for off-site sources of contamination. The H20 Science report presents several neighboring properties with the potential for adverse environmental impacts. Data pertaining to specific site investigation/remedial activities were not obtained for these sites.

- Further investigation is necessary to delineate the limits of soil and groundwater contamination.

- The "pump and treat" remediation strategy for groundwater cleanup chosen by H20 science may not be the most suitable for this site. Upon completion of site characterization, a feasibility study is necessary to determine the most suitable and cost effective remedial technology for site cleanup. Typically, conventional pump and treat methods can be considered costly given the prolonged time required to achieve adequate cleanup. Regional Problem

- Monitor wells MW-1 and MW-2, installed by SCS Engineers, were screened through both shallow water bearing zones at the site. These water zones are defined in the H20 Science report. Since these wells are screened in both zones, the water samples collected and analyzed by H20 are not valid discrete samples indicative of a single aquifer and can not be correlated to the samples collected from monitor wells MW-3 and MW-4. Furthermore, since the construction of these wells (MW-1 and MW-2) were not isolated properly, there is a potential for cross contamination between water bearing zones.

- The clarifier is identified as a potential source of hydrocarbon contamination at the site. The basis for this determination is one soil sample, collected from HA-12 at 3 feet below ground surface with BTX/E concentrations of ND, 7.3, 210, and 13 mg/kg respectively. It is important to note that the results from HA-11, located immediately adjacent to the clarifier, indicate BTX/E concentrations below detection levels at 9 feet below ground surface.

In summation, in order to determine the level of effort and financial allocation necessary to remediate impacted soils and groundwater, it is imperative to evaluate the potential contribution of contamination from nearby off-site sources. In addition, it is also necessary to complete the assessment of the extent of contamination, followed by an engineering feasibility study to determine the appropriate remediation strategy for site closure. Set Cleanup levels

GUREWITZ & LIEB
ATTORNEYS AT LAW

SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025
TELEPHONE (310) 475-8551
FAX (310) 474-6225

JUL 14 REC'D

FAXED

cc: Sims
Butler
Dunavant
Tribler 8/11, 9/09

Date: 7/13/95

To: Phillip E. Gladfelter Fax No. (206) 453-4900

From: David M. Gurewitz Fax No. (310) 474-6225

Re: Peter Tsai / Mighty Enterprises File No. 2329

Number of pages sent 3 including cover page.
If transmission is incomplete, please call (310) 475-8551

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COMMENTS:

Ltr dated July 13, 1995 w/ enclosure.

W:\WPDATA\FORM_LTR\FAXTRANS

GUREWITZ & LIEB
ATTORNEYS AT LAW

SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

TELEPHONE (310) 475-8551
FAX (310) 474-6225

July 13, 1995

BY FAX (206) 453-4900
AND REGULAR MAIL

Mr. Phillip E. Gladfelter
Corporate Real Property Manager
PACCAR, INC.
777-106th Avenue N.E.
Bellevue, Washington 98004

Re: Peter Tsai/Mighty Enterprises, Inc. purchase of real property commonly known as 1206 West 196th Street, Torrance, California/Our File No. 2329

Dear Mr. Gladfelter:

With the original of this letter I am enclosing an original fully signed First Amendment to Commercial Real Estate Purchase Agreement reflecting signatures thereon of both parties.

Thank you for your courtesies respecting this request.

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/jh
Enclosures
cc: Roger Pettitt (w/encl.)
Maurice Neri, your reference escrow no. 95-5063 (w/encl.)
Eric Herold (w/encl.)

FIRST AMENDMENT

TO

COMMERCIAL REAL ESTATE PURCHASE AGREEMENT

Reference is made to the Commercial Real Estate Purchase Agreement (the "Agreement") dated February 21, 1995 between Trico Industries, Inc. as Seller and Peter Tsai as Buyer, respecting certain real property in Torrance, California more particularly described therein.

The parties agree that the Agreement is amended to extend the expiration date of the Approval Period to August 12, 1995, and to extend the date by which the closing shall occur to September 11, 1995.

As amended hereby, the Agreement is ratified and confirmed and remains in full force and effect.

Executed as of this 3rd day of July, 1995.

Trico Industries, Inc.

By _____
Its Vice-Chairman

SELLER

_____
Peter Tsai, as his sole and separate property

BUYER

DALCIN CUMMINS ASSOCIATES

PROFESSIONAL ENGINEERS • LAND DEVELOPMENT CONSULTANTS

'95 MAY 03 REC'D

File - Arco Survey

TO: Gureowitz & Lieb
10780 Santa Monica Blvd., #350
Los Angeles, CA 90025

DATE: May 1, 1995

JN: 24103

ATTENTION: David Gureowitz

RE: 19706 S. Normandie, Torrance - A.L.T.A. Survey

TRANSMITTED VIA. Mail

WE ARE ENCLOSING HEREWITH:

The following

- ☐ Tracings
- ☐ Transparencies
- ☒ Prints
- ☐ Documents
- ☐ Legal Description
- ☐ Other _____

For:

- ☐ Your information and file
- ☒ In accordance with your request
- ☐ Review and comment
- ☐ Please sign and return
- ☐ Your approval
- ☐ Please advise as to status

REMARKS:

FATCOLA
520 N. Central Avenue
Glendale, CA 91203
Attn: Maurice Neri
Escrow No. 955063-MN, PTR No. 9248546-21

CC: PACCAR
P.O. Box 1515
Bellevue, WA 98009
Attn: Phil Gladfelter

BY: Steve Cummins/dh

17625 Crenshaw Boulevard • Suite 300 • Torrance, California 90504 • (310) 327-0018 • (213) 321-0330 • FAX (310) 327-0175

KNOX STREET

NORMANDIE AVENUE

INGRESS/EGRESS EASEMENT TO DOMINGUEZ WATER CORPORATION PER DOCUMENT RECORDED FEB 1, 1990 AS INST NO 90 178472 O.R. (ITEM 11)

25' x 25 ROAD EASEMENT PER DOCUMENT RECORDED MAY 21, 1909 IN BOOK 6204, PAGE 284 O.R. (ITEM 3)

12.50' COUNTY OF L.A. EASEMENT FOR SEWER LINES PER DOCUMENT RECORDED JULY 29, 1968 IN BOOK D4981, PAGE 835 O.R. (ITEM 11)

25.00' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PAGE 136, O.R. (ITEM 4)

60 FOOT WIDE EASEMENT TO DOMINGUEZ WATER CORPORATION TO DRILL AND PUMP WATER BUT RESERVING CERTAIN RIGHTS FOR OWNER PER DOCUMENT RECORDED FEB 1, 1990 AS INSTRUMENT NO 90-178472 O.R. (ITEM 11)

10.00' EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 26834 PAGE 88, O.R. (ITEM 6)

25.00' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PG 136, O.R. (ITEM 4)

W'LY BOUNDARY LINE OF THE CITY OF LOS ANGELES PER TRACT NO 32030, MAP BOOK 851, PAGES 12-14

10.00' WIDE EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 26833 PAGE 78 O.R. (ITEM 5)

(BUILDING "A") ONE-STORY WAREHOUSE BUILDING APPROX AREA = 21,910 S.F.

(BUILDING "B") APPROX AREA = 7840 S.F.

(BUILDING "C") ONE-STORY WAREHOUSE BUILDING APPROX AREA = 4100 S.F.

APPROX COVERED AREA = 3720 S.F.

ASPHALT PAVEMENT

CONCRETE RAMP

6' HIGH CHAIN LINK FENCE ON PROPERTY LINE

6' HIGH OLD CHAIN LINK FENCE 0.06' OUTSIDE PROP

6' HIGH NEW CHAIN LINK FENCE 0.44' INSIDE PROP

TRANSITION

NORTH LINE OF SOUTH HALF OF LOT 6 TRACT 4671

NORTH LINE OF SOUTH 220 FEET OF LOT 7 OF TRACT 4671

SOUTH LINE OF LOT 7 OF TRACT NO 4671

FACTING LOT LINE (SOUTH LINE OF LOT 6 OF TRACT NO 4671)

N 89°54'05"E 660.23

S 89°54'05"W 660.30

N 89°54'05"E 402.38

N 89°54'05"E 374.64

N 89°54'05"E 245.84

S 0°04'28"E 136.81

S 0°04'28"E 220.00

N 0°04'28"E 40.00

N 0°04'28"E 220.00

N 0°04'28"E 571.67

S 89°54'05"W 31.76

N 89°54'05"E 11.21

N 89°54'05"E 11.20

N 89°54'05"E 11.21

N 0°04'28"E 40.00

VICINITY MAP

NTS

LOS ANGELES

ALTA/ACSM LAND TITLE SURVEY

DATE 11/13/94 SCALE 1" = 30'

DESIGNED S.C. DRAWN NB

REVISION

3-7-95 S.C.

Dalcin Cummins Associates

PROFESSIONAL ENGINEERS • LAND DEVELOPMENT CONSULTANTS

Torrance California 90504

(213) 321-0330 • (213) 327-0018

PROJECT NUMBER 24103

PACCAR 01184

KNOX STREET

NORMANDIE AVENUE

INGRESS, EGRESS EASEMENT TO DOMINGUEZ WATER CORPORATION PER DOCUMENT RECORDED FEB 1, 1990 AS INST NO 90 178472 O.R. (ITEM 11)

12.50 COUNTY OF L.A. EASEMENT FOR SEWER LINES PER DOCUMENT RECORDED JULY 25, 1928 IN BOOK 5481 PAGE 333 O.R. (ITEM 11)

25' x 25' ROAD EASEMENT PER DOCUMENT RECORDED MAY 27, 1909 IN BOOK 6 2042 PAGE 184 O.R. (ITEM 9)

25.00' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PAGE 136, O.R. (ITEM 4)

NORTH LINE OF LOT 6 OF TRACT 4671

60 FOOT WIDE EASEMENT TO DOMINGUEZ WATER CORPORATION TO DRILL AND PUMP WATER BUT RESERVING CERTAIN RIGHTS FOR OWNER PER DOCUMENT RECORDED FEB 1, 1990 AS INSTRUMENT NO. 90-178472 O.R. (ITEM 11)

10.00' EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 25853 PAGE 85, O.R. (ITEM 6)

6' HIGH CHAIN LINK FENCE ON PROPERTY LINE

25.00' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PG. 136, O.R. (ITEM 4)

W'LY BOUNDARY LINE OF THE CITY OF LOS ANGELES PER TRACT NO 32030, MAP BOOK 851, PAGES 12-14

10.00 WIDE EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 25853 PAGE 78 O.R. (ITEM 5)

APPROX. COVERED AREA = 3720 S.F.

(BUILDING "B") APPROX. AREA = 7840 S.F.

(BUILDING "C") ONE-STORY WAREHOUSE BUILDING APPROX. AREA = 4100 S.F.

(BUILDING "A") ONE-STORY WAREHOUSE BUILDING APPROX. AREA = 21,970 S.F.

ONE-STORY WAREHOUSE BUILDING

PARCEL 1

ASPHALT PAVEMENT

CONCRETE RAMP

CONC PAVEMENT

CONC SLAB

6' HIGH CHAIN LINK FENCE O.L. INSIDE PROPERTY

12' HIGH BLOCK WALL

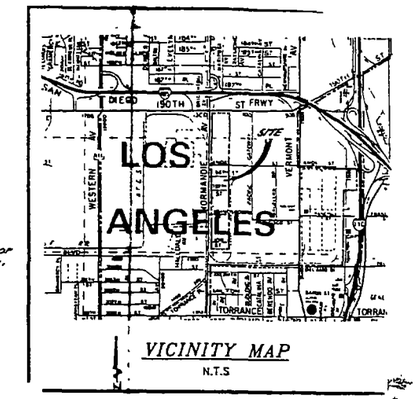
20' WIDE GUTTER

3' HIGH RETAINING WALL

6' HIGH CHAIN LINK FENCE O.L. INSIDE PROPERTY

NORTH LINE OF SOUTH 220 FEET OF LOT 7 OF TRACT 4671

SOUTH LINE OF LOT 7 OF TRACT NO. 4671



VICINITY MAP
N.T.S

ALTA/ACSM LAND TITLE SURVEY	DATE 11/19/94 SCALE 1" = 30'
Dalcin Cummins Associates — PROFESSIONAL ENGINEERS • LAND DEVELOPMENT CONSULTANTS — Torrance California 90504 (213) 321-0330 • (213) 327-0018	DESIGNED S.C. DRAWN NB
	REVISION: 1 8-7-95 S.C.
	PROJECT NUMBER 24103

PACCAR 01185

KNOX STREET

NORMANDIE AVENUE

INGRESS, EGRESS EASEMENT TO DOMINGUEZ WATER CORPORATION PER DOCUMENT RECORDED FEB 1, 1990 AS INST NO 90-178472 O.R. (ITEM 11)

467.00'

402.38'

N 89°54'05"E

ASPHALT DRIVEWAY

12.50' COUNTY OF L.A. EASEMENT FOR SEWER LINES PER DOCUMENT RECORDED JULY 25, 1958 IN BOOK 53681, PAGE 395 O.R. (ITEM 11)

25' x 25' ROAD EASEMENT PER DOCUMENT RECORDED MAY 27, 1903 IN BOOK D 2042 PAGE 194 O.R. (ITEM 9)

12.00' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PAGE 136, O.R. (ITEM 4)

S 89°54'05"W

FIRE HYDRANT

FD SPIKE & WASHER L.S. 3086 TRUE POINT OF BEGINNING 8" V.C.P. SEWER

6' HIGH CHAIN LINK FENCE, 0.2' INSIDE

SEWER MANHOLE

6' HIGH CHAIN LINK FENCE 0.2' INSIDE PROPERTY

ASPHALT PAVEMENT

APPROX COVERED AREA = 3720 S.F.

APPROX AREA = 840 S.F.

CONCRETE RAMP

FD SPIKE & WASHER L.S. 3086 (R) S 89°54'45"W (R) N 89°54'34"W 646.62'

NORTH LINE OF SOUTH HALF OF LOT 6 TRACT 4671

(BUILDING "B") APPROX AREA = 7840 S.F.

CONC PAVEMENT

(BUILDING "C") ONE-STORY WAREHOUSE BUILDING APPROX. AREA = 4100 S.F.

FD NAIL & TAG RCE 27777

PARCEL 1

BUILDING OVERHANG

FLOWLINE

EXISTING LOT LINE (SOUTH LINE OF LOT 6 OF TRACT NO 4671)

CONCRETE

HOUSE BUILDING "D"

ROOF CANOPY

(BUILDING "A") ONE-STORY WAREHOUSE BUILDING APPROX. AREA = 21,910 S.F.

CATCH BASIN

FD NAIL & TAG RCE 27777

3 WIRES OVER BLDG

ONE-STORY WAREHOUSE BUILDING

13' HIGH BLOCK WALL

N 89°54'05"E 374.64'

20' WIDE GUTTER

3' HIGH RETAINING WALL

6' HIGH CHAIN LINK FENCE, 0.1' INSIDE PROPERTY

NORTH LINE OF SOUTH 220 FEET OF LOT 7 OF TRACT 4671

245.84'

SOUTH LINE OF LOT 7 OF TRACT NO 4671

FD 2" IRON PIPE & TAG, 1.1' SW'LY

FD 3/4" & WASHER PER TRACT NO. 32036 M.B. 851/13

NORTH LINE OF LOT 6 OF TRACT 4671

FD 2" IRON PIPE 0.2' SW'LY RCE 19783

60 FOOT WIDE EASEMENT TO DOMINGUEZ WATER CORPORATION TO DRILL AND PUMP WATER BUT RESERVING CERTAIN RIGHTS FOR OWNER PER DOCUMENT RECORDED FEB 1, 1990 AS INSTRUMENT NO. 90-178472 O.R. (ITEM 11)

10.00' EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 26834 PAGE 89, O.R. (ITEM 6)

6' HIGH CHAIN LINK FENCE ON PROPERTY LINE

12.50' RESERVATION FOR ROAD PURPOSES PER DOCUMENT RECORDED AUGUST 10, 1927 IN BOOK 6764, PG 136, O.R. (ITEM 4)

W'LY BOUNDARY LINE OF THE CITY OF LOS ANGELES PER TRACT NO 32030, MAP BOOK 851, PAGES 12-14

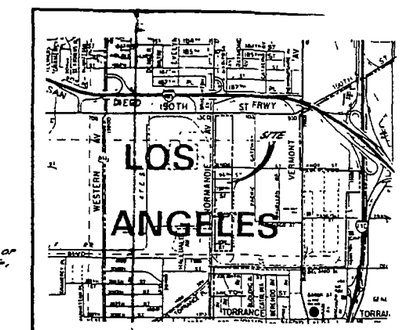
6' HIGH OLD CHAIN LINK FENCE 0.06' OUTSIDE PROP

TRANSITION

6' HIGH NEW CHAIN LINK FENCE 0.04' INSIDE PROP

10.00' WIDE EDISON EASEMENT FOR POLE LINES PER DOCUMENT RECORDED DECEMBER 1, 1947 IN BOOK 26833 PAGE 78 O.R. (ITEM 5)

FD 2" IRON PIPE & TAG, 1.1' SW'LY



VICINITY MAP
NTS.

ALTA/ACSM LAND TITLE SURVEY	DATE 11/19/94	SCALE 1" = 30'
	DESIGNED S.C.	DRAWN N.B.
Dalcin Cummins Associates — PROFESSIONAL ENGINEERS • LAND DEVELOPMENT CONSULTANTS — Torrance California 90504 (213) 321-0330 • (213) 327-0018	REVISION: 1 3-7-95 S.C.	
	PROJECT NUMBER	24103

PACCAR 01186

INTEROFFICE COMMUNICATION

CORPORATE
REAL PROPERTY MANAGEMENT

January 5, 1993

TO: J. R. Bauman

cc: G. Brookshire

FROM: P. E. Gladfelter

SUBJECT: Trico Torrance Property - Rear Portion

Attached for your files is an A.L.T.A. survey of the above referenced property dated 5-23-89 done by Dalcin Cummins Associates (Project 241-2). Please have 10 copies made for me to send to the broker and title insurance company. This property is now listed for sale.

PEG:bjm

PACCAR 01187

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

ANNUAL VALIDATION OF PERMIT TO OPERATE

Operation under this permit must be conducted in compliance with all information included with the initial application and the initial permit conditions. The equipment must be properly maintained and kept in good operating condition at all times. In accordance with Rule 206, this Permit to Operate or copy must be posted on or within 8 meters of equipment together with original permit.

EQUIPMENT DESCRIPTION	BOOTH OR SPRAY ENCLOSURE FOR PAINT & SOL	I.D. NO	017943
EQUIPMENT LOCATED AT:	15805 SO. MAIN ST.	APPL. NO.	C23404
	GARDENA CA 90247	PERMIT NO.	M09440
LEGAL OWNER OR OPERATOR:	TRICO IND 15805 SO. MAIN ST.		00320600
	GARDENA CA 90247		

Annual permit expires on 11/01/85 or an earlier date that equipment is moved, altered, or changes ownership. If next year's billing not received by expiration date, contact the SCAQMD.

This permit does not authorize the emission of air contaminants in excess of those allowed by Division 26 of the Health and Safety Code of the State of California or the Rules of the Air Quality Management District. This permit cannot be considered as permission to violate existing laws, ordinances, regulations or statutes of other government agencies.

EXECUTIVE OFFICER

BY

DATE NOV 27 1984

116-82 (REV. 1-83)

208057

PACCAR 01188

South Coast
AIR QUALITY MANAGEMENT DISTRICT

HEADQUARTERS, 9150 E. FLAIR DR., EL MONTE, CA 91731

OCTOBER 31, 1985

TRICO IND
15805 S MAIN ST
GARDENA CA 902470000

ID - 017948

OFFICIAL DOCUMENT

ANNUAL VALIDATION OF PERMIT TO OPERATE

DEAR PERMIT HOLDER:

THIS LETTER IS THE OFFICIAL NOTICE OF RENEWAL AND ACKNOWLEDGEMENT OF PAYMENT FOR THE ATTACHED LIST OF PERMIT(S) TO OPERATE. OPERATION UNDER THIS LETTER AND THE PERMIT(S) WHICH IT RENEWS MUST BE CONDUCTED IN COMPLIANCE WITH ALL INFORMATION INCLUDED WITH THE INITIAL APPLICATION AS WELL AS THE INITIAL PERMIT CONDITIONS. THE EQUIPMENT MUST BE MAINTAINED AND KEPT IN GOOD CONDITION AT ALL TIMES. UNLESS OTHERWISE SPECIFICALLY STATED, THE ORIGINAL PERMIT TO OPERATE REMAINS IN FULL FORCE AND EFFECT, AND MUST BE RETAINED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT.

FOR FURTHER INFORMATION, OR IF YOU HAVE ANY QUESTIONS REGARDING THIS LETTER, PLEASE CALL CUSTOMER SERVICE AT (818) 572-6326.

SINCERELY,

J. A. STUART
EXECUTIVE OFFICER

NEW CONDITIONS (NONE)
RENEWAL(S) ATTACHED

PACCAR 01189

FORM NO. S-605 (REV. 4-82)

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH INVOICE
PRESSURE VESSEL UNIT
P. O. BOX 603, SAN FRANCISCO, CA 94101

No. L 20633

Permit to Operate Liquefied Petroleum Gas Tank

Box 108

TANK NO. 9326-86

Mfg. No. 259445

Mutual Propane
17117 S. Broadway
Gardena, CA 90248

Attn: Accounts Payable

INSPECTED BY F. Villanue

Owner or User	Location of Tank
Trico Industries	(middle yard) 15805 S. Mach, Gardena, CA 90247

Date of Inspection		
06-25-86	09-19-86	60.00

PAID

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank, and shall be made available to any authorized person.

This permit expires
- ☐ when there is a change or alteration affecting the safety of the installation
- ☒ three years from date of inspection
- ☐ five years from date of inspection

THIS CERTIFIES *that the above described Liquefied Petroleum Gas Tank has been inspected by the Division of Industrial Safety and may be operated at a pressure not to exceed* 250 *pounds per square inch.*

Labor Code, Division 5, Part 6

/jh

Inspection Agency DIVISION OF INDUSTRIAL SAFETY

QUIN ⊙T OSP

PACCAR 01190

FORM No. S-605 (REV. 4-82)

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH
PRESSURE VESSEL UNIT
P. O. BOX 603, SAN FRANCISCO, CA 94101

INVOICE No. L 200391

Permit to Operate Liquefied Petroleum Gas Tank

TANK NO. 8751-83 SPS
MR

Mfg. No: B-45179

INSPECTED BY F. Villanx

Mutual Propane
17117 S. Broadway
Gardena, CA 90248

Attn: Accounts Payable

Owner or User	Location of Tank
Trico Industries	(N W Yard) 15805 S. Main St., Gardena, CA 90248

Date of Inspection		
04-11-86	07-03-86	60.00

PAID
AUG - 1986
DIV. OF OCC. SAFETY & HEALTH
SAN JOSE STATE OFFICE

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank, and shall be made available to any authorized person.

This permit expires
- ☐ when there is a change or alteration affecting the safety of the installation
- ☒ three years from date of inspection
- ☐ five years from date of inspection

THIS CERTIFIES *that the above described Liquefied Petroleum Gas Tank has been inspected by the Division of Industrial Safety and may be operated at a pressure not to exceed* 250 *pounds per square inch.*

Labor Code, Division 5, Part 6

Inspection Agency DIVISION OF INDUSTRIAL SAFETY

PACCAR 01191

76P239-FD321-1-70

CITY OF

GARDENA

FIRE DEPARTMENT

FIRE PREVENTION BUREAU

STATION NO. E-95

BATT. 7

DATE Feb. 22, 1973

PERMIT

PERMISSION IS HEREBY GRANTED

NAME BMW Monarch

ADDRESS 15805 S. Main St., Gardena 90015

IN ACCORDANCE WITH SECTION 8.07 OF THE FIRE CODE FOR THE FOLLOWING:

One (1) 500 Gal. Bulk Liquid Oxygen Tank

This permission granted for Indefinite period and is subject to revocation for proper cause, for violation of the FIRE CODE, or when necessary for public safety. Non-compliance with any provision stipulated herein constitutes a violation.

RICHARD H. HOUTS, Fire Chief

By CAPT. JOE B. DAY
AUTHORIZED REPRESENTATIVE

THIS PERMIT SUBJECT TO ALL APPLICABLE REGULATIONS OF OTHER AGENCIES AND IS NOT TRANSFERABLE.

George Wells

EPA

ACKNOWLEDGEMENT OF NOTIFICATION OF HAZARDOUS WASTE ACTIVITY

This is to acknowledge that you have filed a Notification of Hazardous Waste Activity for the installation located at the address shown in the box below to comply with Section 3010 of the Resource Conservation and Recovery Act *(RCRA)*. Your EPA Identification Number for that installation appears in the box below. The EPA Identification Number must be included on all shipping manifests for transporting hazardous wastes; on all Annual Reports that generators of hazardous waste, and owners and operators of hazardous waste treatment, storage and disposal facilities must file with EPA; on all applications for a Federal Hazardous Waste Permit; and other hazardous waste management reports and documents required under Subtitle C of RCRA.

EPA I.D. NUMBER → CAD981453030

TRICO INDUSTRIES INC
15805 SO MAIN ST
GARDENA CA 90247

INSTALLATION ADDRESS → 15805 SO MAIN ST
GARDENA CA 90247

EPA Form 8700-12A (4-80)

GRASP HERE AND SNAP

HOLD

OF HAZARDOUS
WASTE ACTIVITY

EPA Form 8700-12A (4-80)

TRICO INDUSTRIES, INC.
P.O. Box 108 • 15707 South Main Street, Gardena, California 90247 • (213) 516-5000
KOBE HYDRAULIC PUMPS

January 7, 1986

Micheal Fotiades
South Coast Air Quality
Management District
9150 Flair Drive.
El Monte, Ca. 91731

Subject: Notice To Comply

Dear Sir:

Per your visit January 7, 1986 regarding paint usage. Our records show that paint usage is at a maximum of 7 gallons per day.

If any further information is required please contact me at your earliest convenience.

George A. Wells
Plant Manager

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
9150 Flair Drive — El Monte, California 91731

NOTICE TO COMPLY

1-7-86
DATE OF VIOLATION

TRICO INDUSTRIES INC
NAME

15805 SO MAIN ST GARDENA
ADDRESS CITY

AS ABOVE
LOCATION — ADDRESS OF VIOLATION

GARDENA NN 516-[illegible]
CITY SECTOR TELEPHONE NO

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO THE CALIFORNI STATE HEALTH AND SAFETY CODE SECTION 42400 AND THE SOUT COAST AIR QUALITY MANAGEMENT DISTRICT RULES AND REGUL

TIONS RULE 42303 A VIOLATION HAS BEEN COMMITTED B

FAILURE TO PROVIDE ACCURATE RECORDS OF PAINT USAGE

TO COMPLY YOU ARE REQUIRED TO SUBMIT IN WRITING MAXIMUM PER DAY USAGE OF COATINGS IN [illegible]

WHEN COMPLIANCE HAS BEEN ACHIEVED, PLEASE CALL THE UNDEI SIGNED INSPECTOR AT THE TELEPHONE NUMBER LISTED BELOW.

If the required corrections are not made within 6 calendar days (DUE DAT 1-13-86), a misdemeanor complaint may be filed in Municipal Cou

SERVED TO: GEORGE [illegible] WELLS Date 1 / 7 / [illegible]

TITLE: PLANT MGR BY: MICHAEL FOTIADES

~~(714)~~
TELEPHONE (213) [illegible]

No. NC 20623

ENFORCEMENT DIVISION

VIOLATOR COPY

PACCAR 01195

COUNTY OF LOS ANGELES • DEPARTMENT OF HEALTH SERVICES

313 NORTH FIGUEROA STREET • LOS ANGELES, CALIFORNIA 90012

PUBLIC HEALTH PROGRAMS

Lawrence D. Roberts, Acting
Deputy Director

MARTIN D. FINN, M.D., M.P.H.
Medical Director

Reply refer to
2615 South Grand Avenue, Room 607
Los Angeles, CA 90007
(213) 744-3223

DATE: 10/18/85

TO: Trico Industries ADDRESS: 15805 S. Main St. Gardena

SUBJECT: Pipe Mfg facility ADDRESS: " " " " " "

In order to comply with the State Health and Safety Code / California Administrative Code, you are directed to take the following actions marked below.

✓ 1) Discontinue immediately the disposal of hazardous wastes (Metal grits (Ni, Cr), Waste oils, Waste water, ~~(Non hazardous)~~) to unauthorized locations (Trash bin, Storm Drain).

✓ 2) Discontinue immediately the transport of hazardous wastes (metal grit, oil sludge) off site except by a registered hazardous waste hauler, under manifest and to a State Health Department permitted facility.

___ 3) Remove and legally dispose by _____, all hazardous wastes / contaminated materials discharged to / stored at _____. (NOTE: All hazardous waste transported off site by vehicle must be transported under Hazardous Waste Manifest, by a State Health Department registered hauler).

___ 4) Provide this office by _____, a site assessment and decontamination plan for the above subject contaminated area.

___ 5) Provide this office by _____, a photo copy of the completed manifest receipt used to dispose of _____.

✓ 6) Store by 11/7/85, all hazardous waste in a secure, contained, weather proof and well posted manner pursuant to California Administrative Code, Title 22, Section 66508, 67120.

✓ 7) Store by 11/7/85, all hazardous waste in non-leaking, properly labeled and dated containers with tight fitting lids.

✓ 8) Discontinue the storage of hazardous waste / treatment of hazardous waste for longer than 90 days ~~without~~ written permission from the State Department of Health Services (213) 620-2380.

___ 9) Maintain copies of all hazardous waste manifests and receipts at the above subject facility for agency review.

___ 10) Obtain an EPA Number from the State Department of Health Services (213) 620-2380 or (916) 324-1781 prior to transport of any hazardous waste off site.

✓ 11) Provide this office by 11/18/85, a copy of a hazardous materials contingency plan and employee training plan for the above subject facility pursuant to California Administrative Code, Title 22, Sections 67120 to 67145 and 67105.

___ 12) Additional Requirements: _____

RECEIVED BY: Richard Hilton INSPECTOR: [signature] Tom Kruger
HAZARDOUS WASTE CONTROL PROGRAM

PACCAR 01196

TRICO INDUSTRIES, INC.
P.O. Box 108 • 15707 South Main Street, Gardena, California 90247 • (213) 516-5000
KOBE HYDRAULIC PUMPS

Rich

November 7, 1985

Lawrence L. Bishop

County of Los Angeles
Department of Health Services
2615 So. Grand Ave. Room 607
Los Angeles, Calif. 90007

Response to your visit to our plant October 18, 1985.

We have followed your recommendation to hire a consultant and have chosen "Chemical Consultants" Jeff Jolicoeur of the City of Industry. Jeff has taken some samples and is testing them now. He plans to review the results with us next week.

After reviewing the results we will be back in touch with you.

Sincerely

George A. Wells

George A. Wells
Plant Manager

Trico Industries Inc.
15805 So. Main St.
Gardena, Calif. 90247

TRICO INDUSTRIES, INC.
P.O. Box 108 • 15707 South Main Street, Gardena, California 90247 • (213) 516-5000
KOBE HYDRAULIC PUMPS

December 13, 1985

Lawrence L. Bishop
County of Los Angeles
Dept. of Heath Services
2615 So. Grand Ave., Room 607
Los Angeles, Calif. 90007

Subject: Hazardous Waste Control Program

In response to your audit of October 18, 1985, following is current status of items for which we are to take corrective action to comply with State Health & Safety Code/California Administrative Code. Per my letter of 11/7/85, we have employed the help of Jeff Jolicoeur of Chemical Consultants.

The item numbers referenced below coincide with your numbered recommendations of 10/18/85.

1.) We have discontinued the disposal of hazardous waste (metal grits, nickel, chrome and waste oils) to unauthorized locations.

2.) Since 10/18/85, we have used Asbury Oil to transport some liquid wastes to a State Health Dept. permitted facility.

6.) We are currently storing hazardous solid waste materials (metal grits, nickel, and chrome) in secured, weather-proof drums.

7.) All solid hazardous waste is stored in non-leaking containers. We are in the process of securing labels to properly indentify and date contents of these containers. Estimated time to comply with directive is January 18, 1986.

8.) No hazardous waste will be stored for a period greater than 90 days.

11) We have asked Chemical Consultants to assist us in the preparation of of our hazardous materials contingency plan.

George A. Wells
Plant Manager

CHEMICAL CONSULTANTS

1160 CENTRE DRIVE
INDUSTRY, CALIFORNIA 91789
(714) 595-7473 — (818) 965-7122

A REPORT PREPARED FOR:		**DATE:**	November 19, 1985
TRICO INDUSTRIES, INC.		**RECEIVED:**	10/22/85
P. O. Box 108		**CUSTOMER P.O.:**	GS-0888
Gardena, CA. 90247		**LOG NO.:**	W-9541

TYPE MATERIAL TESTED: (4) Samples taken by Chemical Consultants on 10/22/85
Sample sites listed below.

REASON FOR TEST: Determine content of Copper, Nickel, Chromium, Zinc and Lead using 50% Nitric Acid Extraction.

RESULTS

Sample # 1 - Sludge from pit
Sample # 2 - Floor dust
Sample # 3 - Water tower Gyro Quench
Sample # 4 - Filter paper from hones

CONSTITUENTS	SAMPLE # 1	SAMPLE # 2	SAMPLE # 3	SAMPLE # 4
Copper - total	419.5 mg/kg	71,898.5 mg/kg	4.5 mg/l	9,303.8 mg/kg
Nickel - total	1,987.5 mg/kg	3,118.7 mg/kg	5.2 mg/l	252.7 mg/kg
Chromium - total	559.3 mg/kg	597.6 mg/kg	N D < 0.5 mg/l	55.1 mg/kg
Zinc - total	419.5 mg/kg	29,879.9 mg/kg	108.0 mg/l	4,594.4 mg/kg
Lead - total	22.5 mg/kg	115.8 mg/kg	1.6 mg/l	19.5 mg/kg
Kerosene	361.5 mg/l	---	---	10.4 % /wt.

Respectfully submitted,

CHEMICAL CONSULTANTS

This report relates only to the materials tested and should not be construed to indicate the quality or condition of apparently identical or similar material. In an effort to provide joint protection for clients, the general public and this laboratory, this report is prepared for the sole use of customer to whom it is addressed and is accepted by that party under these conditions, further it may not be used in whole or in part in any publicity or advertising venture without prior written permission from an officer of this laboratory.

CHEMICAL CONSULTANTS

1160 CENTRE DRIVE
INDUSTRY CALIFORNIA 91789
(714) 595-7473 — (818) 965-7122

December 4, 1985

George A. Wells
Plant Manager
Trico Industries, Inc.
15805 S. Main Street
Gardena, CA 90247

RE: DEPARTMENT OF HEALTH SERVICES DIRECTIVE OF 10-18-85

The laboratory analysis and review have been completed pertaining to the items identified in the Public Health Program directive which was issued on 10-18-85 by the County of Los Angeles Department of Health Services (DOHS). The following is a summary of that study:

Item 1) The floor dust is composed primarily of metallic particles which include chromium, copper, nickel, zinc and traces of lead. The concentration of these metals exceed the allowable total metal content (TTLC) as defined in Title 22 of California Regulations. The waste from this operation is therefore defined as hazardous and shall be disposed of at a Class I landfill.

The sludge from the outside underground collection pit and the filter paper residue from the hone filter exceed the Title 22 allowable limits for copper, nickel and zinc. Kerosene is also present. The material is considered either hazardous or extremely hazardous dependent upon its kerosene content and shall be disposed of at a Class I landfill.

Although the water in the cooling tower contains zinc concentrations which exceed local allowable limits for discharge to sewer, the water is not considered "hazardous" by landfill disposal standards. It is believed that if the water additive is changed to one which does not contain heavy metals (chromium, copper, nickel, zinc, etc.), the tower water will become within limits allowing discharge to sewer as prescribed by your industrial wastewater discharge permit.

Item 2) All hazardous waste, whether solid or liquid, shall be transported by a licensed hazardous waste hauler to a Class I site for disposal. It is the responsibility of the generator (Trico) to complete an accurate and descriptive manifest to accompany each load of hazardous waste to its final disposal site.

Items 6, 7 & 8) All hazardous waste shall be stored in suitable leakproof containers. The containers shall be properly labeled and stored in area which allows for total confinement in the event of a spill or leakage. Storage of any hazardous waste is limited to a maximum period of 90 days. The waste shall be properly disposed of at the end of this time frame.

Item 11) A hazardous waste contingency plan cannot be completed until the following areas of concern are rectified:

I. The existing underground concrete vault/tank which is utilized for storage of metal process waste must be either abandoned or modified to comply with current regulatory requirements which include, but are not limited to:

a. The underground tank owner shall evidence that no hazardous material has leaked into the adjacent soil. This is normally accomplished by core sampling of areas adjacent to the tank to a depth of 40 feet or until reaching ground water, whichever is the least deep.

b. If analysis of the core samples reveals that no leakage has occurred, the tank owner has the option to either:

Install monitoring equipment inside and/or outside the tank to detect future leakage; or

Abandon the tank by filling with a concrete and sand slurry or by physically removing the tank.

c. If the sampling reveals evidence of prior hazardous material leakage into the adjacent soil, the level to which the area must be cleaned is dependent upon the concentration of contamination (i.e., trace levels vs. considerable leakage).

II. An area must be identified and/or constructed for the handling and storage of all liquid and solid hazardous waste as prescribed by statute.

RECOMMENDATIONS

Prepare a response to DOHS to include reference to the respective item number of the alleged violation and the corresponding anticipated corrective action. Include in the response such specific information as the names of companies contracted to perform work relating to the directive. You should also include a reasonable project timetable of anticipated work performance.

Ultimately remove the underground tank as prescribed by statute and install an above ground, diked and roofed storage area for hazardous material and waste.

A hazardous waste contingency plan can be prepared after the storage area concern is resolved. Our cost to prepare a detailed plan could range from approximately $3,000 to $8,000. The cost obviously is dependent upon our involvement in the project's initial design, support, lab testing, personnel training, etc. If so desired, a more accurate estimate of costs will be presented after such parameters are defined.

Respectfully,

Jeff Volicoeur
President

ORM S-608 (REV. 5-71)

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

M59885 SF (5-8-87)

DIVISION OF OCCUPATIONAL SAFETY AND HEALTH
455 Golden Gate Ave., San Francisco 94102

Permit to Operate Air Pressure Tank

TANK NO. 7639-69

TRICO INDUSTRIES INC.
19706 S. Normandie
Torrance, CA 90502

R

Owner or User	Location of Tank
Same	Outside E Side 19706 S. Normandie, Torrance

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank, and shall be made available to any authorized person.

PAID
MAY 2 2 1987
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH

This Permit expires
☐ three years from date of inspection
☒ five years from date of inspection

Labor Code, Division 5, Part 6

January 21, 1987
DATE OF INSPECTION

HIS IS TO CERTIFY *that the above described Air Pressure ank has been inspected by the Division of Industrial ıfety and may be operated at a pressure not to exceed* ....200 *pounds per square inch.*

NAME OF INSPECTOR F. Villanueva

EMPLOYED BY Div. of Occupational Safety & Health
(NAME OF INSPECTION AGENCY)

63149-501 7 79 75M ①△ OSP 13

PACCAR 01203

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

7826-901 6-83 10M QUIN ⊙ • OSP
ORM S-159-C

DIVISION OF OCCUPATIONAL SAFETY AND HEALTH

INVOICE
No. M 59885SF

Please make remittances payable to DEPARTMENT OF INDUSTRIAL RELATIONS (SAFETY)
P.O. BOX 603, SAN FRANCISCO 94101-0603

May 8, 1987

[redacted]
19706 S. Normandie
Torrance, CA 90502

FOR SERVICES RENDERED ☒ [redacted]

SUPPLIES ☐

[redacted] F. Villanueva - [redacted]

1-21-87 - Inspected at 19706 S. Normandie, Torrance.	
Air Tank Nos: 7639-69 [redacted] 5287-81 [redacted]	
1 Hour @ 60.00 per hour	$60.00

PAID
MAY 22 1987
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH

ease return attached copy of invoice with
yment to assure credit of correct account.

Postmark of payment must be dated before 60 days from date of invoice otherwise 100% penalty will be charged. Labor Code, Section 7728.

PACCAR 01204

FORM 3-608A

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH
PRESSURE VESSEL UNIT
P O BOX 603, SAN FRANCISCO, CA 94101

M59885 SF

INSPECTION PERMIT for OPERATION of AIR PRESSURE TANK

Pursuant to Labor Code 7681(b) and 7683(b)

TANK NO 5287-81

NB A19427

TRICO INDUSTRIES INC.
19706 S. Normandie
Torrance, CA 90502

NR

INSPECTED BY Dosh-South F. Villanueva

Owner or User	Location of Tank
Same	Outside East Shed 19706 S. Normandie, Torrance

Date of Inspection	Date of Invoice	
1-21-87	5-08-87	INSPECTION FEE $ -----

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank and shall be made available to any authorized person.

"This permit shall remain effective indefinitely unless one of the following contingencies occurs

(1) There is a change in ownership and permanent location of the tank.
(2) There is an alteration or change in the tank which affects the tank's safety, or
(3) The tank is not in compliance with applicable Labor Code provisions and regulations contained in Title 8 of the California Administrative Code.

Because this tank is not subject to periodic permit inspection by the Division, the owner, operator, or person having custody of the tank is responsible for notifying the Division if any of the contingencies enumerated above occur

The issuance of this permit does not constitute a representation by the Division that based upon its inspection the tank will remain in a safe operating condition indefinitely The owner, operator, or person having custody of the tank bears sole responsibility for assuring that the tank remains in compliance with applicable regulatory provisions following the Division's inspection."

At the date of inspection this tank was found to be in compliance with the Calif Administrative Code, Title 8 for Air Pressure Tanks for a pressure not to exceed 150 pounds

25491 501 4 82 20M CAM OSP

PACCAR 01205

FORM NO. S-605 (REV. 4-82)

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH
PRESSURE VESSEL UNIT
P. O. BOX 603, SAN FRANCISCO, CA 94101

INVOICE No. L 18847

Permit to Operate Liquefied Petroleum Gas Tank

TANK NO. 5975-76 SFS
Mfg. No. B-58822)
NR

Ted Johnson Propane
5140 N. Elton St.
Baldwin Park, CA 91706

Attn: Accounts Payable

INSPECTED BY F. Villanueva

Owner or User	Location of Tank (N E yard)
Trico Industries	19706 S. Normandie, Torrance, CA 90502

Date of Inspection

03-19-86 05-30-86 60.00

PAID
JUN 20 1988
DIV. OCC. SAFETY & HEALTH
SANTA FE SPR. OFFICE

This Permit to Operate shall be kept conspicuously posted under glass on or near the tank or at a convenient location near the tank, and shall be made available to any authorized person.

This permit expires

- ☐ when there is a change or alteration affecting the safety of the installation
- ☒ three years from date of inspection
- ☐ five years from date of inspection

THIS CERTIFIES *that the above described Liquefied Petroleum Gas Tank has been inspected by the Division of Industrial Safety and may be operated at a pressure not to exceed* 250 *pounds per square inch.*

Labor Code, Division 5, Part 6

/jh

Inspection Agency DIVISION OF INDUSTRIAL SAFET

QUIN ①T OSP

PACCAR 01206

South Coast
AIR QUALITY MANAGEMENT DISTRICT

HEADQUARTERS, 9150 E. FLAIR DR., EL MONTE, CA 91731

JULY 16, 1997

TRICO INC INC. P & W DIV
P.O. BOX 4359
TORRANCE CA 90510

ID - 008599

OFFICIAL DOCUMENT

ANNUAL VALIDATION OF PERMIT TO OPERATE

DEAR PERMIT HOLDER:

THIS LETTER IS THE OFFICIAL NOTICE OF RENEWAL AND ACKNOWLEDGEMENT OF PAYMENT FOR THE ATTACHED LIST OF PERMIT(S) TO OPERATE. OPERATION UNDER THIS LETTER AND THE PERMIT(S) WHICH IT RENEWS MUST BE CONDUCTED IN COMPLIANCE WITH ALL INFORMATION INCLUDED WITH THE INITIAL APPLICATION AS WELL AS THE INITIAL PERMIT CONDITIONS. THE EQUIPMENT MUST BE MAINTAINED AND KEPT IN GOOD CONDITION AT ALL TIMES. UNLESS OTHERWISE SPECIFICALLY STATED, THE ORIGINAL PERMIT TO OPERATE REMAINS IN FULL FORCE AND EFFECT, AND MUST BE RETAINED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT.

FOR FURTHER INFORMATION, OR IF YOU HAVE ANY QUESTIONS REGARDING THIS LETTER, PLEASE CALL CUSTOMER SERVICE AT (818) 572-6336.

SINCERELY,

JAMES M. LENTS, PH.D.
EXECUTIVE OFFICER

NEW CONDITIONS (NONE)
RENEWAL(S) ATTACHED

1702

PACCAR 01207

South Coast
AIR QUALITY MANAGEMENT DISTRICT

HEADQUARTERS, 9150 E FLAIR DR., EL MONTE, CA 91731

JULY 16, 1987

TRICO IND INC, B & W DIV
19706 S [illegible] AV
TORRANCE CA [illegible]

ID - [illegible]

PERMIT RENEWALS

PERMIT NUMBER	DESCRIPTION	APPLIC NUMBER	EXPIRATION DATE
M21678	TANK, PAINT DIP	C39824	08/16/88

PACCAR 01208

F-398

Granted . 1/15/87 Expires 1/15/88	**Fire Department** **City of Los Angeles** **PERMIT**	Reg. No. 55515 Fee Paid $190.00

In accordance with terms of the application on file with the Fire Prevention Bureau, permission is granted to:

Name
Trico Industries Inc.

Mail to
Trico Industries Inc.
19706 South Normandie Ave.
Torrance, California 90502

Permit to: abandon one atmospheric tank(s) as per specifications of the Fire Prevention Bureau and subject to the field inspectors approval at the site.

Location
19706 So. Normandie Ave.
Los Angeles, California

BY ORDER OF CHIEF ENGINEER

By: C. V. Drummond
Fire Marshal

B

APPLICATION FOR CLOSURE
HAZARDOUS MATERIALS UNDERGROUND STORAGE
COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS
WASTE MANAGEMENT DIVISION
2250 ALCAZAR STREET
LOS ANGELES, CALIFORNIA 90033

OWNER:
NAME Trico Industries, Inc.
ADDRESS 15707 S. Main Street CITY Gardena STATE CA ZIP 90247

FACILITY:
NAME Trico Industries Torrance Facility
SITE ADDRESS 19706 S. Normandie Ave CITY Torrance, CA ZIP 90502
MAILING ADDRESS Same CITY STATE ZIP
CONTACT PERSON Leo P. Cahill TITLE Plant Manager PHONE (213) 516-5115

CLOSURE REQUESTED:
☐ TEMPORARY (REFER TO CONDITIONS A AND B ON BACK OF THIS FORM)
EFFECTIVE DATE OF CLOSURE
DATE OPERATION WILL RESUME
■ PERMANENT, TANK(S) REMOVAL DISPOSAL DESTINATION National Metals in Ontari
(REFER TO CONDITIONS A AND C ON BACK OF THIS FORM)
☐ PERMANENT, TANK(S) IN PLACE
(REFER TO CONDITIONS A AND D ON BACK OF THIS FORM)

TANK(S) DESCRIPTION: (ATTACH ADDITIONAL LIST IF NECESSARY.)

TANK NO.	MATERIAL	AGE (YEARS)	CAPACITY (GAL)	MATERIALS STORED (PAST AND PRESENT)
	Single Wall Steel	25+	500 gal.	Unleaded Gasoline

	YES	NO
HAS ANY UNAUTHORIZED DISCHARGE EVER OCCURRED AT THIS SITE?	☐	☒
HAVE STRUCTURAL REPAIRS EVER BEEN MADE ON THESE TANKS?	☐	☒
WILL NEW UNDERGROUND TANKS BE INSTALLED FOLLOWING CLOSURE?	☐	☒
WILL ANY WELLS, INCLUDING MONITORING WELLS, BE ABANDONED?	☐	☒

IF THE RESPONSE TO ANY OF THE ABOVE QUESTIONS IS YES, ATTACH EXPLANATION.

BY SIGNATURE BELOW THE APPLICANT CERTIFIES THAT HE/SHE HAS READ AND UNDERSTANDS THE CONDITIONS ON THE REVERSE SIDE OF THIS FORM AND THAT THE STATEMENTS AND DISCLOSURES ABOVE ARE TRUE AND CORRECT.

APPLICANT'S SIGNATURE DATE
OWNER ☐ OPERATOR ☐ CONTRACTOR
STATE LICENSE NO.

TO BE COMPLETED BY THE COUNTY ENGINEER

BY SIGNATURE BELOW APPLICANT IS GRANTED APPROVAL TO PROCEED WITH THE CLOSURE.

FEE COLLECTED $
PERMIT NO
FILE NO R/C

DATE
TO ARRANGE FOR AN INSPECTION, TELEPHONE

CL205 Revised 9/86

6. If your business has a license or permit from any of the following agencies, please indicate.

a. Los Angeles County Sanitation District Industrial Waste Water Discharge Permit # ~~EAWQ26-00-9481~~
Hazardous Materials Underground Storage Permit # _____

b. Los Angeles County Health Department Hazardous Waste Control License # L-137528-1

c. Environmental Protection Agency Generator Identification Number # CAX000014472

d. Cal - OSHA Carcinogen Registration Form # _____

e. California Department of Health Services Radioactive Materials License # _____

f. City of TORRANCE Business License # 50517

g. Los Angeles County Business License # _____

h. Fire Department Permit-Type(s) _____

_____

SECTION III: CERTIFICATION

I, Leo Cahill, certify that the above information is accurate to the best of my knowledge. I understand that this information will be used to determine my business' status with regard to the Health and Safety Code Disclosure Requirements and that submission of false information constitutes perjury under the law.

Signature	Title	Date
	PLANT MANAGER	4-20-97

**********OFFICIAL USE ONLY**********

DIV. 1 BN. 7 STA. 116 INSP. UNIT A-1-13

CFIRS JURIS. CODE 79 2339

INSPECTOR _____ VERIFIED / /

PACCAR 01211

D. Mitigation, Prevention, and Abatement of Hazards:

1. Describe your business' procedures for prevention, mitigation, and abatement of hazards to person, property, or the environment:

ON A REGULAR BASIS MANAGEMENT AND SAFETY PERSONNEL PERFORM PLANT TOURS TO IDENTIFY ANY POSSIBLE SAFETY HAZARDS THAT EXIST, NOTATIONS ARE TAKEN AND CORRECTIONS ARE MADE, TO PROVIDE AS MUCH AS HUMANLY POSSIBLE A HAZARD FREE ENVIRONMENT FOR OUR EMPLOYEES TO WORK IN.

2. Does your business have a private on-site response team? Yes_____ No__xx_____
If yes, what is the method of notification in the event of an incident at your business?

E. Immediate Notification and Evacuation of Your Facility:

OUR MANAGEMENT, FOREMAN, AND LEADMAN PERSONNEL HAVE BEEN INSTRUCTED AS TO THE PROPER METHODS OF NOTIFICATION OF EMERGENCY RESPONSE AGENCIES AND PERSONNEL, AND HOW THE PLANT PREMISES SHOULD BE EVACUATED IN A TIME OF NEED. IT IS THIER DUTY TO SEE THAT NOTIFICATION AND EVACUATION OF OUR FACILITY IS COMPLETED.

PACCAR 01213

SECTION III: EMPLOYEE TRAINING PROGRAM

A. Methods for Safely Handling Hazardous Materials:

PROPER SAFETY EQUIPMENT (GLOVES, APRONS, ARM GUARDS, FACE SHIELDS, ETC.) ARE USED AT ALL TIMES.

B. Procedures for Coordinating Activities with Response Agencies:

MANAGEMENT, FOREMAN AND LEADMAN HAVE BEEN INSTRUCTED AS TO DIRECTIONS NECESSARY TO BE TAKEN TO NOTIFY AND ASSIST RESPONSE AGENCIES.

PACCAR 01214

C. Proper Use of On-Site Safety Equipment by Employees:

EMPLOYEES ARE CONSTANTLY INSTRUCTED AS GIVEN VISUAL DEMONSTRATIONS OF THE PROPER USE AND CARE OF SAFETY EQUIPMENT BY MANAGEMENT AND SAFETY PERSONNEL.

D. Familiarization with the Business Emergency Response Plans and Procedures (Sections II A through II E):

EMPLOYEES ARE VERBALLY INSTRUCTED AND GIVEN VISUAL INSTRUCTIONS AS TO THE EMERGENCY RESPONSE PLANS AND PROCEDURES OF THE PLANT.

E. Provisions for Ensuring Initial and Refresher Training:

ON A REGULAR BASIS PLANT EMPLOYEES, THROUGH MEETINGS THAT PROVIDE INITIAL AND REFRESHER TRAINING, THE EMPLOYEES IN OUR PLANT ARE KEPT ABREAST OF THE EMERGENCY RESPONSE PLANS AND PROCEDURES OF THE PLANT.

SECTION IV: CERTIFICATION

I, Leo Cahill, certify that the above information is accurate to the best of my knowledge. I understand that this information will be used to determine my business' status with regard to the Health and Safety Code Disclosure Requirements and that submission of false information constitutes perjury under the law.

Signature	Title	Date
	PLANT MANAGER	7-6-87

********** OFFICIAL USE ONLY **********

DIV. 1 BN. 7 STA. 116 INSP. UNIT A-1-13

CFIRS JURIS. CODE 79

INSPECTOR _____ VERIFIED / /

1/9/87

PACCAR 01216

TRICO INDUSTRIES, INC.

P.O. Box 4358
19706 South Normandie Avenue
Torrance, California 90510-4358
(213) 516-5000
Telex, 683-1233
Cable: BANDWINC, Torrance

July 6, 1987

County of Los Angeles Fire Department
P.O. Box 3009
Terminal Annex
Los Angeles, California 90051

To Whom It May Concern:

Please be advised that the address, 1206 West 196th Street, Torrance, California, is our shipping dock address. The same forms were filled out for the entire facility under the address, 19706 South Normandie Avenue, Torrance, California.

If there are any further questions regarding this address matter, please do not hesitate to contact me.

Sincerely,

TRICO INDUSTRIES

Leo P. Cahill
Plant Manager

LPC/kb

COUNTY OF LOS ANGELES

FIRE DEPARTMENT

POST OFFICE BOX 3009, TERMINAL ANNEX
LOS ANGELES, CALIFORNIA 90051

(213) 267-2401

JOHN W ENGLUND
FIRE CHIEF
FORESTER & FIRE WARDEN

June 29, 1987

TRICO INDUSTRIES
1206 W. 196TH ST.
TORRANCE CA 90502

2042 19
1 7 116 AREA 1 13

Dear Business Owner:

SUBJECT: NOTICE OF NON-COMPLIANCE WITH HAZARDOUS MATERIALS DISCLOSURE

On or about April 1, 1987, the County of Los Angeles Fire Department provided your business a Hazardous Materials Business Plan to complete and return by April 21, 1987. As of the date of this notice, this Department has not received the required information from you.

The California Health and Safety Code, Division 20, Chapter 6.95, commencing with Section 25500 and County Code, Chapter 2.20 of Division 2, of Title 2, Sections 2.20.100 through 2.20.140 require every business which handles hazardous materials as defined therein to comply with the reporting requirements set forth by the statutes and County Code.

State law provides for penalties not to exceed more than $2,000.00 for each day of violation or $5,000.00 a day for each day violation occurs after reasonable notice of violation. The County Code provides for a fine not to exceed more than $500.00 and/or imprisonment for each day of violation.

TRICO INDUSTRIES
1206 W. 196TH ST.
TORRANCE CA 90502

06-29-87

Failure to complete and return the required Hazardous Materials Business Plan within twenty-one (21) days from the date of this notice may result in criminal action by the Office of the District Attorney for the County of Los Angeles.

If you have any questions or need additional information, please contact:

Inspector L. Hahr (213) 326 3737

or

LOS ANGELES COUNTY FIRE DEPARTMENT
Hazardous Materials Section
Monday through Friday
8:00 a.m. to 4:30 p.m.
(213) 265-2706

Thank you for your cooperation and assistance.

Very truly yours,

JOHN W. ENGLUND

By Robert P. Blackburn
ROBERT P. BLACKBURN, FIRE MARSHAL
PREVENTION AND CONSERVATION BUREAU

RPB:sc

STATE OF CALIFORNIA (MINOR) George Deukmejian, Governor

DEPARTMENT OF INDUSTRIAL RELATIONS

Division of Occupational Safety and Health
PRESSURE VESSEL SECTION
14111 E Freeway Drive, Suite 205
Santa Fe Springs, CA 90670
(213) 802-1733, (714) 523-2860

May 08, 1987

Trico Industries, Inc.
19706 S. Normandie
Torrance, CA 90502

PRELIMINARY ORDER

A survey of your Air Tank State Serial No. 7639-69[illegible] SFS (not legible)

located at 19706 S. Normandie, Torrance, CA (outside E. side)

made by Safety Engineer F. Villanueva Date 1-21-87

explained to Leo P. Cahill, Plant Manager Compliance Date 6-08-87

Requirements for the elimination of unsafe conditions are listed below. These unsafe conditions are in violation of lawful orders enforced by the Division of Occupational Safety and Health.

The numbers following the requirements refer to sections of the California Administrative Code (Title 8).

1. Install a pressure gage with the dial graduated approximately double the operating pressure, but in no case less than 1.2 times the pressure at which the safety valve is set to open. 465(e) (Minimum Range 0 to 300 psi)

R. Eleinko
Sr. Safety Engineer
Pressure Vessel Unit

/mb

DEPARTMENT OF INDUSTRIAL RELATIONS
Division of Occupational Safety and Health
PRESSURE VESSEL UNIT
14111 e. Freeway Drive, Suite 205
Santa Fe Springs, CA 90670
(213) 802-1733, (714) 523-2860

NOTE: In order to obtain the required Permit to Operate, this Compliance Notice must be returned and the inspection fees paid.

COMPLIANCE NOTICE

In order to facilitate the issuance of the permit to operate required by Section 7680 of the Labor Code, it is necessary that this office be notified in writing when the requirements listed on the PRELIMINARY ORDER have been complied with.

Please sign and return this completed notice to the Division of Occupational Safety and Health at the address listed above when the unsafe conditions have been eliminated in order that the Safety Engineer may reinspect to assure compliance per Safety Orders cited.

To the best of my knowledge and belief, the requirements to correct unsafe conditions to the Air Tank No. 7639-69 SFS have been complied with.

LOCATION 19706 South Normandie, Torrance, CA 90502

OWNER: Trico Industries Inc.
/fcv

Signature Lee P. Carlile Date 5-14-87

Title *PLANT MANAGER*

Company *TRICO INDUSTRIES, INC.*

PV - 2
3-2-87

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

INVOICE

-5C1 9-83 10M QUIN ○ • OSP
S-159-C

DIVISION OF OCCUPATIONAL SAFETY AND HEALTH

No. M 59885SF

Please make remittances payable to DEPARTMENT OF INDUSTRIAL RELATIONS (SAFETY)
P O BOX 603, SAN FRANCISCO 94101-0603

May 8, 1987

PEC'D MAY 13 1987

FOR SERVICES RENDERED ☒ n

SUPPLIES ☐

TRICO INDUSTRIES INC.
19706 S. Normandie
Torrance, CA 90502

R F. Villanueva - Dosh-South

1-21-87 - Inspected at 19706 S. Normandie, Torrance.	
Air Tank Nos: 7639-69 R 5287-81 NR	
1 Hour @ 60.00 per hour	$60.00

PLEASE WRITE INVOICE NO.
ON YOUR CHECK

eturn attached copy of invoice with
t to assure credit of correct account.

Postmark of payment must be dated before 60 days from date of invoice otherwise 100% penalty will be charged. Labor Code, Section 7728.

5/13/87 for approval

PACCAR 01222

Mailed 2/25/87
to [illegible]

RECEIVED
JAN 5 1987

South Coast
AIR QUALITY MANAGEMENT DISTRICT
9150 FLAIR DRIVE, EL MONTE, CALIFORNIA 91731 •

January 2, 1987

Equipment Location:

Gentlemen:

INFORMATION ON REPORTING OF ANNUAL AIR
POLLUTION EMISSIONS FOR CALENDAR YEAR 1986

The South Coast Air Quality Management District requires companies to pay an annual permit fee based on the emissions of air contaminants, as stated in Rule 301 (f). The emission fee is authorized by the Lewis Air Quality Management Act of 1976.

The enclosed forms should be used for calculating and reporting your air pollution emissions. Two copies of each form are supplied, one for your records and one to return to the District. Even if you report no fee due, you must complete and return the applicable forms to the District, as we use this data to update our emission inventory. If an emission fee is due, include your payment (make check payable to S.C.A.Q.M.D.) with your forms. If you need any assistance, please telephone the following: If your company name begins with the letters A-E inclusive - Mr. Ted Polychronis - (818) 572-6237; company names beginning with the letters F-O - Mr. Carl Anderson - (818) 572-6490; company names beginning with the letters P-Z - Mr. Amir Dejbakhsh - (818) 572-6252.

Please note that emissions from equipment which does not require written permits from the S.C.A.Q.M.D. is not subject to emission fees, provided that such emissions can be determined separately and documentation is provided regarding how those emissions are determined.

Please also note that new emission fees apply for calendar year 1986 as indicated on Rule 301.2 and Form C.

Rule 301 requires that your company's forms be in this office within 60 days. If your completed forms are not received by March 2, 1987, your permits will be suspended. Also, if your fees are not received by March 2, 1987, a penalty fee of 25 percent of the original fee will be imposed. If all permit fees are not received within 120 days from the day of this letter, your permits are subjected to revocation.

Very truly yours,

Sanford M. Weiss
Director of Engineering

Enclosures

FOR CALENDAR YEAR 1986
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

FORM B-3: EMISSIONS FROM THE USE OF ORGANICS

COMPANY NAME: TRICO INDUSTRIES I.D. No. 008599-AD
(Copy the company and I.D. No. as it appears on Form C)

INSTRUCTIONS: Please complete the table below according to the following steps:

1. List all organics used in your business in calendar year. All types used must be listed (use photocopies of this sheet if necessary).
2. Enter the annual usage for calendar year of each organic in gallons per year except for fibreglass products. For fibreglass products, enter pounds per year.
3. Fill in the appropriate emission factor from the emission factor table below or from the table on the back of this form. If your organic material is not listed, provide your own emission factor. Submit data to substantiate your emission factor.
4. Calculate emissions for each organic by multiplying the annual usage by the emission factor.
5. Sum up total organic emissions and transfer the amount to Form C, Line C. If more than one sheet is required, add the "Total Emissions" from each sheet and enter the grand total on Form C, Line C.

(Examples of completing this form for typical companies are illustrated on the attached sheets.)

TYPE OF ORGANIC	USAGE FOR YEAR	EMISSION FACTOR	SPECIFIC ORGANICS LBS/YEAR(1)	EMISSIONS OF ORGANIC GASES LBS/YEAR
ENAMEL PAINT	1,040		4.5	4,680
CHEVRON SOLVENT 1100	5,200		6.7	34,840
		TOTALS		39,520

EMISSION FACTOR TABLE FOR COMMON ORGANICS

Coatings	Lbs. of Orgs/Gal.	Printing Industry	Lbs. of Orgs/Gal.
Adhesives	5.5	Litho Inks & Ltr Press Inks	3.0
Enamel	4.5	Flexo Inks	5.5
Lacquer	5.5	Water Soluble Inks	0.0
Primers	5.0	Gravure Inks	5.5
Sealer	5.7		
Solvents	7.0	Degreasers and Dry Cleaners	
Stains (spirit 6.0) opaque	4.8	*111 Trichloroethane	11.1
Stains (semitransparent)	6.7	Perchloroethylene	13.5
Varnish	4.5	*Methylene Chloride	11.2
Water Based	3.0	Petroleum (Stoddard, 140°F)	6.5

(1) Specific organics marked with * are totaled separately
-see other side-

11/86

PACCAR 01224

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
FORM C

SUMMARY OF EMISSIONS AND DETERMINATION OF FEES FOR PLANT PREMISES FOR CALENDAR YEAR 1986

	FOR SCAQMD USE ONLY	
[illegible]	REVIEWED BY:	ENTERED

INSTRUCTION: TO COMPLETE THIS FORM, REFER TO THE INSTRUCTIONS PROVIDED ON "GENERAL INSTRUCTION" SHEET

	TOTAL EMISSIONS						
	ORGANIC GASES	METHANE	SPECIFIC ORGANICS	NITROGEN OXIDES	SULFUR OXIDES	CARBON MONOXIDE	PARTICULATE MATTER
A. FORM B-1 Fuels – General							
B. FORM B-2, Fuels – I.C. Engines							
C. FORM B-3 [illegible]	39520						
D. FORM B-4, [illegible]							
E. FORM B-5 [illegible]							
F. FORM B-6 Power Plant							
G. Total Emissions, tons/yr (Sum of lines A thru F)	39520						
H. Total Emissions, tons/yr (G ÷ 2000) (Round off to the nearest ton)	20						
I. Emissions exempted, tons	10		10	10	10	100	10
J. Emissions subject to fee, tons (H - I) (Enter zero if negative)	10						
K. Fee Rate, $/ton	71.00	0	12.50	41.00	49.00	0.63	54.00
L. Fee for each pollutant, $ (JxK)							

M. TOTAL EMISSIONS FEE, Sum of Line, $710.00

PLEASE SEND FEE PAYMENT AND ONE COPY OF COMPLETED FORMS B-1, B-2, ETC., AND FORM C TO THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, FILE NO. 21621, LOS ANGELES, CA 90074-1621. MAKE CHECK PAYABLE TO SCAQMD

THE ABOVE EMISSIONS ARE BASED ON OUR ORGANIZATION OPERATING ON THE FOLLOWING AVERAGE SCHEDULE ___ EIGHT ___ HOURS/DAY FIVE ___ ; DAYS/WEEK AND FIFTY-TWO ___ WEEKS/YEAR.

I SWEAR UNDER PENALTY OF PERJURY THAT THE DATA SUBMITTED ARE A TRUE RECORD OF THROUGHPUT, EMISSIONS, AND/OR CONSUMPTION FOR CALENDAR YEAR 1986

Name LEO CAHILL (TYPE OR PRINT) Signature Leo Cahill

Title PLANT MANAGER Date 2-25-87 Phone No (213) 516-5115

TRICO 2125 HS

31-314 REV 4 (1-87)

STATE OF CALIFORNIA

P.O BOX 647
SACRAMENTO, CA 95803-0647

BOARD OF EQUALIZATION
EXCISE TAX UNIT

HAZARDOUS WASTE DISPOSAL REPORT - ANNUAL 'SUPERFUND' TAX

DUE ON OR BEFORE	March 1, 1987	FOR CALENDAR YEAR	1986

HS HQ 36-018986

Mail to:

BOARD OF EQUALIZATION
EXCISE TAX UNIT
P.O. BOX 647
SACRAMENTO, CA 95803-0647

TRICO INDUSTRIES
19706 SO.NORMANDY AVE.
TORRANCE CA 90510

EPA NO.: CAX000014472

This report must be filed on or before the due date shown above by every person who submitted for disposal off-site, or who disposed of on-site, hazardous waste or extremely hazardous waste in California during the above calendar year. Do not include wastes that are recycled or transported out of state for disposal. Any fraction of a ton must be rounded up to the next whole ton. Any person disposing of 500 pounds or less during the above calendar year must report zero tonnage. **ANY PERSON WHO KNOWINGLY REFUSES TO FILE THIS REPORT AS REQUIRED SHALL BE LIABLE, UPON CONVICTION, FOR A CIVIL PENALTY PURSUANT TO SECTION 43602 OF THE HAZARDOUS SUBSTANCES TAX LAW.**

"HAZARDOUS WASTE" means a waste, or combination of wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may either:

a. Cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness.
b. Pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported, or disposed of, or otherwise managed.

"EXTREMELY HAZARDOUS" means any hazardous waste or mixture of hazardous wastes which, if human exposure should occur, may likely result in death, disabling personal injury or serious illness caused by the hazardous waste or mixture of hazardous wastes because of its quantity, concentration, or chemical characteristics.

HAZARDOUS WASTE CATEGORIES	TOTAL TONS
A. The total tons of **HAZARDOUS** waste, the Federal Regulation of which has been suspended under the Solid Waste Disposal Act by Act of Congress, disposed of, or submitted for disposal, in California, plus the total tons of waste material transferred to a surface impoundment in California for the purpose of reducing water content of such waste and material by evaporation, plus the total tons of hazardous waste disposed of into an injection well or landfarm, exclusive of the waste reported in Categories D and E. NOTE: LAND FILL DISPOSAL IS NOT LAND FARMING	0
B. The total tons of **HAZARDOUS** waste disposed of, or submitted for disposal, in California exclusive of the waste reported in Categories A, C, D, and E. NOTE: LAND FILL ONLY	0
C. The total tons of **EXTREMELY HAZARDOUS** waste disposed of, or submitted for disposal, in California exclusive of the waste reported in Categories A, B, D, and E. NOTE: LAND FILL ONLY.	0
D. The total tons of **HAZARDOUS** waste disposed of, or submitted for disposal, in California from the extraction, beneficiation and processing of ores or minerals including phosphate rock and overburden from mining or uranium ore.	0
E. The total tons of **HAZARDOUS** waste disposed of, or submitted for disposal, in California that is a solid hazardous waste residue resulting from incineration	0

I hereby certify that this report, including any accompanying schedule and statement, has been examined by me and to the best of my knowledge and belief is true, correct and complete.

SIGNATURE AND TITLE	PHONE NUMBER	DATE
Leo Cahill PLANT MANAGER	(213) 515-5115	2-25-87

If you have any questions regarding this report, please contact the State Board of Equalization, Excise Tax Unit, Phone (916) 322-9070

PACCAR 01226

STATE BOARD OF EQUALIZATION
1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 647, SACRAMENTO, CALIFORNIA 95803)
TELEPHONE (916) 322-9070

DATE 07/16/85

TRICO INDUSTRIES
P.O. BOX 4358
TORRANCE, CA 90510

RE: EPA NUMBER CAX000014472

GENTLEMEN:

YOU HAVE INFORMED US THAT YOU ARE NOT REQUIRED TO BE REGISTERED UNDER THE HAZARDOUS SUBSTANCES TAX LAW. BASED ON YOUR REPLY, WE WILL NOT CORRESPOND WITH YOU FURTHER. WE DO ASK, HOWEVER, THAT YOU REVIEW YOUR ACTIVITIES TO ENSURE THAT YOU HAVE NOTHING TO REPORT. SHOULD YOU HAVE ANY QUESTIONS OR FIND THAT YOU DO HAVE REPORTABLE TONNAGE, PLEASE PHONE OR WRITE US AT THE TELEPHONE NUMBER OR ADDRESS SHOWN ABOVE.

WE WILL BE RECEIVING MANIFEST INFORMATION FROM THE DEPARTMENT OF HEALTH SERVICES. SHOULD WE FIND THAT YOU ERRED IN REPORTING TO US, SUBSTANTIAL CIVIL PENALTIES IN ADDITION TO THE TAX, INTEREST AND PENALTIES DUE ON THE DISPOSALS MAY BE IMPOSED. IF YOU SHOULD USE THE EPA NUMBER SHOWN ABOVE TO DISPOSE IN THE FUTURE, IT IS YOUR RESPONSIBILITY TO SO INFORM US, TO REGISTER WITH US AND TO PAY TIMELY ANY TAXES DUE.

THANK YOU FOR YOUR COOPERATION.

E. V. ANDERSON
ADMINISTRATOR, EXCISE TAX UNIT

02

PART III [OFFICE USE ONLY: RESPONSE DISTRICT _____ FMZ# _____ JURISDICTION _____ INSPECTION # _____]

BUSINESS NAME TRICO IND TORRANCE PLANT BUSINESS ADDRESS 19706 SO NORMANDIE AVE. CITY TORRANCE CALIF 9050

(Separate form required for each business address. Xerox or call for additional forms)

FOR TRADE SECRET – USE YELLOW FORM

PAGE __ OF __

1. Chem. I.D. #	2. (CN) Chemical Name (TN) Common or Trade Name (MIX) If a mixture, list 3 major or most hazardous ingredients. Consult Material Safety Data Sheet.	3. DOT, UN or NA # See Shipping Papers	4. DOT HAZARD CLASS Use Table #1 Below	5. CAS# CHEMICAL ABSTRACTS SERVICE NUMBER	6. IF WASTE give maximum and minimum concentrations in percent	7. HOW STORED Use Table #2 Below	8. Total estimated maximum amount handled throughout the year	9. AMOUNT Maximum amount on site at any one time	10. LOCATION Stored or used (describe)	11. HOW USED (describe)
536	CN Paint TN Dipping Enamel MIX	1263	#9		0% Waste	#2& #6	2,500.00 Gals	700 Gals	North side of weld shop	Paint line dipping Operation
485	CN Naphtha-Petroleum TN 1100-Solvent MIX	1255	#9		0% Waste	#2& #6	8,000.00 Gals	300 Gals	North side of weld shop	Paint line dipping operation
581	CN Propane TN Propane MIX	1978	#8		0% Waste	#3	5,000.00 Gals	499 Gals	North side of slipor building	Fuel for Fork Lifts
	CN TN MIX									

TABLE 1

DEPARTMENT OF TRANSPORTATION CLASSIFICATIONS

Use numbers only. See shipping papers for information. List all that apply.

Blasting Agent
Combustible Liquid
Corrosive
Etiologic Agent
Explosive A
Explosive B
7. Explosive C
8. Flammable Compressed Gas
9. Flammable Liquid
10. Flammable Solid
11. Hypergolic
12. Irritant
13. Non-Flammable Compressed Gas
14. Organic Peroxide
15. ORM-A
16. ORM-B
17. ORM-C
18. ORM-D
19. ORM-E
20. Other Regulated Materials (ORM)
21. Oxidizer
22. Poison Compressed Gas (Poison A)
23. Poison Liquid Solid (Poison B)
24. Pyrophoric or Spontaneously Combustible
25. Radioactive
26. Water Reactive

TABLE 2 HOW STORED

List all that apply

1 Underground Tank
2. Aboveground Ground Tank
3 Fixed Pressurized Cylinders
4 Portable Pressurized Cylinders
5 Insulated Tank (including Cryogenics)
6 Drum(s) or Barrel(s)
7 Carboy(s)
8. Glass Container(s)
9. Box(s)
10 Bag(s)
11 Metal Containers (not drums)
12 In Machinery or Processing Equipment
13 Other (specify)

PACCAR 01228

Within 15 days of any of the following events, any business shall contact the TORRANCE FIRE DEPARTMENT, FIRE PREVENTION DIVISION for an updated disclosure form.

1) Change of business address.
2) Change of business ownership
3) Change of business name.
4) Cessation of business operations.
5) Use or handling of previously undisclosed hazardous materials.
6) A significant change in the use, handling or 100% or more increase in quantity of a hazardous material for which disclosure has previously been made.

For Trade Secret - Use Yellow Disclosure Form.

PART IV: SIGNATURE

I certify, under the penalty of perjury, that the above information is true and correct to the best of my knowledge.

Return Form to:

TORRANCE FIRE DEPT.
FIRE PREVENTION DIV.
1701 Crenshaw Blvd.
Torrance, CA 90501

Phone: (213) 618-2910

Leo Cahill
Signature

Leo cahill
Name (please type or print)

Plant manager
Title

558-58-7589
Social Security Number

December 1,1986
DATE

Office Use Only

Renewal Due

Fee Rec'd

REPORTING PERIOD _____

TORRANCE FIRE DEPARTMENT
HAZARDOUS MATERIALS DISCLOSURE FORM

PART I:

___ No chemical(s) are used in any way.
(Complete Parts II-A and IV)

___ Chemicals are used in our company, but do not meet the requirements for disclosure
(Complete Parts II-A and IV)

NOTE: Legal Carcinogens Require Disclosure in any amounts.

___ Chemicals are used in our business.
(Complete disclosure form, Parts II through IV)

PART II: GENERAL INFORMATION PLEASE PRINT OR TYPE

A

TRICO IND. TORRANCE PLANT
BUSINESS NAME

19706 so. Normandie Ave. | Torrance | Calif. | 90502
BUSINESS ADDRESS | CITY | ZIP CODE

19706 so. Normandie Ave. | Torrance | Calif. | 90502
MAILING ADDRESS (IF DIFFERENT) | CITY | ZIP CODE

(213) 516-5115
BUSINESS PHONE

B

NAME	TITLE
Leo Cahill (CONTACT (during business hours))	Plant Manager
	(213) 516-5115 PHONE
Leo Cahill (CONTACT 1 EMERGENCY (after business hours))	(213) 542-1292 PHONE
Jim Nicol (CONTACT 2 EMERGENCY (after business hours))	(213) 376-6258 PHONE
STANDARD INDUSTRY CODE (SIC) IF KNOWN	EPA ID #
Manufacture oil well Completion Eqip. DESCRIPTION OF BUSINESS OPERATION	

RESPONSE REQUIRED WITHIN 30 DAYS

PACCAR 01229

County of Los Angeles
Department of Health Services
Preventive Health Division
Program
(OFFICE ADDRESS)

OFFICIAL NOTICE OF VIOLATION № 268806

County of Los Angeles Department of Health Services

Preventive/Public Health **Environmental Management**

Plotz

DATE 4/25/83

TO FRICO INDUSTRIES ADDRESS 19706 S. NORMANDIE AVE TOR 90502

SUBJECT HAZ. WASTE CONTROL. ADDRESS 19706 S. NORMANDIE AVE TOR. 90502

YOU ARE HEREBY DIRECTED TO:

(1) DISCONTINUE DISCHARGE OF HAZARDOUS WASTE (WASTE OILS, Hydraulic, & cutting oils) to GROUND SURFACES. FORTHWITH

(2) REMOVE AND LEGALLY DISPOSE OF HAZARDOUS WASTE AND MATERIALS CONTAMINATED WITH HAZARDOUS WASTE. HAZARDOUS WASTE MUST BE DISPOSED OF TO AN AUTHORIZED DISPOSAL SITE (IE. CLASS I DISPOSAL SITE OR PERMITTED/AUTHORIZED RECYCLING FACILITY). HAZARDOUS WASTE MUST BE TRANSPORTED BY HAZARDOUS WASTE MANIFEST BY A STATE D.O.H.S. PERMITTED HAZ. WASTE HAULER. SHOW PROOF OF PROPER/LEGAL DISPOSAL WITH A COMPLETED HAZ WASTE MANIFEST.

(3) SUBMIT TO THIS DEPARTMENT A WRITTEN CLEAN-UP PLAN

This notice shall be complied with as required by: ☑ State Health and Safety Code, ☑ California Administrative Code, ☐ Los Angeles County Ordinance No 7583, ☐ _____ City Ordinance No. _____, Other Code _____

CORRECTION DATE 5/9/83

RECEIVED BY Leo P. Cahill 4-25-83

MAIL SERVICE ☐ FIRST CLASS ☐ CERTIFIED

LOS ANGELES COUNTY HEALTH OFFICER

BY R. Kobayashi

TITLE

760298 H-777 (REV 3/75) 5/81

(WHITE VIOLATOR YELLOW SANITARIAN PINK DISTRICT DIRECTOR)

[redacted]

[redacted]

PACCAR 01230

County of Los Angeles
Department of Health Services
Occupational Health Division
Hazardous Waste Control Program
2615 S. Grand Ave. 6th Floor
Los Angeles, CA 90007
(OFFICE ADDRESS)

OFFICIAL NOTICE OF VIOLATION № ~~268807~~ 268806

County of Los Angeles Department of Health Services

Preventive/Public Health — Environmental Management

P 2012

DATE 4/25/83

TO TRICO INDUSTRIES ADDRESS 19706 S. NORMANDIE AVE TOR 90502

SUBJECT HAZ. WASTE CONTROL ADDRESS 19706 S NORMANDIE AVE TOR 90502

FOR THE REMOVAL & DISPOSAL OF HAZARDOUS WASTE (AT THE DRAINAGE DITCH AREA).

PLAN IS TO INCLUDE: (A) METHOD OF CLEAN-UP / DISPOSAL
(B) COMPANY NAMES, ADDRESSES, AND TEL # OF CLEAN-UP COMPANY & DISPOSAL SITES
(C) TIMES & DATES OF CLEAN-UP.
(D) A METHOD

BY 5/9/83

This notice shall be complied with as required by: ☑ State Health and Safety Code, ☑ California Administrative Code, ☐ Los Angeles County Ordinance No. 7583, ☐ _____ City Ordinance No. _____, Other Code _____

CORRECTION DATE _____

RECEIVED BY Leo P. Cahill 4-25-83

MAIL SERVICE ☐ FIRST CLASS ☐ CERTIFIED

LOS ANGELES COUNTY HEALTH OFFICER

BY R. Kobashigawa

TITLE

760298 H 777 (REV 3/75) 5/81

(WHITE VIOLATOR YELLOW SANITARIAN PINK DISTRICT DIRECTOR)

[redacted]

[redacted]

PACCAR 01231

HEARING NOTICE No. 243659

County of Los Angeles Department of Health Services

Preventive/Public Health — Environmental Mangement

(OFFICE ADDRESS)

DATE June 1, 1983, 19

ATTN: Leo Cahill

TO Trico Industries ADDRESS 19706 S. Normandie Ave., Torrance 90502

SUBJECT Hazardous waste control ADDRESS Railway property (NS) Knox & Del Amo (EW) Normandie & Pacific Gatewy

Upon inspection of the above property we found that you had not complied with: Official Notice #268806

RE: Hazardous waste clean-up and disposal

Therefore, you are hereby requested to appear at a hearing on this matter. It will be held at 10:00 a.m. (A.M.) (P.M.)

on Thursday, June 9, 1983, 19

Place:

At this hearing you may present your plans for correcting the existing violations or reasons for non-compliance. You may be represented by legal counsel. FAILURE TO APPEAR MAY BE DEEMED CAUSE FOR FURTHER LEGAL ACTION.

RECEIVED BY

MAIL SERVICE: First Class [X] Certified [ ]

LOS ANGELES COUNTY HEALTH OFFICER

BY Thomas J. Twillie (TITLE)

H-778 (REV. 3-75)
76H376A — 8/81

(White - VIOLATOR; Yellow - SANITARIAN; Pink - DISTRICT DIRECTOR)

[redacted]

[redacted]

PACCAR 01232

TRICO INDUSTRIES, INC.
P.O. Box 4358
19706 South Normandie Avenue
Torrance, California 90510-4358
(213) 515-1990
Telex. 683-1233
TWX 910 346-6776
Cable BANDWINC, Torrance

October 5, 1983

County of Los Angeles
Department of Health Services
2615 South Grand Avenue, #607
Los Angeles, CA. 90007

Attention: Mr. Roy Kobashigawa, Environmental Health Officer

Gentlemen,

We feel our responsibility for clean up extends from the initial point of spillage behind our property for 200 feet south of that point. Beyond this 200 feet, the drainage ditch gets much dirtier, the results of two (2) drain pipes draining runoff from Redman Industries' property. We feel we are not responsible for the clean up of their spillage. If indeed it is decided that our liability for clean up extends beyond the 200 feet that we have indicated as our responsibility, then we will be willing to contribute a portion of the costs for clean up with all other properties responsible for the clean up.

Our clean up will consist of the removal of surface debris for the specified 200 feet. We will also spread a layer of pea gravel over the portion of the ditch behind our property, approximately 60 feet from the initial point of the clean up. Our clean up will start on October 17, 1983, provided the weather permits it.

Further, if the railroad's property extends only 13 feet west of the center of the tracks, as they have indicated, then we request that the properties just east of the railroad tracks stop pumping water on to our property. We do not feel that our property should be subjected to flooding as the result of water being pumped off somebody else's property on to ours.

Sincerely,

Greg Bullard

Greg Bullard
Assistant Plant Manager

✓
GB:smh
cc: D. Wagner
C. Moody
L. Cahill

File 55-009
Site Assessment

HARGIS + ASSOCIATES, INC.

2222 South Dobson Road, Suite 401
Mesa, Arizona 85202
(602) 345-0888
Telecopier (602) 730-0508

David R. Hargis, Ph.D., R.G.
Michael R. Long, R.G.
Terry M. Turner, R.G.
Roger A. Niemeyer, R.G.
Leo S. Leonhart, Ph.D., R.G.
Lance J. Raymond
Peter T. Quinlan
J.D. Meinrbacher, P.E.

RECEIVED
OCT 1 1990

September 28, 1990

Raymond Whalon
General Manufacturing Manager
TRICO INDUSTRIES
3040 East Slauson Avenue
Huntington Park, CA 90255

Re: Analytical Results from Monitor Well MW-2,
Trico Industries, Torrance, California

Dear Mr. Whalon:

Hargis + Associates, Inc. (H+A) encloses the analytical results from groundwater samples collected from monitor well MW-2 on Trico Industries' property located at 19706 South Normandie Avenue, Torrance, California. H+A collected these samples on behalf of Montrose Chemical Corporation of California. The work was conducted pursuant to Task 15 of Appendix C in the Second Amendment to the Administrative Order on Consent, U.S. Environmental Protection Agency Docket 85-04.

Thank you for your cooperation.

Sincerely,

HARGIS + ASSOCIATES, INC.

Barbara A. Murphy

Barbara A. Murphy
Hydrogeologist

BAM:sjm

cc: Mr. Frank Bachman, Montrose Chemical Corp.
Karl S. Lytz, Esq., Latham & Watkins
Ronald R. Stuff, Esq., Latham & Watkins

LTR218.023

Other Offices:
La Jolla, CA
Tucson, AZ
Manhattan Beach, CA
Burbank, CA

Analytical Report

SEP 1990

LOG NO: G90-09-230

Received: 13 SEP 90
Reported: 20 SEP 90

Ms. Barbara Murphy
Hargis & Associates, Inc.
2222 S. Dobson Rd., Suite 401
Mesa, Arizona 85202
CC: Ms. Lanae Raymond

Project: 218.4

REPORT OF ANALYTICAL RESULTS

LOG NO	SAMPLE DESCRIPTION, GROUND WATER SAMPLES	DATE SAMPLED
09-230-1	Trico MW-2	13 SEP 90
09-230-2	Trico MW-200	13 SEP 90

PARAMETER	09-230-1	09-230-2
VOCs Method 624 (SOP MS 00188)		
Date Analyzed	09/17/90	09/17/90
Dilution Factor, Times 1	5	5
1,1,1-Trichloroethane, ug/L	<5	<5
1,1,2,2-Tetrachloroethane, ug/L	<5	<5
1,1,2-Trichloroethane, ug/L	<5	<5
1,1-Dichloroethane, ug/L	<5	<5
1,1-Dichloroethene, ug/L	<5	<5
1,2-Dichloroethane, ug/L	<5	<5
1,2-Dichlorobenzene, ug/L	<5	<5
1,2-Dichloropropane, ug/L	<5	<5
1,3-Dichlorobenzene, ug/L	<5	<5
1,4-Dichlorobenzene, ug/L	<5	<5
2-Chloroethylvinylether, ug/L	<5	<5
Acetone, ug/L	<50	<50
Acrolein, ug/L	<100	<100
Acrylonitrile, ug/L	<100	<100
Bromodichloromethane, ug/L	<5	<5
Bromomethane, ug/L	<5	<5
Benzene, ug/L	<5	<5
Bromoform, ug/L	<5	<5
Chlorobenzene, ug/L	<5	<5
Carbon Tetrachloride, ug/L	<5	<5
Chloroethane, ug/L	<5	<5
Chloroform, ug/L	8	9
Chloromethane, ug/L	<5	<5
Dibromochloromethane, ug/L	<5	<5

801 Western Avenue
Glendale, CA 91201

818/247-5737
Fax: 818/247-9797

BCA B C Analytical

Analytical Report

LOG NO: G90-09-230

Received: 13 SEP 90
Reported: 20 SEP 90

Ms. Barbara Murphy
Hargis & Associates, Inc.
2222 S. Dobson Rd., Suite 401
Mesa, Arizona 85202

CC: Ms. Lanae Raymond

Project: 218.4

REPORT OF ANALYTICAL RESULTS

LOG NO	SAMPLE DESCRIPTION, GROUND WATER SAMPLES	DATE SAMPLED
09-230-1	Trico MW-2	13 SEP 90
09-230-2	Trico MW-200	13 SEP 90

PARAMETER	09-230-1	09-230-2
Ethylbenzene, ug/L	<5	<5
Methylene chloride, ug/L	<10	<10
Trichloroethene, ug/L	470	570
Trichlorofluoromethane, ug/L	<5	<5
Toluene, ug/L	<5	<5
Tetrachloroethene, ug/L	220	260
Vinyl chloride, ug/L	<5	<5
cis-1,2-Dichloroethene, ug/L	10	10
cis-1,3-Dichloropropene, ug/L	<5	<5
trans-1,2-Dichloroethene, ug/L	<5	<5
trans-1,3-Dichloropropene, ug/L	<5	<5
Other VOCs Method 624 (SOP MS 00188)	---	---

801 Western Avenue
Glendale, CA 91201

818/247-5737
Fax: 818/247-9797

BCA B C Analytical

Attachment 2

May 21, 1990

FIELD DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

HARGIS+ASSOCIATES INC.

Tables
Illustrations
Appendix A
Appendix B

HARGIS + ASSOCIATES, INC.

[illegible] Avenida [illegible] Suite [illegible]
[illegible] California 92037
[illegible]
Telecopier (619) 454 5839

David R. Hargis, Ph.D., R.G.
Michael R. Long, R.G.
Terry M. Turner, R.G.
Roger A. Niemeyer, R.G.
Leo S. Leonhart, Ph.D., R.G.
Lance J. Raymond
Peter T. Quinlan
J.D. Mohrbacher, P.E.

May 21, 1990

VIA FEDERAL EXPRESS

Ms. Johanna Miller
Remedial Project Manager
U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION IX
580 Chetwood Street
Oakland, CA 94610

Re: Field Data Submittal, Part 2, Remedial Investigative Work Phase 2B, Montrose Site, Torrance, California, April 1990 Groundwater Sampling

Dear Johanna:

Enclosed please find the above-referenced document. This submittal provides field data obtained during the first initial sampling round for the seven recently installed upper Bellflower aquitard monitor wells. The submittal also provides field data for the annual groundwater sampling round. During the annual round, the second initial sampling of the seven new monitor wells was also conducted.

Please contact me if you have any questions regarding this submittal.

Sincerely,

HARGIS + ASSOCIATES, INC.

J.D. Mohrbacher

J.D. Mohrbacher, P.E.
Project Manager

Matthew P. Wiedlin

Matthew P. Wiedlin
RI Task Manager

JDM/MPW/djr

cc: Attached

miller25.218 1

Other Offices:
Tucson, AZ
Mesa, AZ
Manhattan Beach, CA
Burbank, CA

Tables
Illustrations
Appendix A

DISTRIBUTION LIST	NUMBER OF COPIES
Mr. Robert P. Ghirelli Executive Officer REGIONAL WATER QUALITY CONTROL BOARD 101 Centre Plaza Drive Monterey Park, CA 91754-2156	1
Ms. Alice Gimeno Project Manager, Long Beach Section CALIFORNIA DEPARTMENT OF HEALTH SERVICES TOXIC SUBSTANCES CONTROL DIVISION 245 West Broadway, Suite 350 Long Beach, CA 90802	1
Mr. Dan M. Greeno General Manager MONTROSE CHEMICAL CORPORATION 830 Post Road, East Westport, CT 06881-0898	2
Karl S. Lytz, Esq. LATHAM & WATKINS 701 B Street, Suite 2100 San Diego, CA 92101-8197	1
Mr. John Scandura, Chief Site Mitigation Unit Region 4 (Long Beach) CALIFORNIA DEPARTMENT OF HEALTH SERVICES TOXIC SUBSTANCES CONTROL DIVISION 245 West Broadway, Suite 350 Long Beach, CA 90802	1
Mr. Eric Wetzstein PRC ENVIRONMENTAL MANAGEMENT, INC. 120 Howard Street Suite 700 San Francisco, CA 94105	2

/djr
May 21, 1990
miller25.218.1

HARGIS + ASSOCIATES, INC

FIELD DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

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ILLUSTRATION

Figure

1 MONITOR WELLS AND EXPLORATORY BOREHOLES

PACCAR 01240

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A INITIAL GROUNDWATER SAMPLING ROUND, APRIL 5-6, 1990

B INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

PACCAR 01241

Attachment 4

May 29, 1990

GROUNDWATER SAMPLING PLAN
REGIONAL WELLS, MONTROSE SITE
TASK 15
TECHNICAL MEMORANDUM

HARGIS+ASSOCIATES, INC.

HARGIS + ASSOCIATES, INC.

GROUNDWATER SAMPLING PLAN
REGIONAL WELLS, MONTROSE SITE
TASK 15
TECHNICAL MEMORANDUM

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1 LOCATION OF PROPOSED GROUNDWATER SAMPLING WELLS

APPENDICES

Appendix

A REGIONAL WELL CONSTRUCTION DATA

B GROUNDWATER SAMPLING FORMS

PACCAR 01244

Attachment 1

June 20, 1990

RAW ANALYTICAL DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

HARGIS+ASSOCIATES, INC.

Tables

Illustrations

HARGIS + ASSOCIATES, INC.
Consultants in Hydrogeology
3385 North Campbell Avenue Suite 121
Tucson, Arizona 85719
(602) 881-7300
Fax (602) 322-9927

June 20, 1990

VIA FEDERAL EXPRESS

Ms. Johanna Miller
Remedial Project Manager
U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION IX
580 Chetwood Street
Oakland, CA 94610

Re: Raw Analytical Data Submittal, Part 2, Remedial Investigative Work Phase 2B, Montrose Site, Torrance, California, April 1990 Groundwater Sampling

Dear Ms. Miller:

Enclosed is the above-referenced document. This submittal provides analytical data obtained during the first initial sampling round for the seven recently installed upper Bellflower aquitard monitor wells. The submittal also provides analytical data for the annual groundwater sampling round. During the annual round, the second initial sampling of the seven new monitor wells was also conducted.

Please contact me if you have any questions regarding this submittal.

Sincerely,

HARGIS + ASSOCIATES, INC.

J.D. Mohrbacher, P.E.
Project Manager

Matthew P. Wiedlin
RI Task Manager

JDM/MPW/ama

Enclosure

cc: Ron Stuff, Esq.
List Attached

miller3.218.2

Phoenix office
2222 South Dobson Road Suite 401
Mesa, Arizona 85202
(602) 345-0888

San Diego office
2223 Avenida De La Playa Suite 300
La Jolla, California 92037
(619) 454-0165

HARGIS + ASSOCIATES, INC

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Mr. Robert P. Ghirelli Executive Officer REGIONAL WATER QUALITY CONTROL BOARD 101 Centre Plaza Drive Monterey Park, CA 91754-2156	1
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cclist3.218

HARGIS + ASSOCIATES, INC.

RAW ANALYTICAL DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

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PACCAR 01248

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B BROWN & CALDWELL RAW ANALYTICAL DATA FROM INITIAL GROUNDWATER SAMPLING ROUND, APRIL 5-6, 1990

C ANALYTICAL TECHNOLOGIES, INC. RAW ANALYTICAL DATA FOR LABORATORY SPLIT SAMPLES FROM INITIAL GROUNDWATER SAMPLING ROUND, APRIL 5-6, 1990

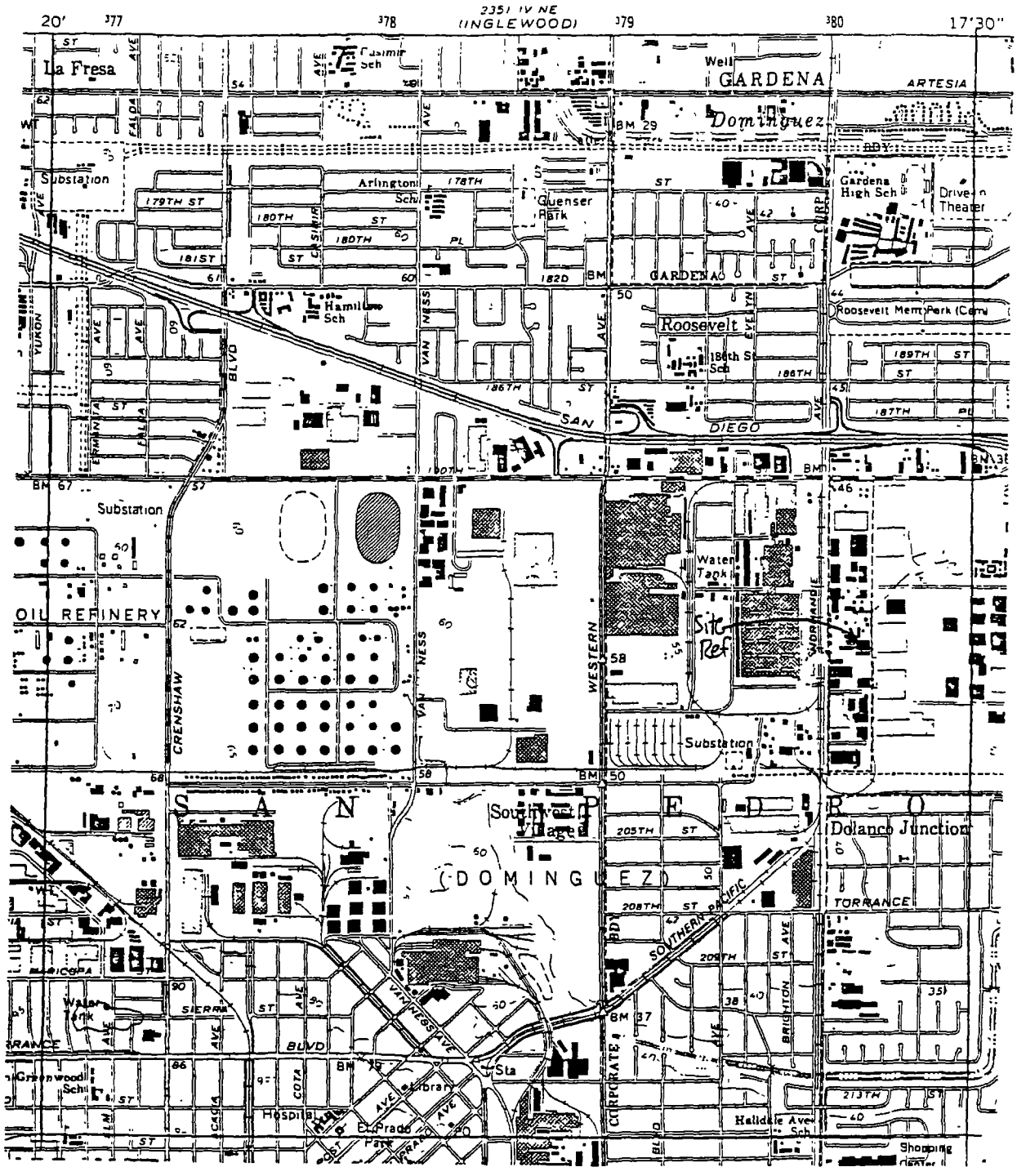
D SAMPLE IDENTIFICATION AND CROSS REFERENCE TABLES, INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

E BROWN & CALDWELL RAW ANALYTICAL DATA FROM INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

F ANALYTICAL TECHNOLOGIES, INC. RAW ANALYTICAL DATA FOR LABORATORY SPLIT SAMPLES FROM INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

PACCAR 01249

SITE NAME: TRICO INDUSTRIES INC. EPA ID NUMBER: CAD981450828



TOPOGRAPHIC MAP QUADRANGLE NAME: TORRANCE, CA SCALE: 1:24,000

COORDINATES OF LOWER RIGHT-HAND CORNER OF 2.5 MINUTE GRID:
LATITUDE: 33° 50' 00" LONGITUDE: 118° 17' 30"

LATITUDE AND LONGITUDE CALCULATION WORKSHEET #2
LI USING ENGINEER'S SCALE (1/60)

SITE: TRICO INDUSTRIES CERCLIS #: CAD981450828

AKA: _____ SSID: _____

ADDRESS: 1206 WEST 196TH STREET

CITY: TORRANCE STATE: CA ZIP CODE: 90502

SITE REFERENCE POINT: NORTHWEST CORNER OF MAIN PLANT BUILDING

SGS QUAD MAP NAME: TORRANCE TOWNSHIP: 4 N/S RANGE: 14 E/W

SCALE: 1:24,000 MAP DATE: 1964 SECTION: 36 1/4 ____ 1/4 ____ 1/4

MAP DATUM: 1927 1983 (CIRCLE ONE) MERIDIAN: Mt. San Bernardino

COORDINATES FROM LOWER RIGHT (SOUTHEAST) CORNER OF 7.5' MAP (attach photocopy):

LONGITUDE: 118° 15' 00" LATITUDE: 33° 45' 00"

COORDINATES FROM LOWER RIGHT (SOUTHEAST) CORNER OF 2.5' GRID CELL:

LONGITUDE: 118° 17' 30" LATITUDE: 33° 50' 00"

CALCULATIONS: LATITUDE (7.5' QUADRANGLE MAP) 7.5' = 454 RULER DIVISIONS

A) NUMBER OF RULER GRADUATIONS FROM LATITUDE GRIN LINE TO SITE REF POINT: 206

B) MULTIPLY (A) BY 0.3304 (150/454) TO CONVERT SECONDS: A x 0.3304 = 68.06. 88"

C) EXPRESS IN MINUTES AND SECONDS (1' = 60"): 1 ' 08. 06"

D) ADD TO STARTING LATITUDE: 33° 50' 00. 00" + 1 ' 08. 06 =

SITE LATITUDE: 33° 51' 08. 06"

CALCULATIONS: LONGITUDE (7.5' QUADRANGLE MAP) 7.5' = 354 RULER DIVISIONS

A) NUMBER OF RULER GRADUATIONS FROM RIGHT LONGITUDE LINE TO SITE REF POINT: 47

B) MULTIPLY (A) BY (150/380) = 0.3947 TO CONVERT TO SECONDS: A x 0.3947 = 18. 55"

C) EXPRESS IN MINUTES AND SECONDS (1' = 60"): 0' 18. 55"

D) ADD TO STARTING LONGITUDE: 118° 17' 30. 00" + 0' 18. 55 =

SITE LONGITUDE: 118° 17' 48. 55"

INVESTIGATOR: BRIAN A OATMAN DATE: 11/02/92

APPENDIX C

Latitude/Longitude Worksheet

PHOTO 9. CONCRETE DRAINAGE DITCH EAST OF PROPERTY, FACING SOUTH

PHOTO 7. PAINT AND SOLVENT STORAGE AREA, NORTH SIDE OF SOUTH BUILDING, FACING SOUTHWEST.

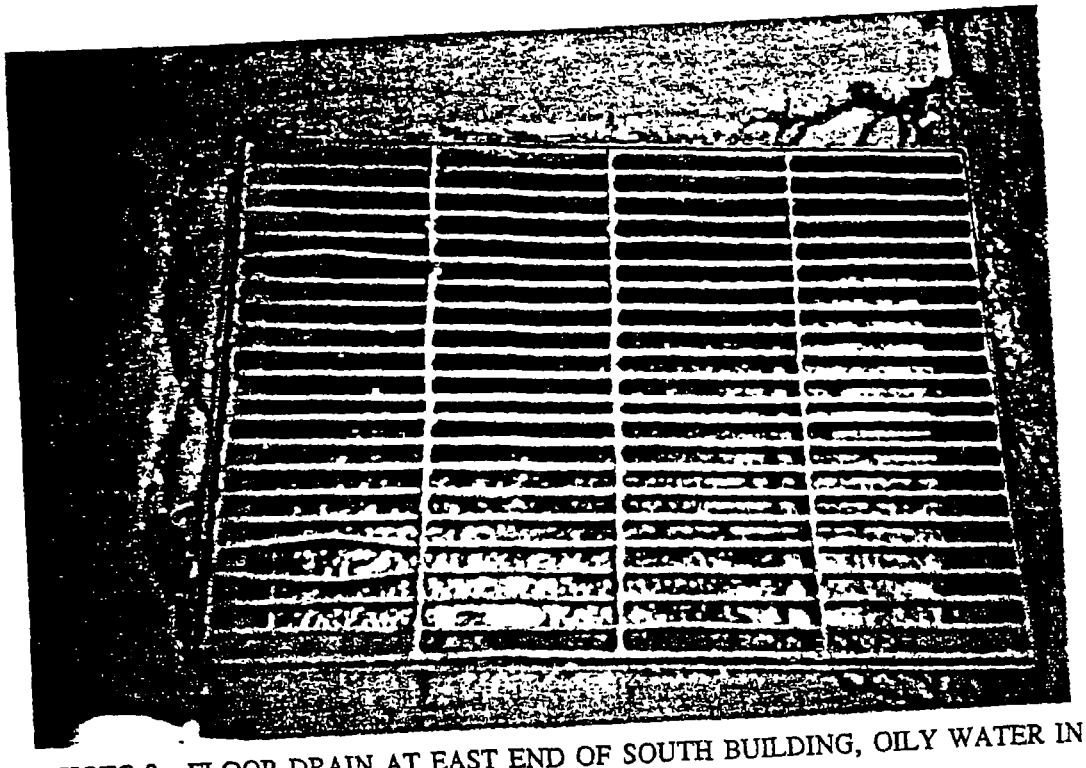


PHOTO 8. FLOOR DRAIN AT EAST END OF SOUTH BUILDING, OILY WATER IN DRAIN.

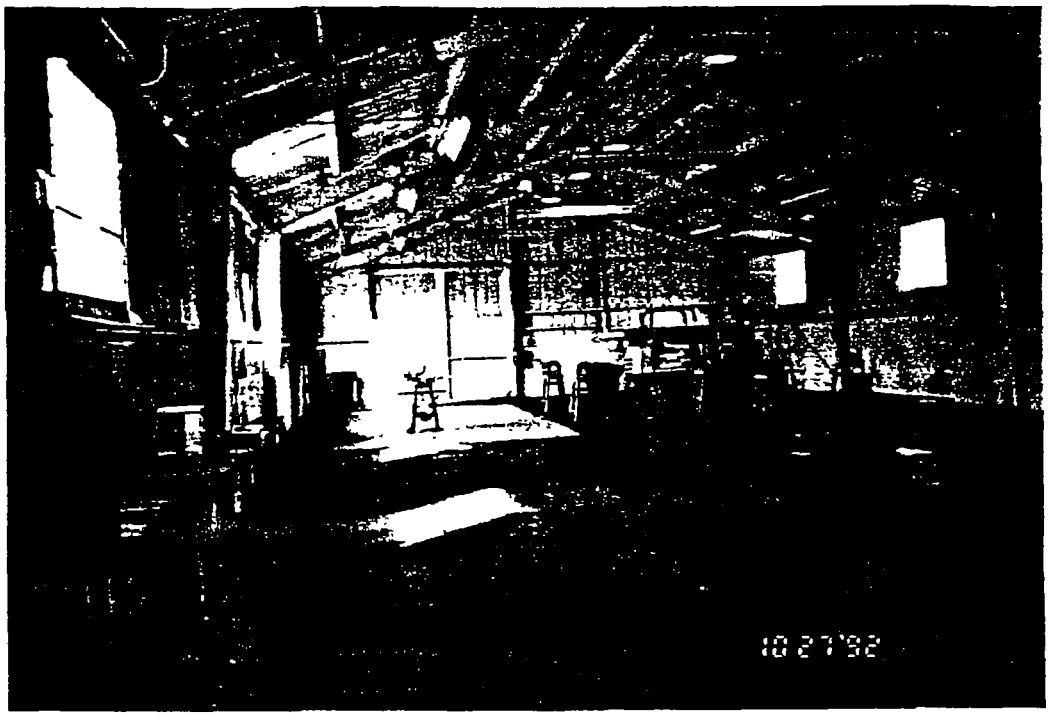


PHOTO 5. INTERIOR OF WEST WAREHOUSE/STORAGE BUILDING, FACING NORTH.

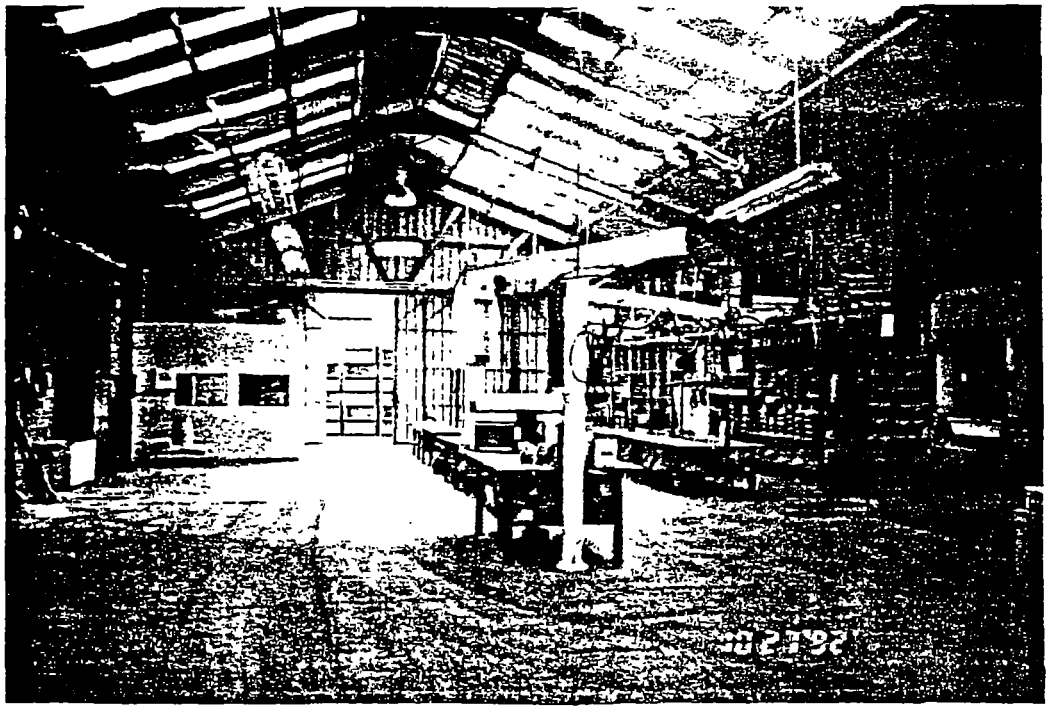


PHOTO 6. INTERIOR OF EAST WAREHOUSE/STORAGE BUILDING, FACING SOUTH.

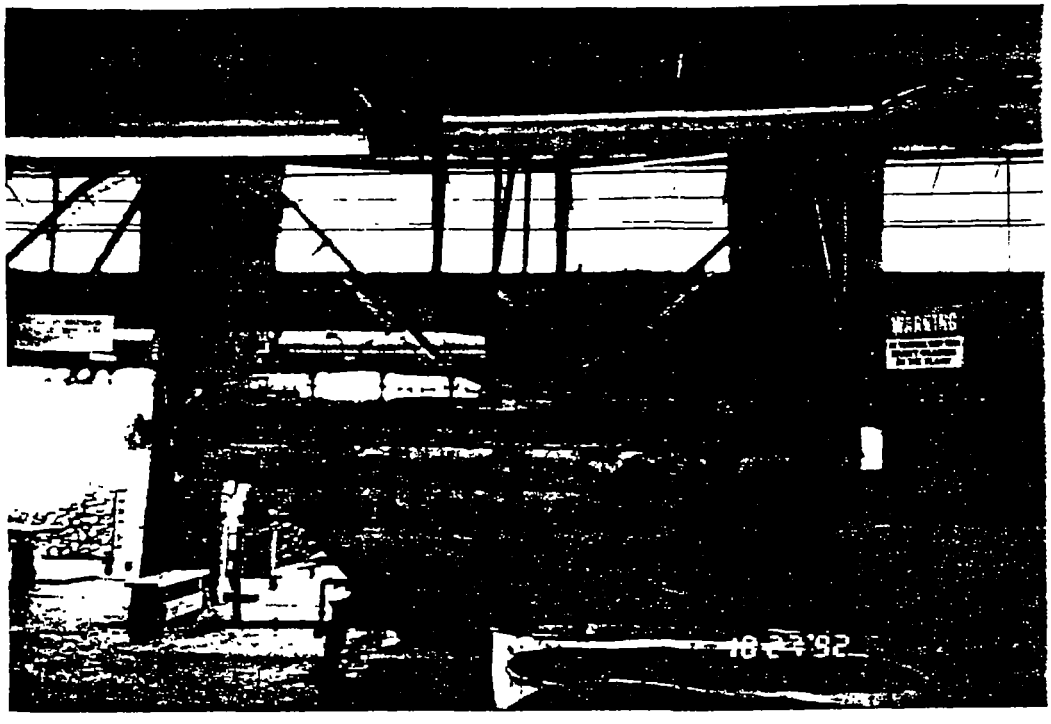


PHOTO 3. PAINT DIP TANK, NORTHWEST PORTION OF SOUTH BUILDING, FACING NORTH.

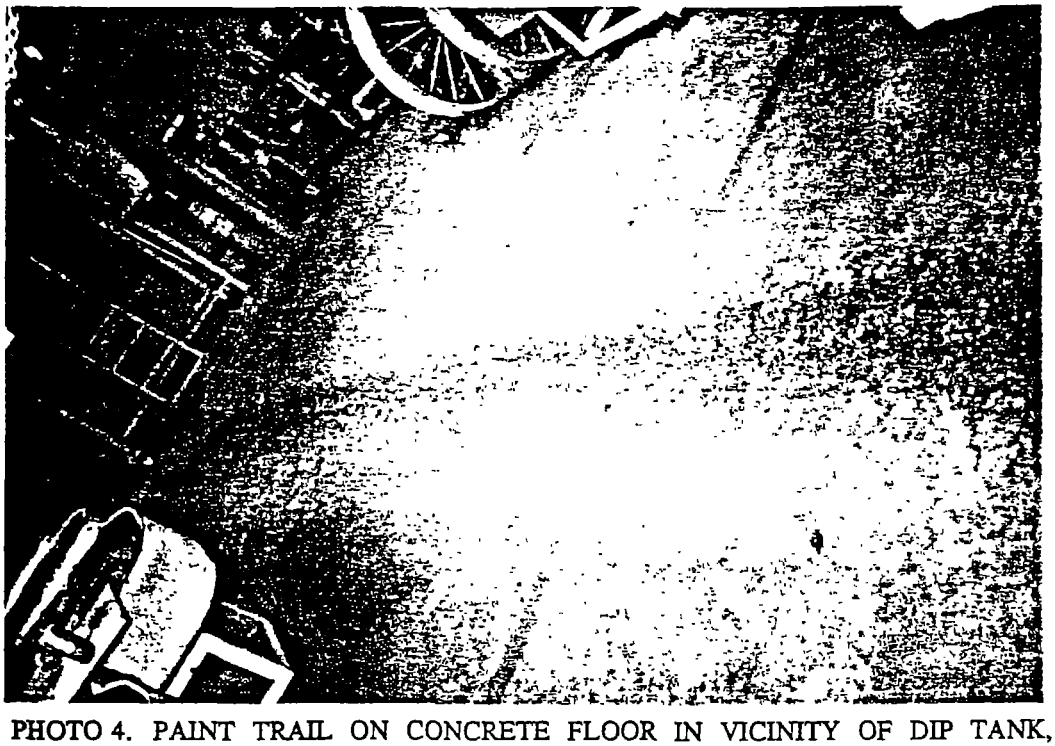


PHOTO 4. PAINT TRAIL ON CONCRETE FLOOR IN VICINITY OF DIP TANK, FACING NORTH.

WESTON

PHOTO 1. INTERIOR OF SOUTH BUILDING, PRODUCTION AREA, FACING EAST.

PHOTO 2. INTERIOR OF SOUTH BUILDING, STORAGE AREA IN NORTHEAST CORNER, FACING WEST.

APPENDIX B

Photo Documentation

CONTACT REPORT

AGENCY/AFFILIATION:	Southern California Water Company	
DEPARTMENT:		
ADDRESS/CITY:	17140 S. Avalon Boulevard/Carson	
COUNTY/STATE/ZIP:	Los Angeles County/California/90746	
CONTACT(S)	TITLE	PHONE
Kyle Snay		(310) 354-1300
RFW PERSON MAKING CONTACT: Brian A. Oatman		DATE: 11-12-92
SUBJECT: Water supply wells		
SITE NAME: Trico Industries		EPA ID#: CAD981450828

Southern California Water Company uses 20% groundwater and 80% Metropolitan Water District.

Groundwater comes from a total of 15 - 20 wells, and about half of these may be within a four mile radius of the site near the intersection of Normandie Avenue and 196th Street.

An estimated 40,000 people are served by wells within the four mile radius. However, the distribution system is configured so that water can pass between four individual systems or pressure gradients as needed. Thus, the total population which possibly might be served by the wells near the site would be greater.

Wells in the area are 400 - 500 feet deep.

VERIFIED BY CONTACT:	DATE:

"No initialed concurrence as of December 16, 1992."

CONTACT REPORT

AGENCY/AFFILIATION: Dominguez Water Corporation		
DEPARTMENT:		
ADDRESS/CITY: 21718 S. Alameda Street/Long Beach		
COUNTY/STATE/ZIP: Los Angeles County/California/90810		
CONTACT(S)	TITLE	PHONE
Chuck Spring		(310) 834-2625
RFW PERSON MAKING CONTACT: Brian A. Oatman		DATE: 11-12-92
SUBJECT: Water supply wells		
SITE NAME: Trico Industries		EPA ID#: CAD981450828

Dominguez typically uses approximately 30% groundwater and 70% Metropolitan Water District for their drinking water supply.

Metropolitan Water District imports water from the Colorado River in Arizona and from the Sierra Nevada mountains in Northern California.

The wells on the system are interconnected.

Currently, no wells are operating, but normal operation is ten wells, with two standby wells, which have not been used for several years.

The wells nearest the site are Well 32 (standby well) which is 560 feet deep, and Well 33 (standby well) which is 600 feet deep.

VERIFIED BY CONTACT:	DATE:

CONTACT REPORT

AGENCY/AFFILIATION: California Department of Fish and Game		
DEPARTMENT:		
ADDRESS/CITY: 4775 Bird Farm Road/Chino		
COUNTY/STATE/ZIP: San Bernardino County/California/91709		
CONTACT(S)	TITLE	PHONE
Linda Pardy	Biologist	(714) 597-9823
RFW PERSON MAKING CONTACT: Brian A. Oatman		DATE: 10-20-92
SUBJECT: Dominguez Channel as a fishery		
SITE NAME: Trico Industries		EPA ID#: CAD981450828

Rivers in L.A. area have been altered so much that Fish and Game has not done a survey on them in many years. If the Dominguez Channel is perennially flowing, there would likely be freshwater fish such as bluegill and bass, and it would possibly be used for sport fishing.

VERIFIED BY CONTACT:	DATE:

"No initialed concurrence as of December 16, 1992"

CONTACT REPORT

AGENCY/AFFILIATION:	City of Torrance	
DEPARTMENT:	Water Division	
ADDRESS/CITY:	3031 Torrance Blvd./Torrance	
COUNTY/STATE/ZIP:	Los Angeles County/California/90503	
CONTACT(S)	TITLE	PHONE
Chuck Schaich		(310) 618-2859
RFW PERSON MAKING CONTACT: Brian A. Oatman		DATE: 10-13-92
SUBJECT: Water supply wells in the Torrance area		
SITE NAME: Trico Industries		EPA ID#: CAD981450828

Torrance Water Division serves 75% of City of Torrance, or approximately 110,000 persons.

80 - 85% of the water supply is from the Metropolitan Water District, which uses water from the Colorado River and State Water Project. The rest of the water comes from three wells.

City well #06 is at Yukon Avenue and Artesia Boulevard, City well #04 is at 1001 Elm Avenue (corner of Elm & Sierra) and City well #05 is at Alaska Avenue and Maricopa Street.

The wells are 800 feet deep and draw water from 210 feet below ground surface. The wells draw from the bottom of the Lynwood Aquifer and from the Silverado Aquifer. The water supply is blended in the pipelines and no one well provides more than 40% of the water supply.

There are no known active wells used by private parties for water supply. although there may be some wells for industrial use.

VERIFIED BY CONTACT:	DATE:

"No initialed concurrence as of December 16, 1992"

CONTACT REPORT

AGENCY/AFFILIATION:	Dominquez Water Corporation	
DEPARTMENT:		
ADDRESS/CITY:	P.O. Box 9351/Long Beach	
COUNTY/STATE/ZIP:	Long Beach County/California/90810	
CONTACT(S)	TITLE	PHONE
Terry Withoff	Operations Manager	(213) 834-2625
RFW PERSON MAKING CONTACT:	Kate Dragolovich, Ecology & Environment	DATE: 07-11-90
SUBJECT:	Drinking water wells within four miles of the site	
SITE NAME:	Trico Industries	EPA ID#: CAD981450828

The only two active wells that Dominquez Water Corporation owns within four miles of the site are:

1. Well #75, located at Main and Lomita Streets (4S13W29E05S), is 483 feet deep and perforated at 196 to 214 feet below ground surface (bgs), 262 to 290 feet bgs, and 350 to 410 feet bgs.

2. Well #79, located at 229th and Anchor (one block west of Avalon), is 925 feet deep and perforated at 480 to 652 feet bgs.

These wells serve approximately 85,000 residents of the city of Carson. The drinking water supply is a blend of 25% groundwater and 75% imported surface water from the Metropolitan Water District (MWD). The MWD surface water is transported long distances, via aqueduct, from the Colorado River in Arizona and the Sierra Nevada Mountains in Northern California.

VERIFIED BY CONTACT:	DATE:
From Del Amo, EPA ID #CAD029544731	

the vicinity of the cesspool. Volatile organic compounds and chlorinated organic compounds have been found in soil and groundwater onsite, however with the exception of toluene, there is no known onsite source for this contamination.

Observations made during site visit:

The site currently consists of a three buildings: the main plant building, a product storage building and an unused storage building. The ground surface between the buildings is paved with asphalt.

A storm drain reportedly flows east from Normandie Avenue, passing beneath the site. Floor drains on the west and east sides of the plant building contained water with a dark, oily residue. The drain on the east side of the plant building is reportedly the outfall of the storm drain and water will pond on the ground outside the building during storms. Under heavy rains, surface run-off enters a small concrete drainage culvert east of the site.

Hazardous materials used onsite include paint and solvent used for paint thinner. These are stored in a small bermed area north of the paint dip tank. One drum of paint and three drums of toluene solvent were observed and no signs of spills or leaks were evident. Several one gallon cans of paint used to stencil part numbers on products were also observed. Small quantities of lube oil or grease are also used for periodic maintenance on machinery. Hydraulic oil is also used in several machines. As these materials are used completely, no wastes are generated from use of these materials.

In the area around the dip tank it was observed that while parts are hanging on the conveyor, excess paint drips off the painted products to the floor. This paint residue is periodically scraped up and disposed of with regular waste. An approximately six month accumulation of this waste was observed.

Solid waste from the site is collected in a large dumpster which is picked up periodically by BFI Waste Systems. Solid waste generated onsite includes scrap metal, cardboard and wood.

No drinking water wells are used onsite, potable water is supplied by the Dominguez Water Corporation. Sanitary wastewater from the site is discharged to the county sewer.

Surrounding land use is industrial, commercial and residential. To the north is a Amoco Chemical. To the east are railroad tracks, warehouses and the Del Amo NPL site. To the south is Redman Equipment and Manufacturing. To the west are Mighty Enterprises, Rusher Air Conditioning and a lumber yard. The nearest perennial surface water body is the Dominguez Channel approximately one mile east. The nearest school is less than one mile northwest of the site.

SITE RECONNAISSANCE INTERVIEW AND OBSERVATIONS REPORT

REPORT BY: ROY F. WESTON, INC.

OBSERVATIONS MADE BY: Brian Oatman
Carol Hays

DATE: October 27, 1992

FACILITY REPRESENTATIVES: Leo P. Cahill, Trico Industries, Inc.
James H. Dunavant, Trico Industries, Inc.
Larry L. Sims, PACCAR Inc.

SITE NAME: Trico Industries Inc.
1206 West 196th Street
Torrance, CA 90502

EPA ID#: CAD981450828

Information provided during interview:

Owner/Operator History

The site is currently owned by Trico Industries, Inc. (TRICO), a subsidiary of PACCAR, Inc. The site was developed in 1952 by B&W Inc. to produce oil well completion equipment. Property use prior to the early 1950's is unknown. TRICO purchased B&W in 1981 and continued the operation. PACCAR, Inc. purchased TRICO in 1988. The Torrance facility is scheduled to close on October 30, 1992. After that date, TRICO plans to remove the plant equipment and has no future plans for the property. In 1987 or 1988 the property was subdivided and the western portion of the property (along Normandie Avenue) was sold. The parcel which was sold is now occupied by Mighty Enterprises and was not accessed during the site reconnaissance. Reportedly, TRICO's past activities on both properties was generally the same.

Site Operations

TRICO manufactures oil well completion equipment at the Torrance facility and operations have remained relatively unchanged for the past 40 years. Manufacturing operations are typical of a machine shop and consist of the forming of parts from sheets or rolls of steel. The steel is heated electrically for many production operations, so chemical cleaning of the steel is not needed. Parts are formed using blanks and punch presses, then rolled into the desired shape and assembled by welding or by fittings such as pins. The only wastes produced in the process are scrap metal and welding scrap. Finished products are coated with brown paint in a dip tank. The products hang from a conveyor on the ceiling and pass through the dip tank.

A cesspool was used for disposal of liquid waste from the site bathrooms from the 1960's to the early 1970's. The cesspool was cleaned, filled in and paved over in 1987. Soil borings and two monitoring wells have been drilled onsite to investigate soil and groundwater contamination in

PA CONTACT LOG

Facility Name: Trico Industries

Facility ID: CAD981450828

Name	Affiliation	Phone #	Date
Terry Withoff	Dominquez Water Corporation	(213) 834-2625	07-11-90
Chuck Schaich	City of Torrance	(310) 618-2859	10-13-92
Linda Pardy	California Department of Fish and Game	(714) 597-9823	10-20-92
Chuck Spring	Dominquez Water Corporation	(310) 834-2625	11-12-92
Kyle Shay	Southern California Water Company	(310) 354-1300	11-12-92

APPENDIX A

Contact Reports

17. Oatman, Brian A., Roy F. Weston, Inc. and Snay, Kyle, Southern California Water Company, Water supply wells, telephone conversation, November 12, 1992.

18. Los Angeles County Public Works Department, Drainage maps, Reviewed by WESTON, October 13, 1992.

19. Oatman, Brian A., Roy F. Weston, Inc. and Pardy, Linda, California Department of Fish & Game.

PACCAR 01268

7.0 REFERENCES

1. Internal EPA Memorandum, not dated.

2. Roy F. Weston, Inc., Site Reconnaissance Interview and Observations Report, October 27, 1992.

3. U.S. Geological Survey, Torrance Inglewood, South Gate and Long Beach Quadrangles, 7.5 minute series topographic maps, 1964, photo revised 1981.

4. Latitude/Longitude Calculation Worksheet

5. Federal Emergency Management Agency, Flood Insurance Rate Map, Community Panel 065043-1010B, December 2, 1980.

6. National Oceanic and Atmospheric Administration, Monthly Station Normals of Temperature, Precipitation, and Heating and Cooling Degree Days, California, January 1992.

7. University of California - Los Angeles, Spence Collection of Aerial Photographs, Reviewed by WESTON, October 14, 1992.

8. SCS Engineers, Preliminary Draft Report for Additional Site Investigation at the Trico Industries Facility, November 1987.

9. SCS Engineers, Report for Further Site Investigation at the Trico Industries Facility, April 1988.

10. California Department of Toxic Substances Control - Region 4, File for B&W Inc., Calsites ID #19350260, Reviewed by WESTON, October 14, 1992.

11. South Coast Air Quality Management District, Permit to Operate #M21678, August 18, 1992.

12. U.S. Geological Survey, Geology, Hydrology, and Chemical Character of Ground Waters in the Torrance-Santa Monica Area, California, Water Supply Paper 1461, 1959.

13. Oatman, Brian A., Roy F. Weston, Inc. and Schaich, Chuck, Torrance Water Division, Water supply wells in the Torrance area, telephone conversation, October 13, 1992.

14. U.S. EPA GIS Center, Site Report, Trico Industries, October 29, 1992.

15. Dragolovich, Kate, Ecology & Environment, and Whitoff, Terry, Dominguez Water Corporation, Water supply wells, telephone conversation, July 11, 1990.

16. Oatman, Brian A., Roy F. Weston, Inc. and Spring, Chuck, Dominguez Water Corporation, Water supply wells, telephone conversation, November 12, 1992.

PACCAR 01269

and included cutting and forming of steel, assembly of parts and painting. Wastes produced included scrap metal and cardboard and wood packaging. Hazardous materials used onsite included paint, toluene solvent, lubricating oils and hydraulic oil. Reportedly, no wastes were generated from the use of these materials.

The pertinent HRS factors for the TRICO site are as follows:

- Shallow groundwater in the southeast corner of the site has been found to contain concentrations of common industrial solvents, and the site was evaluated as having an observed release of these compounds.

- Groundwater in the vicinity of the site is drawn from deeper aquifers by several drinking water suppliers. Approximately 43,684 persons are served by groundwater wells within a four mile radius of the site.

- Surface water runoff from the site ponds onsite or enters the County storm sewer, where it is eventually discharged to the Dominguez Channel.

- Soil contamination of solvents and petroleum related compounds has been documented at the site, but is at depths ranging from 5 to 60 feet below the surface and is covered by asphalt.

- TRICO holds a permit for operation of a paint dip tank allowing emissions of toluene and xylene. No violations of this permit or unpermitted emissions sources were noted during this assessment.

6.0 EPA RECOMMENDATION

	INITIAL	DATE
Site Evaluation Accomplished (SEA)	Gd	1/4/93
High priority SSI		
Low priority SSI		
Deferred to Other Authority (e.g. RCRA, TSCA, NRC)		

Notes:

PACCAR 01270

populations have been conducted in many years.[19] The waterways along the Los Angeles Harbor may be a habitat of the California Least Tern, a Federal Endangered species.[14]

3.3.4 Surface Water Conclusions

The site was evaluated based on its potential to release contaminants to surface water because there is no direct pathway for migration of surface water from the site to surface water. Runoff from the site ponds on the asphalt surface and evaporates or enters the storm sewer which eventually discharges to the Dominguez Channel, the nearest surface water body. There are no drinking water intakes downstream from the site, but the Dominguez Channel may be used for a small amount of recreational fishing.

3.4 Soil Exposure and Air Pathways

This section presents information on the physical conditions at the site, soil and air targets, and conclusions for the soil exposure and air pathways.

3.4.1 Physical Conditions

The site currently contains three buildings and is fenced and paved.[2] Soil sampling has revealed concentrations of industrial solvents and petroleum related compounds in soil at depths ranging from 5 to 60 feet below ground surface.[8,9] The highest concentration of contaminants were found in the vicinity of the former cesspool at a depth of 60 feet.

3.4.2 Soil and Air Targets

The population within one mile of the site is 14,184 persons.[14] There are no workers or residents onsite or within 200 feet of the site.[2] The nearest school is three-fourths of a mile from the site.[3]

3.4.3 Soil Exposure and Air Pathway Conclusions

There is soil contamination below the surface at the site, but the entire site is covered by asphalt and the contamination identified is at a depth ranging from 5 to 60 feet. When in operation, the site had permitted air emissions and there were no indications of any significant violations or fugitive emissions. There are relatively few targets in the soil exposure and air pathways.

4.0 EMERGENCY RESPONSE CONSIDERATIONS

The National Contingency Plan [40 CFR 300.15 (b)(2)] authorizes EPA to consider emergency response actions at those sites which pose an imminent threat to human health and the environment. Emergency response actions are not considered necessary for this site at this time.

5.0 SUMMARY AND CONCLUSIONS

Trico Industries, Inc. formerly produced oil well completion equipment at its Torrance facility. The facility was in operation from 1952 to 1992. Operations were typical of a machine shop

PACCAR 01271

Groundwater sampling has shown elevated concentrations of various solvents in the groundwater at the site. The only compound detected in groundwater which is directly attributable to site operations is toluene which was used onsite for paint thinner. Other solvents, such as dichloroethane, methylene chloride and 1,1,1-trichloroethane have been detected in groundwater but were reportedly not used onsite. While groundwater sampling has focused on the vicinity of a former cesspool, the cesspool reportedly only received wastewater from the bathrooms onsite, and the site production operations did not generate liquid wastes. Contaminants found in the two wells do not correlate well. For example, elevated concentrations of 1,2-dichloroethane were detected in MW-1 but not in MW-2, while elevated concentrations of methylene chloride were detected in MW-2 but not in MW-1. There are a number of groundwater wells in the area used for drinking water supply, but these draw from a deeper aquifer and the water is mixed with imported surface water prior to distribution. Only one of the drinking water wells identified is down gradient from the site.

3.3 Surface Water Pathway

This section presents information on the hydrologic setting, surface water targets, and conclusions for the surface water pathway.

3.3.1 Hydrologic Setting

The ground surface of the site is generally flat and is covered with asphalt.[2] A storm drain reportedly flows east from Normandie Avenue, passing beneath the site.[2] Floor drains on the west and east sides of the plant building collect surface runoff from the property. At the time of the site reconnaissance, these drains contained water with a dark, oily residue. The drain on the east side of the plant building is reportedly the outfall of the storm drain and water will pond on the ground outside the building during storms. Under heavy rains, surface run-off enters a small concrete drainage culvert east of the site.[2] This culvert leads to a storm sewer pipeline maintained by Los Angeles County which flows south along Kenwood Avenue, crosses Torrance Boulevard, and turns east, eventually discharging to an unnamed surface drainage channel.[18] This unnamed channel flows in a generally easterly direction and discharges into the Dominguez Channel near Avalon Boulevard.[18]

The nearest perennial surface water to the site is the Dominguez Channel, approximately 1.25 miles east.[3] Surface runoff from the site may be transported via the storm sewer to the Dominguez Channel, following an over three mile path.[18] There is no apparent pathway that would allow direct surface water migration from the site to this channel. The Dominguez Channel flows south approximately six miles to the Los Angeles Harbor, then to San Pedro Bay and the Pacific Ocean.[3]

3.3.2 Surface Water Targets

No drinking water intakes were identified downstream from the site. The majority of drinking water in the Los Angeles area is imported by the Metropolitan Water District from Northern California via the California Aqueduct or from the Colorado River.[13] The Dominguez Channel and Los Angles Harbor may be used for sport fishing, but no surveys of fish species or

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3.2.2 Groundwater Targets

Groundwater in the vicinity of the site is used to supplement the imported drinking water supply from the State Water Project and the Colorado River. Three water purveyors using groundwater within a four mile radius of the site were identified.[14] These are the City of Torrance, Dominguez Water Corporation, and Southern California Water Company-Southwest. There may also be wells used for industrial purposes within four miles of the site.

The City of Torrance uses three wells within three miles of the site, the closest wells are Wells 04 and 05, approximately 2.2 miles southwest of the site.[13,14] Torrance Well 06 is approximately 2.6 miles northwest of the site. The City of Torrance provides water to approximately 110,000 persons, but only 15 to 20% of the water supply is from groundwater.[13] The wells operate on an interconnected system and none of the wells contributes more than 40% of the total, so the apportioned population served by these wells is 7,333 persons per well for a total of 22,000. Torrance's wells are 800 feet deep and draw water from the base of the Lynwood aquifer and from the Silverado Aquifer.[13]

Dominguez Water Corporation has three wells within four miles of TRICO. Well 79 is located approximately 2.2 miles southeast of the site and is 925 feet deep drawing water from between 480 to 652 feet below ground surface.[15] Wells 32 and 33 are approximately 2.6 miles west of the site and are 560 and 600 feet deep, respectively.[14] Dominguez supplies water to a total of 100,000 people and approximately 30% of their water supply comes from a maximum of 12 groundwater wells.[14,16] Thus, approximately 30,000 persons are served by total of 12 wells resulting in an apportioned population of 2,500 persons per well or a total of 7,500 persons within a four mile radius.

Southern California Water Company has six wells within a four mile radius of the site. Chadron Wells 01 and 02, South Wells 03 and 04, Cerise Well (standby) and 157th Street Well (standby).[14] These wells range from 400 to 500 feet deep. Approximately 20% of Southern California Water Company's supply comes from 15 wells in its Southwest distribution system.[17] The distribution system is interconnected so that water from different areas can be brought in when needed.[17] Therefore, the wells near the site may be used to provide water outside their normal service area.[17] The total population served by Southern California Water Company-Southwest is 177,284 persons.[14] The apportioned population served by the six wells within four miles was calculated to be 2,364 persons per well for a total of 14,184.

3.2.3 Groundwater Conclusions

For the purposes of HRS evaluation, the site was evaluated using an observed release of all compounds detected in groundwater onsite. An observed release is when the chemical analysis of an environmental sample from a site is found to be three or more times above the background concentration and some portion of the release is attributable to the site. It should be noted that based on current available information on site operations, not all of these contaminants can be firmly attributed to the site.

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Other potential sources of contamination onsite are the former steam cleaning and vehicle maintenance areas where toluene and methylene chloride were detected at 5 and 10 feet below ground surface. Solvents were also detected in the vicinity of the paint and solvent storage area.

3.2 Groundwater Pathway

This section presents information on the hydrogeologic setting, groundwater targets, and conclusions regarding the groundwater pathway.

3.2.1 Hydrogeologic Setting

The soils beneath the site are described as a Pleistocene Series, the San Pedro Formation and the Pico Formation.[12] The uppermost geologic unit is the Pleistocene Series, which contains deposits of late Pleistocene age identified as terrace cover, Palos Verdes Sand, and unnamed Pleistocene deposits. The terrace cover contains sand, silt, and soil which was deposited in a flood plain environment. The Palos Verdes Sand consists of coarse-grained sand and gravel of marine origin. The two zones are generally less than 50 feet thick and are moderately permeable, but above the water table. The unnamed Pleistocene deposits vary considerably, but generally consist of an upper half of fine grained silt, clay and sand; with a lower half of sand and some gravel. The lower half is a productive aquifer at approximately 200 feet below ground surface and is known as the "200-foot sand." This aquifer is widely used northeast of Torrance and Gardena, but is finer grained and not an important aquifer in the vicinity of the site. The depth of the "200-foot sand" coincides with the Lynwood Aquifer which is reportedly tapped by the city of Torrance drinking water wells.[13] Groundwater in these deposits exists in both confined and unconfined conditions.

The next deeper geologic unit is the San Pedro Formation, which consists of unconsolidated to semiconsolidated gravel, sand, silt and clay of early Pleistocene age. The San Pedro Formation occurs at approximately 200 feet below ground surface and is approximately 500 feet thick in the vicinity of the site. The major water-bearing zone in the San Pedro Formation is the Silverado aquifer which is a confined aquifer consisting almost entirely of sand or gravel with few interbedded clay or silt layers. Local unconformities separate the San Pedro Formation from overlying and underlying rock sequences.

The Pico Formation lies below the San Pedro Formation and is divided into upper, middle and lower divisions. The upper division of the Pico Formation consists of semiconsolidated sand, silt, clay and some fine gravel of marine origin and Pliocene age. The upper division Pico formation is approximately 1000 feet thick in the Torrance area and contains highly permeable zones which yield water but are not widely used due to high temperature, discoloration and high total dissolved solids in the water. The middle and lower divisions of the Pico Formation contain varying proportions of sand, claystone and siltstone. These zones are largely impervious, as are the rocks of the Repetto, Puente and Franciscan Formations below.

Soil boring logs from borings and monitoring wells drilled onsite shows that the soils onsite are a brown silty clay with lenses of fine sand to approximately 60 feet, then a brown clayey or silty sand.[8,9] The depth to groundwater at the site is 60 to 65 feet and the regional groundwater flow in the area is to the southeast.[9]

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2.4.1 California Regional Water Quality Control Board (RWQCB)

The RWQCB maintains a file on the site which contains two reports by SCS Engineers, TRICO's consultant.[8,9] These reports document soil and groundwater investigations which have occurred onsite. As discussed in the previous section of this report, the results of these investigations have revealed levels of solvents and petroleum-related compounds in soil and groundwater, primarily in the vicinity of the former cesspool. No correspondence or responses by RWQCB were evident in this file.

2.4.2 California Department of Toxic Substances Control (DTSC)

DTSC (formerly Department of Health Services) conducted a drive-by assessment of the property in January 1983 and determined that no further action was necessary.[10] DTSC's file on the site contained notes from this drive-by and a photograph of the site.

2.4.3 South Coast Air Quality Management District (SCAQMD)

SCAQMD has issued permit number M21678 to TRICO for operation of a dip tank used for paint coating.[11] This permit expires August 16, 1993. Reportedly, TRICO's allowable emissions are 27,500 pounds per year of toluene and 18 pounds per year of xylene.[2] WESTON was not able to review SCAQMD's file on TRICO during this assessment, but there are no known violations associated with this permit.

3.0 HAZARD RANKING SYSTEM FACTORS

In accordance with the mandates outlined in CERCLA and SARA, the Hazardous Ranking System (HRS) was developed to accurately assess the relative degree of risk to human health and the environment posed by a potential hazardous waste site in order to determine the site's eligibility for the National Priorities List (NPL). The HRS addresses four exposure pathways representing means by which hazardous substances may pose a threat to human health and/or the environment. The pathways include three migration pathways (groundwater, surface water, and air) and one exposure pathway (soil). For each pathway, three factors are evaluated: likelihood of release of hazardous substances, targets, and waste characteristics.

This section presents a summary of the potential threats associated with each HRS exposure pathway for the TRICO site.

3.1 Sources of Contamination

The most significant source of contamination identified onsite is the former cesspool located on the southeast corner of the property. The cesspool was used to collect sanitary wastewater from the site and its volume is unknown. As discussed previously, soil and groundwater contamination by industrial solvents has been found in the vicinity of the cesspool. SCS Engineers, TRICO's consultant, has estimated that soil contamination does not extend more than 50 feet in any direction around the former cesspool.[9] Assuming contamination is present at 10 to 60 feet below surface in the vicinity of the cesspool, there would be approximately 16,000 cubic yards of potentially contaminated soil.

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Based on these samples, elevated concentrations of volatile organic compounds (Method 8010) appear to be concentrated in the vicinity of the former cesspool. Lower concentrations of volatile compounds and toluene were found in other areas of the site. The only compound found that is directly attributable to reported site operations is toluene, which was found in shallow soils at BH-4 and BH-5, but was not analyzed in samples from borings drilled after BH-5.

Two groundwater monitoring wells have been installed on the southeast corner of the site and have been sampled on several occasions. MW-1 is located in the vicinity of the former cesspool and MW-2 is upgradient of the cesspool. Groundwater samples have, on different occasions, been analyzed for purgeable halocarbons (EPA method 8010), purgeable aromatics (EPA method 8020) and volatile organics (EPA method 8240).[8,9] Results have shown low to high levels of common industrial solvents, with several contaminants found in excess of State of California drinking water standards.[8,9] Table 2 summarizes the levels of volatile organic compounds which were detected in groundwater on April 4, 1988. This is the most recent sampling and the only time both MW-1 and MW-2 were sampled. Previous sampling results for MW-1 reported similar concentrations, with some compounds slightly higher in previous sampling events. Low to moderate concentrations of toluene (16.5 to 75 μg/L) were also detected in past sampling.

TABLE 2
Groundwater Sampling Results, Detectable Volatile Organics (μg/L)[9]

Substance Detected	MW-1	MW-2
Chloroform	6.0	7.0
1,4-Dichlorobenzene	5.0	ND
1,2-Dichloroethane	25	ND
1,1-Dichloroethane	2400	ND
Methylene Chloride	ND	490
Tetrachloroethylene	160	79
1,1,1-Trichloroethane	1200	ND
1,1,2-Trichloroethane	7.0	ND
Trichloroethylene	470	130

Notes: ND - Not Detected at or above the detection limit.

2.4 Regulatory Involvement

This section presents a summary of regulatory involvement at the site.

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TABLE 1
Soil Sample Results ($\mu g/Kg$)[8,9]

Sample Location	Toluene	1,2-Dichloroethane	Methylene Chloride	Tetrachloro-ethylene	1,1,1-Trichloro-ethane	1,1,2-Trichloro-ethane	Trichloro-ethylene	TRPH
BH-1-10	ND	–	–	–	–	–	–	ND
BH-1-15	ND	–	–	–	–	–	–	ND
BH-2-5	ND	ND	20	10	8	ND	ND	–
BH-2-10	ND	ND	296	ND	ND	ND	ND	–
BH-3-5	ND	ND	ND	ND	ND	ND	ND	–
BH-3-10	ND	ND	46	ND	ND	ND	ND	–
BH-4-5	89	ND	ND	ND	ND	ND	ND	–
BH-4-10	ND	ND	27	11	ND	ND	ND	–
BH-5-5	128	ND	23	8	20	ND	ND	–
BH-5-10	ND	11	ND	13	ND	ND	ND	–
BH-6-10	–	ND	ND	7	92	ND	ND	ND
BH-6-20	–	ND	ND	16	62	ND	ND	ND
BH-6-40	–	17,600	ND	3,070	ND	ND	ND	14,770
BH-6-60	–	62	117	122	ND	ND	ND	ND
BH-7-55	–	ND	ND	17	711	ND	23	–
BH-7-65	–	ND	ND	41	620	ND	97	–
BH-8-45	–	ND	ND	ND	418	ND	ND	–
BH-8-55	–	ND	ND	ND	226	ND	ND	–
BH-8-65	–	ND	ND	87	930	20	220	–
BH-9-5	–	ND	ND	ND	10	ND	29	–
BH-9-10	–	ND	ND	ND	ND	ND	ND	–
BH-9-20	–	ND	ND	ND	ND	ND	ND	–
BH-9-30	–	ND	ND	ND	ND	ND	ND	–
BH-9-40	–	ND	ND	ND	ND	ND	ND	–
BH-9-50	–	ND	ND	ND	120	ND	24	–
MW-1-65	–	ND	ND	ND	88	8	39	–
MW-2-5	–	ND	ND	ND	ND	ND	ND	–
MW-2-10	–	ND	ND	ND	ND	ND	ND	–
MW-2-20	–	ND	ND	ND	ND	ND	ND	–
MW-2-30	–	ND	ND	ND	ND	ND	ND	–
MW-2-40	–	ND	ND	ND	ND	ND	ND	–
MW-2-50	–	ND	ND	37	ND	ND	80	–
MW-2-60	–	ND	ND	8	ND	ND	36	–
MW-2-70	–	ND	ND	ND	ND	ND	7	–

Notes: ND = Compound not Detected at or above the detection limit.
– = Sample not analyzed for that parameter.

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Hazardous materials used onsite include paint and solvent used for paint thinner. These were stored in a small bermed area north of the paint dip tank. One drum of paint and three drums of toluene solvent were observed at the time of the site reconnaissance and no signs of spills or leaks were evident. Several one gallon cans of paint used to stencil part numbers on products were also observed in a storage building. Small quantities of lube oil or grease were also used for periodic maintenance on machinery. Hydraulic oil was also used in several machines. As these materials were used completely, no wastes were generated from the use of these materials.[2]

A cesspool was used for disposal of sanitary wastewater from the site bathrooms and sinks from the 1960's to the early 1970's.[2] The cesspool, located east of the production plant building, was cleaned, filled in and paved over in 1987.

However, as part of an environmental evaluation of the site, several soil borings and two monitoring wells were installed in the vicinity of the cesspool onsite to investigate potential soil and groundwater contamination.

A total of nine soil samples and two monitoring wells were installed onsite by SCS Engineers, TRICO's consultant at locations shown on Figure 2.[8,9] The borings and wells were placed in past operations areas and samples were analyzed as listed below:

Sample I.D.	Boring/Well Location	Analysis
BH-1	Former underground fuel tank	BTX and TRPH
BH-2	Solvent/paint storage area	EPA 8010/8020
BH-3	Former steam cleaning area	EPA 8010/8020
BH-4	Former steam cleaning area	EPA 8010/8020
BH-5	Former vehicle maintenance area	EPA 8010/8020
BH-6	Former cesspool area	EPA 8010/8020
BH-7	Former cesspool area	EPA 8010
BH-8	Former cesspool area	EPA 8010
BH-9	Former cesspool area	EPA 8010/8015
MW-1	Former cesspool area	EPA 8010
MW-2	Former cesspool area	EPA 8010/8015

Notes: BTX = benzene, toluene, xylene
TRPH = total recoverable petroleum hydrocarbons
EPA 8010 = halogenated VOCs
EPA 8020 = aromatic VOCs
EPA 8015 = nonhalogenated VOCs

Table 1 presents a summary of the soil sample analyses from the investigation project. Samples were labelled with a location and depth description. For instance, sample BH-1-10 was taken from location BH-1 at a depth of 10 feet below ground surface.

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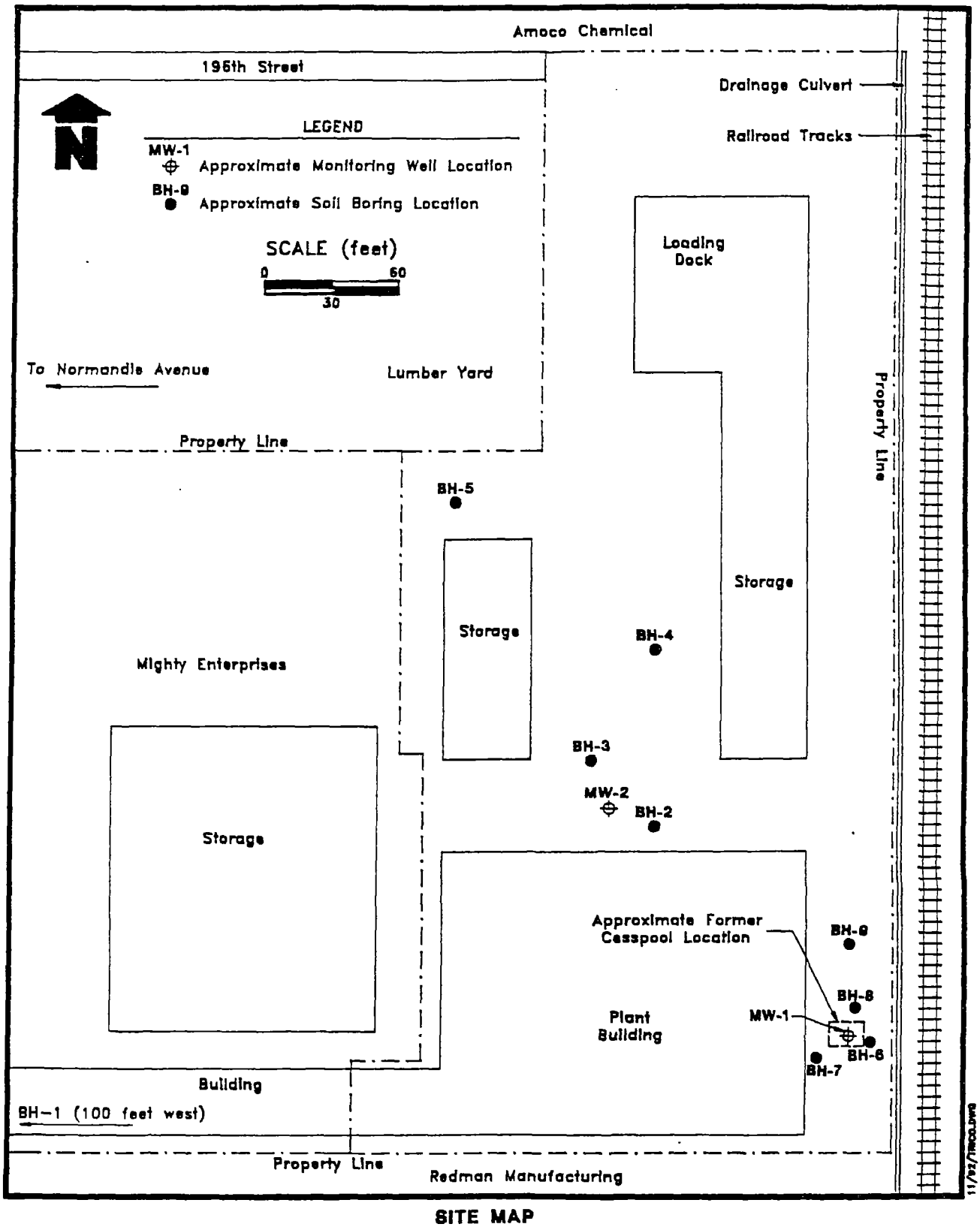
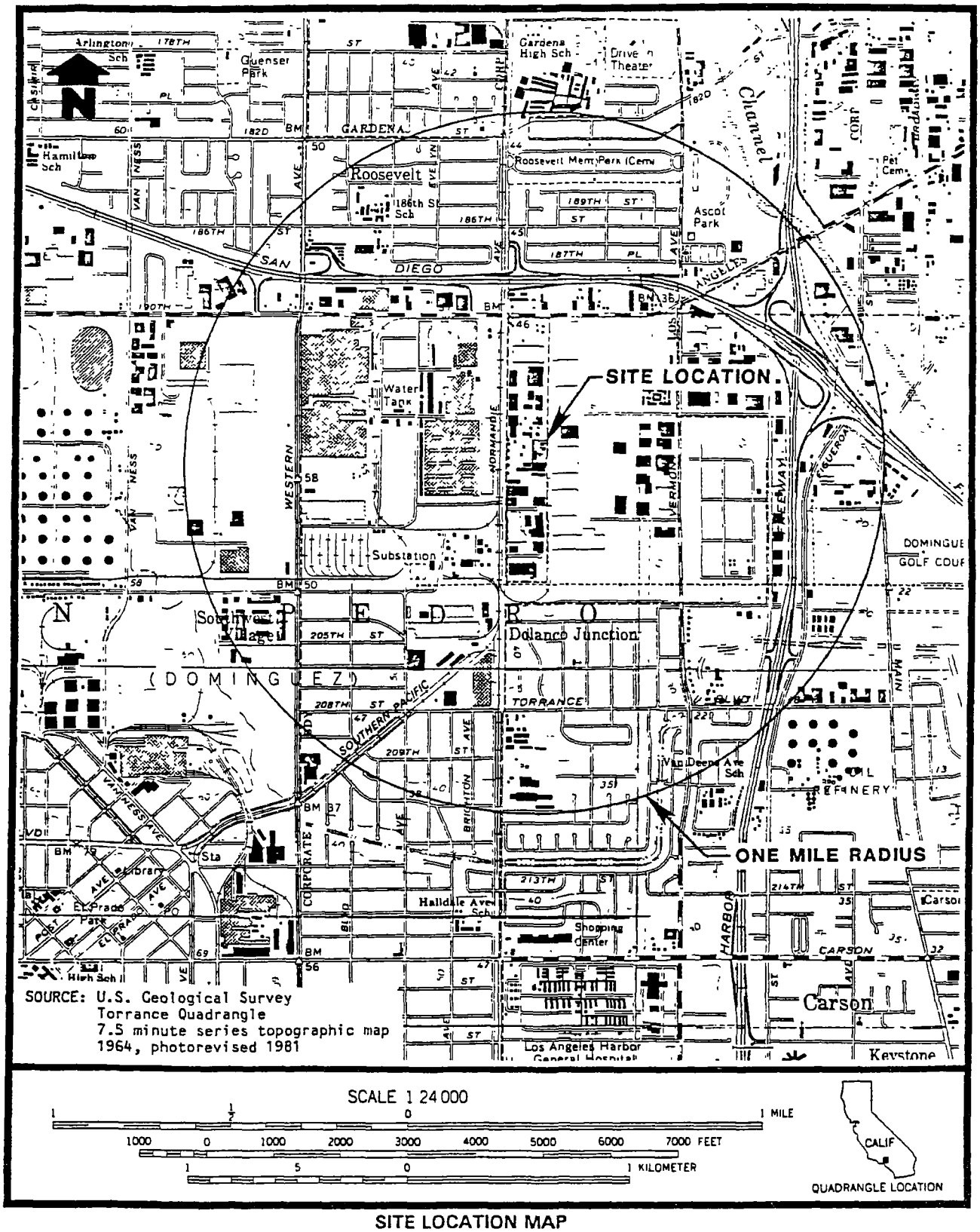


SITE MAP
TRICO INDUSTRIES INC., TORRANCE, CALIFORNIA
FIGURE 2

WESTON



SOURCE: U.S. Geological Survey
Torrance Quadrangle
7.5 minute series topographic map
1964, photorevised 1981

SITE LOCATION MAP
TRICO INDUSTRIES INC., TORRANCE, CALIFORNIA
FIGURE 1

Angeles County, but the mailing address is in Torrance[2]. The site location is shown on Figure 1. Land use within one mile of the site is industrial, commercial and residential.[2] Directly north of the site is Amoco Chemical and to the east are railroad tracks, warehouses and the Del Amo NPL site. To the south is Redman Equipment and Manufacturing and to the west is Mighty Enterprises and a lumber yard. The nearest perennial surface water body is the Dominguez Channel approximately 1.25 miles east. The nearest school is less than one mile northwest of the site.

The approximate elevation of the site is 45 feet above sea level and the site is not located in a flood prone area.[3,5] Normal rainfall in Torrance is 13.57 inches per year.[6] The normal annual temperature is 62.9°F with an annual normal high temperature of 72.7°F and an annual normal low temperature of 53.0°F.[6]

2.2 Site Description[2]

The site is owned by Trico Industries, Inc. and as of October 30, 1992 was inactive. The property consists of three buildings on approximately 2.3 acres. The ground surface between the buildings is paved with asphalt. The site was formerly used for manufacture of oil well completion equipment. In the past, TRICO also owned the adjacent lot to the west which is currently occupied by Mighty Enterprises. Figure 2 presents the general layout of the current site.

2.3 Operational History[2]

The site was developed in 1952 by B&W Inc. for the production of oil well completion equipment. Use of the land prior to the early 1950's is not known, but review of aerial photographs taken in 1929, 1940, and 1946 indicated that the property was not used prior to 1950.[7] Aerial photographs taken in 1954 show development of the property with one or two buildings.[7] B&W Inc. was purchased by TRICO in 1981 and TRICO was purchased by PACCAR Inc. in 1988. In 1987 or 1988, the property was subdivided and the western portion (at 19706 Normandie Avenue) was sold. The Normandie Avenue parcel is now occupied by Mighty Enterprises with Dynateck America Inc., a division of Mighty Enterprises, using the property to import and store patio furniture. TRICO's past operations on this parcel were reportedly essentially the same as the operations which were observed at the 196th Street facility.[2] The property currently occupied by Mighty Enterprises was not accessed during this assessment.

When the site was active, manufacturing operations were similar to a machine shop and consisted of the forming of parts from sheets or rolls of steel. The steel was heated electrically for many production operations which eliminated the need for chemical cleaning of the steel. Parts were formed using blanks and punch presses, then rolled into the desired shape and assembled by welding or by fittings such as pins. The only wastes produced in the process were scrap metal and welding scrap. Finished products were coated with brown paint in a dip tank. The products were suspended from a conveyor on the ceiling and passed through a dip tank. Reportedly, other than the size of the operation, there have been no significant changes in site activities in the last 40 years.[2]

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PRELIMINARY ASSESSMENT REPORT
TRICO INDUSTRIES
(EPA ID NO. CAD981450828)

1.0 INTRODUCTION

The U.S. Environmental Protection Agency (EPA), Region IX Site Evaluation Section, under the authority of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) and the Superfund Amendments and Reauthorization Act of 1986 (SARA) has tasked Roy F. Weston, Inc. (WESTON) to conduct a Preliminary Assessment (PA) of the Trico Industries, Inc. (TRICO) site, in Torrance, Los Angeles County, California.

The purpose of a PA is to review existing information available on the site and its environs to assess the threat(s), if any, posed to public health or the environment and to determine if further investigation under CERCLA/SARA is warranted. The scope of this PA included review of information available from Federal, State, and local agencies, completion of a comprehensive target survey and performance of an onsite reconnaissance visit.

Using these sources of information, the site is then evaluated using EPA's Hazard Ranking System (HRS) criteria to assess the relative threat associated with actual or potential releases of hazardous substances at the site. The HRS has been adopted by the EPA to help set priorities for further evaluation and eventual remedial action at hazardous waste sites. The HRS is the primary method of determining a site's eligibility for placement on EPA's National Priorities List (NPL). The NPL identifies sites at which EPA may conduct remedial response actions. This report summarizes the findings of the preliminary investigative activities.

1.1 Apparent Problem

The TRICO site was identified as a potential hazardous waste site and entered into the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) database in July 1992, following receipt by EPA of a memorandum listing industrial sites near the Del Amo NPL site in Torrance.[1]

2.0 SITE DESCRIPTION

This section describes the location, site specifics, and operational history of the TRICO site based upon available information obtained during the PA.

2.1 Location

The TRICO site is located at 1206 West 196th Street, Torrance, California, Township 4 South, Range 14 West, Section 1, Mount San Bernardino Baseline and Meridian (Latitude: 33° 51' 08.1"; Longitude: 118° 17' 48.6").[2,3,4] The address of the site as originally entered in CERCLIS (19706 Normandie Avenue) is no longer correct since a portion of the property was sold and vacated by TRICO in 1987 or 1988. The site is located in an unincorporated portion of Los

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PRELIMINARY ASSESSMENT REPORT
TRICO INDUSTRIES, INC.
(EPA ID NO. CAD981450828)

Prepared for:

U.S. Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, CA 94105

EPA Contract Number 68-W9-0046
Document Control Number 04900-003-024-0003-AAAJ

December 16, 1992

Submitted to:	Carolyn J. Douglas EPA Work Assignment Manager	December 16, 1992 Date
Prepared By:	Brian A. Oatman Brian A. Oatman, E.I.T. PA Site Leader	December 16, 1992 Date
Reviewed By:	Joseph M. Demmler Joseph M. Demmler PA Manager	December 16, 1992 Date
Approved By:	Paul V. Sundberg Paul V. Sundberg Quality Assurance	December 16, 1992 Date

Attachment 2

May 21, 1990

FIELD DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

HARGIS+ASSOCIATES, INC.

Tables

Illustrations

Appendix A

Appendix B

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Lonce J. Raymond
Peter T. Quinlan
J.D. Mohrbacher, P.E.

May 21, 1990

VIA FEDERAL EXPRESS

Ms. Johanna Miller
Remedial Project Manager
U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION IX
580 Chetwood Street
Oakland, CA 94610

Re: Field Data Submittal, Part 2, Remedial Investigative Work Phase 2B, Montrose Site, Torrance, California, April 1990 Groundwater Sampling

Dear Johanna:

Enclosed please find the above-referenced document. This submittal provides field data obtained during the first initial sampling round for the seven recently installed upper Bellflower aquitard monitor wells. The submittal also provides field data for the annual groundwater sampling round. During the annual round, the second initial sampling of the seven new monitor wells was also conducted.

Please contact me if you have any questions regarding this submittal.

Sincerely,

HARGIS + ASSOCIATES, INC.

J.D. Mohrbacher, P.E.
Project Manager

Matthew P. Wiedlin
RI Task Manager

JDM/MPW/djr

cc: Attached

miller25.218.1

Other Offices:
Tucson, AZ
Mesa, AZ
Manhattan Beach, CA
Burbank, CA

Tables
Illustrations
Appendix A

HARGIS - ASSOCIATES, INC

DISTRIBUTION LIST	NUMBER OF COPIES
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Ms. Alice Gimeno Project Manager, Long Beach Section CALIFORNIA DEPARTMENT OF HEALTH SERVICES TOXIC SUBSTANCES CONTROL DIVISION 245 West Broadway, Suite 350 Long Beach, CA 90802	1
Mr. Dan M. Greeno General Manager MONTROSE CHEMICAL CORPORATION 830 Post Road, East Westport, CT 06881-0898	2
Karl S. Lytz, Esq. LATHAM & WATKINS 701 B Street, Suite 2100 San Diego, CA 92101-8197	1
Mr. John Scandura, Chief Site Mitigation Unit Region 4 (Long Beach) CALIFORNIA DEPARTMENT OF HEALTH SERVICES TOXIC SUBSTANCES CONTROL DIVISION 245 West Broadway, Suite 350 Long Beach, CA 90802	1
Mr. Eric Wetzstein PRC ENVIRONMENTAL MANAGEMENT, INC. 120 Howard Street Suite 700 San Francisco, CA 94105	2

/djr
May 21, 1990
miller25.218.1

Illustrations

Appendix A

Appendix B

HARGIS + ASSOCIATES, INC.

FIELD DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

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PACCAR 01290

Attachment 4

May 29, 1990

GROUNDWATER SAMPLING PLAN
REGIONAL WELLS, MONTROSE SITE
TASK 15
TECHNICAL MEMORANDUM

HARGIS+ASSOCIATES, INC.

HARGIS + ASSOCIATES, INC.

GROUNDWATER SAMPLING PLAN
REGIONAL WELLS, MONTROSE SITE
TASK 15
TECHNICAL MEMORANDUM

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A REGIONAL WELL CONSTRUCTION DATA

B GROUNDWATER SAMPLING FORMS

PACCAR 01293

Attachment 1

June 20, 1990

RAW ANALYTICAL DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

HARGIS+ASSOCIATES, INC.

Tables

Illustrations

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Linda J. [illegible]
Peter T. [illegible]

June 20, 1990

VIA FEDERAL EXPRESS

Ms. Johanna Miller
Remedial Project Manager
U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION IX
580 Chetwood Street
Oakland, CA 94610

Re: Raw Analytical Data Submittal, Part 2, Remedial Investigative Work Phase 2B, Montrose Site, Torrance, California, April 1990 Groundwater Sampling

Dear Ms. Miller:

Enclosed is the above-referenced document. This submittal provides analytical data obtained during the first initial sampling round for the seven recently installed upper Bellflower aquitard monitor wells. The submittal also provides analytical data for the annual groundwater sampling round. During the annual round, the second initial sampling of the seven new monitor wells was also conducted.

Please contact me if you have any questions regarding this submittal.

Sincerely,

HARGIS + ASSOCIATES, INC.

Leo S. Leonhart for
J.D. Mohrbacher, P.E.
Project Manager

John Dunton for
Matthew P. Wiedlin
RI Task Manager

JDM/MPW/ama

Enclosure

cc: Ron Stuff, Esq.
List Attached

miller3.218.2

Phoenix office:
2222 South Dobson Road Suite 401
Mesa, Arizona 85202
(602) 345-0888

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HARGIS + ASSOCIATES, INC.

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Mr. Robert P. Ghirelli Executive Officer REGIONAL WATER QUALITY CONTROL BOARD 101 Centre Plaza Drive Monterey Park, CA 91754-2156	1
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HARGIS + ASSOCIATES, INC.

RAW ANALYTICAL DATA SUBMITTAL
PART 2, REMEDIAL INVESTIGATIVE WORK
PHASE 2B
MONTROSE SITE
TORRANCE, CALIFORNIA

APRIL 1990 GROUNDWATER SAMPLING

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B BROWN & CALDWELL RAW ANALYTICAL DATA FROM INITIAL GROUNDWATER SAMPLING ROUND, APRIL 5-6, 1990

C ANALYTICAL TECHNOLOGIES, INC. RAW ANALYTICAL DATA FOR LABORATORY SPLIT SAMPLES FROM INITIAL GROUNDWATER SAMPLING ROUND, APRIL 5-6, 1990

D SAMPLE IDENTIFICATION AND CROSS REFERENCE TABLES, INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

E BROWN & CALDWELL RAW ANALYTICAL DATA FROM INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

F ANALYTICAL TECHNOLOGIES, INC. RAW ANALYTICAL DATA FOR LABORATORY SPLIT SAMPLES FROM INITIAL GROUNDWATER SAMPLING ROUND FOR WELLS MW-16 THROUGH MW-22 AND ANNUAL GROUNDWATER SAMPLING ROUND, APRIL 16-21, 1990

PACCAR 01298

File 55-009
Site Assessment

HARGIS + ASSOCIATES, INC.
2222 South Dobson Road, Suite 401
Mesa, Arizona 85202
(602) 345-0888
Telecopier (602) 730-0508

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Michael R. Long, R.G.
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Roger A. Niemeyer, R.G.
Leo S. Leonhart, Ph.D., R.G.
Lance J. Raymond
Peter T. Quinlan
J.D. Mohrbacher, P.E.

RECEIVED
OCT 1 1990

September 28, 1990

Raymond Whalon
General Manufacturing Manager
TRICO INDUSTRIES
3040 East Slauson Avenue
Huntington Park, CA 90255

Re: Analytical Results from Monitor Well MW-2,
Trico Industries, Torrance, California

Dear Mr. Whalon:

Hargis + Associates, Inc. (H+A) encloses the analytical results from groundwater samples collected from monitor well MW-2 on Trico Industries' property located at 19706 South Normandie Avenue, Torrance, California. H+A collected these samples on behalf of Montrose Chemical Corporation of California. The work was conducted pursuant to Task 15 of Appendix C in the Second Amendment to the Administrative Order on Consent, U.S. Environmental Protection Agency Docket 85-04.

Thank you for your cooperation.

Sincerely,

HARGIS + ASSOCIATES, INC.

Barbara A. Murphy

Barbara A. Murphy
Hydrogeologist

BAM:sjm

cc: Mr. Frank Bachman, Montrose Chemical Corp.
Karl S. Lytz, Esq., Latham & Watkins
Ronald R. Stuff, Esq., Latham & Watkins

LTR218.023

Other Offices:
La Jolla, CA
Tucson, AZ
Manhattan Beach, CA
Burbank, CA

Analytical Report

SEP 1990

LOG NO: G90-09-230

Received: 13 SEP 90
Reported: 20 SEP 90

Ms. Barbara Murphy
Hargis & Associates, Inc.
2222 S. Dobson Rd., Suite 401
Mesa, Arizona 85202

CC: Ms. Lanae Raymond

Project: 218.4

REPORT OF ANALYTICAL RESULTS

LOG NO	SAMPLE DESCRIPTION, GROUND WATER SAMPLES	DATE SAMPLED
09-230-1	Trico MW-2	13 SEP 90
09-230-2	Trico MW-200	13 SEP 90

PARAMETER	09-230-1	09-230-2
VOCs Method 624 (SOP MS 00188)		
Date Analyzed	09/17/90	09/17/90
Dilution Factor, Times 1	5	5
1,1,1-Trichloroethane, ug/L	<5	<5
1,1,2,2-Tetrachloroethane, ug/L	<5	<5
1,1,2-Trichloroethane, ug/L	<5	<5
1,1-Dichloroethane, ug/L	<5	<5
1,1-Dichloroethene, ug/L	<5	<5
1,2-Dichloroethane, ug/L	<5	<5
1,2-Dichlorobenzene, ug/L	<5	<5
1,2-Dichloropropane, ug/L	<5	<5
1,3-Dichlorobenzene, ug/L	<5	<5
1,4-Dichlorobenzene, ug/L	<5	<5
2-Chloroethylvinylether, ug/L	<5	<5
Acetone, ug/L	<50	<50
Acrolein, ug/L	<100	<100
Acrylonitrile, ug/L	<100	<100
Bromodichloromethane, ug/L	<5	<5
Bromomethane, ug/L	<5	<5
Benzene, ug/L	<5	<5
Bromoform, ug/L	<5	<5
Chlorobenzene, ug/L	<5	<5
Carbon Tetrachloride, ug/L	<5	<5
Chloroethane, ug/L	<5	<5
Chloroform, ug/L	8	9
Chloromethane, ug/L	<5	<5
Dibromochloromethane, ug/L	<5	<5

801 Western Avenue
Glendale, CA 91201

818/247-5737
Fax: 818/247-9797

BCA B C Analytical

Analytical Report

LOG NO: G90-09-230

Received: 13 SEP 90
Reported: 20 SEP 90

Ms. Barbara Murphy
Hargis & Associates, Inc.
2222 S. Dobson Rd., Suite 401
Mesa, Arizona 85202

CC: Ms. Lanae Raymond

Project: 218.4

REPORT OF ANALYTICAL RESULTS

LOG NO	SAMPLE DESCRIPTION, GROUND WATER SAMPLES	DATE SAMPLED
09-230-1	Trico MW-2	13 SEP 90
09-230-2	Trico MW-200	13 SEP 90

PARAMETER	09-230-1	09-230-2
Ethylbenzene, ug/L	<5	<5
Methylene chloride, ug/L	<10	<10
Trichloroethene, ug/L	470	570
Trichlorofluoromethane, ug/L	<5	<5
Toluene, ug/L	<5	<5
Tetrachloroethene, ug/L	220	260
Vinyl chloride, ug/L	<5	<5
cis-1,2-Dichloroethene, ug/L	10	10
cis-1,3-Dichloropropene, ug/L	<5	<5
trans-1,2-Dichloroethene, ug/L	<5	<5
trans-1,3-Dichloropropene, ug/L	<5	<5
Other VOCs Method 624 (SOP MS 00188)	---	---

801 Western Avenue
Glendale, CA 91201

818/247-5737
Fax: 818/247-9797

BCA B C Analytical

COPY

COMMERCIAL REAL ESTATE PURCHASE CONTRACT

~ * ~ * ~ * ~

This Agreement is made on February 21, 1995 by TRICO Industries, Inc. a California corporation, hereinafter called "Seller" and PETER TSAI, a married man, as his sole and separate property, hereinafter called "Buyer," with reference to the following:

A. Seller is the owner of the real property (the "Property") situated at and commonly known as 1206 West 196th Street, Torrance, California, being Parcels 1 and 2 as described in the First American Title Insurance Company Preliminary Title Report No. 9248546-21 dated September 22, 1994 attached hereto, marked Exhibit A and incorporated herein. Buyer heretofore purchased the adjoining land from Seller pursuant to the purchase agreement dated September 22, 1989 to which reference is made for further particulars.

B. Buyer desires to purchase the Property on the terms, provisions and conditions herein set forth. The "Effective Date" of this Agreement shall be the date this Agreement is executed by both parties and each execution date shall be endorsed immediately following each party's execution hereof.

NOW THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. *Purchase of Property - Purchase Price*. At the "Closing" (as hereinafter defined), Buyer will buy and Seller will sell the Property, including all improvements thereon and therein, all of which have been inspected by Buyer. The purchase price of the Property ("Purchase Price") shall be $600,000.00.

PACCAR 01302

The improvements which are being sold as part of the Property include the buildings designated as buildings A, B and C on the ALTA/ACSM Land Title Survey dated November 19, 1994 prepared by Dalcin Cummins Associates (the "Survey") and include all plumbing, heating, air conditioning, ventilating, electrical, lighting fixtures, boilers, fire hoses, fire sprinkler systems, plumbing fixtures, air lines, power panels, electrical distribution systems, security systems, including, without limitation all utility installations in, on, into, or about the Property and all fencing on the Property or Property lines.

2. *Payment of Purchase Price*. The Purchase Price shall be paid as follows:

(a) A "Good Faith Deposit" of Sixty Thousand Dollars ($60,000.00) is to be delivered to Escrow by Buyer immediately following the Effective Date as hereinabove defined. If the purchase of the Property is consummated by the "Closing Date" (as hereinafter defined), the Good Faith Deposit shall be applied against the Purchase Price at the Closing.

(b) An additional cash down payment of $90,000.00 is to be deposited in Escrow one day prior to the Closing for a cash down payment of $150,000.00.

(c) The balance of $450,000.00 is to be evidenced by Buyer's promissory note (the "Note"), payment which shall be secured by Buyer's purchase money deed of trust (the "Trust Deed"). The Note and Trust Deed shall contain a customary "due on sale" clause and shall be approved by Seller and Buyer as to form and content. The Note shall bear interest from the Closing Date at Bank of America published prime rate, plus two percent, adjusted annually (not to exceed 12% per annum) and be payable in 59 equal monthly installments including interest of $_____(to be inserted by Escrowholder at Closing) each initially (based upon a 15 year amortization and subject to annual readjustment for changes in interest rate), beginning the first day of the second month following Close of Escrow and continuing thereafter on the

PACCAR 01303

same day of each month until the first day of the 61st month following Close of Escrow, whereupon the entire unpaid balance of principal and accrued interest shall be due and payable in full. Any monthly payment not made within 10 days of its due date shall immediately and automatically bear and include a six percent (6%) late payment penalty. Any interest accruing from Close of Escrow to the date when scheduled amortization interest commences shall be paid by Buyer to Seller at Close of Escrow. The note shall include an offset provision as provided in paragraph 11(c), below. In all other respects the Note and Trust Deed shall be in the form currently used by First American Title Insurance Company, subject to Seller's and Buyer's approval thereof. Payment of the Note shall be guaranteed by Mighty Enterprises, Inc., a California corporation (or by Peter Tsai), each a "Guarantor", pursuant to the "Guaranty Agreement" attached hereto as Exhibit B and incorporated herein.

3. *Title Report*. Seller has delivered to Buyer herewith the Title Report (Exhibit A) containing such exceptions as the Title Company would specify in its Standard Owner's Policy of Title Insurance (the "Title Policy") for the Property. Copies of all documents of record identified as exceptions in the Title Report, together with the Survey of the Property, shall be delivered to Buyer with the Title Report, receipt of which is hereby acknowledged by Buyer. At the Closing (as defined in paragraph 6, below) title shall be conveyed by Grant Deed and ALTA title insurance shall be provided by Seller as per First American Title Company Preliminary Title Report No. 9248546-21 dated September 22, 1994, subject only to exceptions noted therein which are approved by Buyer during the Approval Period (as defined in paragraph 4(a), below), which approval shall be at Buyer's sole discretion and in Dalcin Cummins current survey of the Property; and governmental orders, if any, respecting environmental conditions of the Property or its environs, which are approved by Buyer in his sole discretion. Seller will

PACCAR 01304

obtain any updated survey required by the Title Company and an amended ALTA owner's and mortgagee's Title Report based thereon. Seller agrees to remove at or prior to close of Escrow, at no expense to Buyer, all monetary encumbrances on the Property, if any, other than current non-delinquent taxes.

4. *Conditions Precedent - Approval Period*.

(a) Buyer's Conditions. Buyer's obligations to perform its undertakings provided in this Agreement, including, without limitation, the payment of the Purchase Price, shall be subject to the approval by Buyer, in Buyer's sole and exclusive discretion, or waiver by Buyer, of the following conditions precedent within 120 days following the Effective Date (the "Approval Period"):

(i) All environmental conditions, seismic inspection reports and conditions, Buyer's development and use feasibility studies and assessments of the Property, and Buyer's third party financing (if required).

(ii) All title conditions and exceptions and all other Buyer conditions affecting Buyer's contemplated purchase of the Property.

Buyer's failure to give Seller written notice of Buyer's disapproval of or dissatisfaction with any matter referred to in this Section 4(a) or in Section 4(b) below within the Approval Period shall be deemed Buyer's conclusive approval and acceptance thereof. In any event, all of Buyer's conditions precedent shall be approved, disapproved or waived within 120 days from and after the Effective Date. Unless Buyer disapproves in writing one or more conditions herein within the Approval Period, (a) Buyer shall be bound to close the transaction and (b) Buyer's $60,000.00 deposit shall be nonrefundable and shall belong to Seller. If any condition is not approved, this Agreement shall be terminated, neither party shall have any duty

PACCAR 01305

to perform hereunder and Buyer's $60,000.00 deposit shall be refunded to Buyer, together with accrued interest.

(b) Mutual Conditions. Any remediation or price adjustment for environmental matters, title exception matters, the form of Note and Trust Deed and any outstanding matters resulting from Buyer's prior purchase of the adjoining (former) Seller parcel, all of which require the mutual approval of Buyer and Seller, shall be disapproved in writing by Buyer or Seller (as the party entitled to the benefit of such conditions) within the Approval Period or the same shall be deemed approved or waived. If any mutual condition is not approved, this Agreement shall be terminated, neither party shall have any duty to perform hereunder and Buyer's $60,000.00 deposit shall be refunded to Buyer together with accrued interest.

(c) Access To The Property. During the Approval Period Seller shall allow Buyer reasonable access to the Property and its improvements to conduct such work as Buyer deems necessary in respect to Buyer's environmental and other conditions as set forth in subparagraph (a) of this Section 4. All such work shall be done at Buyer's sole risk and expense and Buyer shall fully protect, indemnify and save Seller harmless from and against any and all costs, expenses, claims, risks and liabilities arising out of, connected with or resulting from such work by or on behalf of Buyer except for such costs, expenses, claims, risks and liabilities arising out of existing contamination discovered by Buyer. A copy of each written report or other document obtained or received by Buyer during the Approval Period shall be delivered to Seller within five (5) days after receipt thereof by Buyer. Seller agrees to provide Buyer with all information in Seller's possession or control requested by Buyer concerning the Property and the improvements thereon.

PACCAR 01306

5. *Escrow*. Within five (5) business days after the Effective Date, Seller and Buyer shall open an Escrow (the "Escrow") with First American Title Insurance Company in Glendale, California ("Escrowholder"). A fully executed copy of this Agreement shall be provided to the Escrowholder and shall constitute mutual instructions of Seller and Buyer to the Escrowholder. Seller and Buyer agree to execute, on or before the third (3rd) business day after receipt thereof, such additional Escrow instructions as the Escrowholder may request; provided, however, that (a) such instructions shall not be in conflict with any of the provisions of this Agreement and (b) such instructions shall be subject to the reasonable approval of Buyer and Seller. In the event of any conflict between such Escrow instructions and this Agreement, the provisions of this Agreement shall prevail and the additional Escrow instructions shall so provide. Escrow shall be deemed opened upon notification to Buyer and Seller by the Escrowholder that a fully executed copy of this Agreement has been deposited in Escrow whereupon Buyer shall immediately deposit into the Escrow the $60,000.00 Good Faith Deposit as called for above. Escrowholder shall place said Deposit in an interest bearing account, with interest to be paid to the benefit of Buyer. All other funds and/or documents required from Buyer shall be deposited into the Escrow not less than one day before the Closing Date. Not less than one day before the Closing Date, Seller shall deposit into the Escrow a duly executed and acknowledged grant deed (the "Deed") conveying the Property to Buyer in accordance with the Title Policy and this Agreement, together with all other funds and/or documents, if any, required from Seller.

6. *Closing*. The Closing of the Escrow (the "Closing") shall take place on or before thirty (30) days from and after the expiration of the Approval Period. At the Closing the Escrowholder shall deliver to Seller the Purchase Price set forth in Paragraph 2 above (cash, Note and Trust Deed), less Seller's share of closing costs and prorations as set forth below, and

PACCAR 01307

Escrowholder shall deliver the Deed and the ALTA Extended Coverage Joint Protection Policy of Title Insurance to Seller and Buyer. All of the Deed recording fees and transfer taxes, the premium cost of a Standard Owner's Title Policy in the amount of the Purchase Price and one-half (1/2) of the Escrow fee shall be paid by Seller at Closing. The remaining one-half (1/2) of Escrow fees, other ALTA Title Policy and endorsement premiums shall be paid by Buyer at the Closing. Real property taxes and rents, if any, shall be pro-rated to the Closing Date. Seller shall have fifteen (15) days following the Closing Date to remove from the Property and improvements all of Seller's inventory, trade fixtures and other personal property, leaving the Property in "broom clean" condition (except for any debris or conditions caused by Buyer in its prior lease or use of the Property, whether or not currently permitted by Seller). Seller shall only be allowed to abandon such inventory, trade fixtures and other personal property with Buyer's prior consent. Buyer shall be entitled to have the Closing occur earlier than the date set forth above upon giving Seller at least fifteen (15) days written notice of Buyer's election to have the Closing occur at a date specified in such notice earlier than that set forth above.

If the Escrow shall not have closed for any reason by the close of business on the thirtieth (30th) day after expiration of the Approval Period, the party not in default may terminate the Escrow by written notice to the other party and to the Escrowholder, whereupon the Escrow shall be deemed canceled without further notice or demand or instruction from either Buyer or Seller. If such non-defaulting party is Buyer, the Escrowholder shall return all monies, documents and other things of value deposited in the Escrow to the party depositing the same and all cancellation charges and other fees associated with such termination of the Escrow shall be paid by Seller.

If, upon such cancellation of the Escrow by Buyer, Seller shall be in default, then at Buyer's election, Buyer may require Seller to pay Buyer the sum of $60,000.00 as liquidated

PACCAR 01308

damages, it being agreed that said sum is a reasonable estimate of such damages and that it is difficult and impracticable to fix actual damages, or the Buyer may immediately and, in any event, within 45 days, proceed with and diligently prosecute an action to require the Seller to specifically perform its obligations under this Agreement and to convey the Property to Buyer for the Purchase Price and on the other terms and conditions herein set forth. In either election, Escrowholder shall disburse and pay to Buyer its $60,000.00 deposit, plus accrued interest, without further instruction, and the Escrow shall be automatically cancelled. Conversely, if the Escrow is otherwise in a position to close on the Closing Date, including but not limited to all conditions and contingencies as between Buyer and Seller being satisfied, and Seller has deposited its Deed and other documents, if any, then should Buyer fail to deposit the cash balance of the Purchase Price in immediately available funds together with the Note and Trust Deed, on or before the Closing Date, the Escrowholder is hereby instructed, without any further written authorization from Buyer and/or Seller, to immediately cancel the Escrow on the first business day after such Closing Date and to immediately disburse and pay to Seller the Good Faith Deposit of $60,000.00, without any liability whatever to the Escrowholder. The parties agree that it would be difficult and impracticable to fix actual damages in the event of Buyer's default and that the Good Faith Deposit in the sum of $60,000.00 is a reasonable estimate of Seller's damages which shall be disbursed to Seller and which Seller shall retain as its sole right to damages.

7. *Representations and Warranties of Seller and Buyer - Disclaimer.*

(a) By Seller. In addition to the express representations and warranties of Seller contained in other paragraphs of this Agreement, Seller hereby makes the following warranties and representations to Buyer which shall be true as of the date of Closing and upon which Buyer is reasonably relying:

PACCAR 01309

(i) Except as otherwise provided herein with respect to destruction, condemnation, damage, maintenance, or loss, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.

(ii) As of the Closing Date, Seller shall have disclosed to Buyer in writing the existence of all Hazardous Substance [as defined hereinbelow in paragraph 11(e)] contamination of the Property and all governmental orders, directives and other environmental requirements concerning Hazardous Substance upon the Property and its environs known to Seller. Such disclosures shall be made a part of Exhibit C referred in paragraph 11(a), hereinbelow, which Seller shall supplement prior to the Closing by written notice to Buyer, if and when additional matters to be disclosed are discovered by Seller. It is the intent of the parties that at the Closing, Exhibit C contain all information and documentation in Seller's possession, custody or control concerning Hazardous Substance upon the Property and its environs, but that Seller shall not be obligated to obtain or provide to Buyer copies of documents available to the public from the California DOHS, Water Quality Control Board, Air Resources Board, EPA or other governmental agencies which are not otherwise in Seller's possession, custody or control. Seller represents to Buyer that matters concerning Hazardous Substance upon the environs of the Property known to Seller are limited to documentation currently in Seller's possession and that only such documentation shall be made a part of Exhibit C. Seller's liability for a breach of this warranty shall be limited to Buyer's actual direct out of pocket costs resulting from such breach, not to exceed $120,000.00, and all such liability shall end two years from the Closing Date, or Buyer may rescind this Agreement and cause the Property to be reconveyed to Seller in the same environmental condition as it was at the Closing by written notice to Seller.

(iii) Authority of Seller. Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the same to Buyer as provided herein, and to perform Seller's obligations hereunder.

(iv) Compliance. Except as otherwise disclosed to Buyer in writing pursuant to paragraph 7(a)(ii), Seller has no actual knowledge of any condition of the Property which violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency, or of any casualty insurance company that any work of investigation, remediation, repair, maintenance or improvement is to be performed on the Property. This warranty shall expire and be of no force or effect one year from the Closing Date.

(v) Possessory Rights. To the knowledge of Seller, no one will, at the Closing, except for Buyer under its month to month tenancy, have any right to possession of the Property.

(vi) Mechanic's Lien. There are no unsatisfied mechanic's or materialman's lien rights concerning the Property.

(vii) Actions, Suits, or Proceeding. To the actual knowledge of Seller, no actions, suits, or proceedings are pending or threatened before any governmental department, commission, board, bureau, agency or instrumentality that would affect the Property or the right to occupy or utilize it.

(viii) Notice of Changes. Seller will promptly notify Buyer in writing of any matter described in this paragraph affecting the Property that becomes known to Seller prior to the Closing.

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(ix) Seller has not entered into or undertaken any other contract, agreement or obligation which materially and adversely affects its ability to consummate the transaction contemplated herein.

(x) Seller has made no commitments to or agreements with governmental authority or agency (federal, state or local) affecting the Property which have not been disclosed by Seller to Buyer in writing.

(xi) Seller is not "foreign person," as defined in Internal Revenue Code Section 1445(f) (3). Seller shall execute and deliver to the Escrowholder its form of IRC Section 1445(b) (2) affidavit.

Except as expressly provided otherwise, all other representations and warranties of Seller shall expire as of and the same shall be of no further force or effect from and after the Closing Date.

(b) By Buyer. In addition to the express representations and warranties contained in other paragraphs of this Agreement and the Exhibits hereto, Buyer makes the following representations and warranties to Seller upon which Seller is reasonably relying.

(i) Buyer hereby represents and acknowledges that, except only as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections (including environmental inspections) of the Property which Buyer believes are necessary to protect Buyer's own interest in, and Buyer's contemplated use of, the Property.

(ii) Any financial statements of Buyer and Guarantor provided to Seller are true and correct in all material respects and fairly reflect the financial condition and results of Buyer's and/or Guarantor's operations at and for the time shown therein.

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Each and all of Buyer's representations and warranties shall survive the Closing for a period equal to the applicable Statute of Limitations.

8. *Brokerage Commissions and Finder's Fees*. Each party hereby represents to the other that no real estate brokerage commissions or finder's fees are payable by either party with respect to the transactions contemplated herein as a result of such representing party's conduct, except those certain commissions and fees which may be payable to The Seeley Company, ("Seeley"), Seller's exclusive broker, pursuant to separate agreement with Seller. Seller shall have no responsibility for any other commission payments or for payments to any other broker. Seller agrees to pay from the proceeds of sale such commissions and fees to Seeley at Closing, and to indemnify and hold Buyer harmless from any claim or liability in connection therewith or with respect to any other person representing or purporting to have represented Seller regarding the Property. Buyer represents to Seller that Buyer has retained no real estate broker or finder in connection with this transaction other than Eric Herold of Matlow-Kennedy, and such Buyer's broker shall look only to Seeley for any commission sharing arrangements as such Broker and Seeley may agree. Buyer agrees to indemnify Seller and hold it harmless from any claim for commission or other compensation asserted by any person representing or purporting to have represented Buyer with respect to the Property.

9. *Eminent Domain - Damage Prior to Closing*.

(a) Eminent Domain. In the event prior to the Closing any eminent domain proceedings are pending respecting any part of the Property, Buyer shall have the option to (a) either terminate this Agreement and the Escrow, in which event each party shall be fully released of and from any and all liability to the other hereunder, and the Good Faith Deposit shall be returned to Buyer with accrued interest, or (b) of consummating the purchase of the

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Property without deduction or offset against the Purchase Price, in which event Buyer shall be entitled to all condemnation proceeds payable or paid with respect to the Property. Such option shall be exercised by written notice from Buyer to Seller given within five (5) days from the date Buyer has actual knowledge of such proceedings. Buyer's failure to give such notice or Buyer's closing of the transaction shall constitute Buyer's election to purchase the Property. Seller represents that so far as known to it (but without any duty by Seller to investigate) there are no public improvements in process or contemplated which would materially affect the Property.

(b) Destruction, Damage or Loss. Seller's physical damage insurance deductible on the Property shall be deemed to be $100,000.00 ($500,000.00 for earthquake and/or flood) which deductibles Seller will seek to reduce at Buyer's request if Seller's insurance program so permits. Premium costs for any reduction in such deductible amount shall be shared equally, and the uninsured cost of repair or cure for any destruction, damage or loss to the Property occurring prior to the Closing shall likewise be shared equally. Buyer shall have the option,within ten (10) days after receipt of written notice of any destruction, damage or loss costing more than $30,000.00 to repair or cure, to either terminate this transaction or to purchase the Property notwithstanding such loss and to receive any insurance recovery, and the Purchase Price shall not be reduced, except for Seller's obligation to pay for one-half (1/2) of the uninsured loss. If Buyer elects to terminate this transaction under this Section 10, the Good Faith Deposit with interest shall be returned to Buyer. Unless otherwise notified in writing by either party, Escrowholder shall assume no destruction, damage or loss costing more than $30,000.00 to repair or cure has occurred prior to Closing.

10. *Legal Fees*. In the event of the bringing of any action or suit by a party hereto against the other party hereunder arising out of this Agreement, or by reason of any breach of

any of the covenants, conditions, or provisions of this Agreement on the part of the other party, the party in whose favor final judgment on the principal issues shall be entered shall be entitled to recover from the other party all costs and expenses of the suit, including reasonable attorneys' fees, to be fixed by the Court in such action.

11. *Soil Conditions - Buyer and Seller Covenants and Agreements*. Subject to and without thereby qualifying or diminishing any of Seller's or Buyer's representations, warranties, covenants or agreements herein set forth, Buyer acknowledges that (i) subject to the provisions of paragraph 7(a)(ii) and paragraph 11(c), the Property is to be purchased by Buyer strictly "as is," "where is" and "with all faults," subject to all existing conditions of the soil and all improvements thereto and subject to all soil, groundwater and environmental conditions; and (ii) except for the warranties in paragraph 7(a)(ii), Buyer further acknowledges and agrees that Seller disclaims any and all warranties whatsoever, express or implied, regarding the environmental and/or geologic condition of the Property, including without limitation any warranty of merchantability or fitness or utility or usability for a particular purpose and that Seller has advised Buyer that the Property and its environs (surrounding areas) are currently undergoing governmental (EPA/DOHS, etc.) contamination studies and that some remediation and/or further investigation and/or monitoring of such contamination may be required. Buyer further covenants and agrees as follows:

(a) Except as otherwise additionally provided in this Agreement, Seller's only obligations hereunder with respect to the condition of the Property and all improvements thereto and/or the subsurface condition thereof shall be to obtain and deliver to Buyer a Phase I Environmental Report on the Property prepared by SCS Engineers or other environmental consultant(s) selected by Seller within 30 days from the Effective Date and to provide to Buyer

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all documents and information covering the Hazardous Substance (as defined below), soil and groundwater studies made for Seller and relating to the Property and its environs, which shall be listed in Exhibit C attached hereto, true and complete copies of which shall be delivered to Buyer. Buyer acknowledges receipt of those documents attached hereto as Exhibit C, which Seller warrants to be all documents currently known to Seller relating to such matters, including all governmental orders, directives and other requirements. Buyer acknowledges and agrees that all test data and information listed in Exhibit C relating to the Property, and all such data and information hereafter acquired by Buyer in the course of Buyer's and/or Seller's investigation of the Property, are and shall be and remain the confidential property of Seller until Close of Escrow and that none of such data or information may be disclosed by Buyer to any person, firm or corporation prior to the Closing, except to Buyer's lenders, counsel, engineers and other advisors and prospective investors on the same confidential basis, without Seller's prior written consent, except pursuant to court order. Seller shall retain absolute dominion and control over and with respect to governmental agency disclosures and negotiations until the Closing.

(b) In furtherance and not in limitation of the foregoing provisions of this Section 11, the Deed shall contain the following statement which is a part of this Agreement:

> "To the extent provided in the Agreement (as defined below) the Grantee agrees that he [it] and his successors and assigns shall assume all risk of and hereby expressly and generally releases the Grantor herein and its officers, directors, employees, shareholders, successors and assigns, and each of them, from any and all claims, liabilities, environmental and/or other damages, response costs and other expense whatsoever, known and/or unknown, present and future, respecting the condition of the real property described herein, including but not limited to

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environmental and/or geologic conditions, or any environmental requirements at the date of recordation of this Deed and thereafter. Such assumption of risk and general release shall not release, impair or abrogate any of the express representations, indemnities and/or warranties made by the Grantor herein to the Grantee herein pursuant to their Commercial Real Estate Purchase Agreement dated December 23, 1994 ("Agreement") (which representations and warranties are solely for the benefit of the Grantee, however, and do not run with the land)."

(c) Except as otherwise provided in this Agreement, Buyer hereby fully indemnifies and shall protect and save harmless Seller and its officers, directors, employees, shareholders, successors and assigns from and against any and all such claims, environmental and/or other liabilities, damages, response costs and other expenses, if any, and hereby expressly waives the provisions of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

PROVIDED HOWEVER, that Seller shall indemnify Buyer against and shall promptly pay all of Buyer's "Remediation Costs" for "Existing Contamination" of the Property or caused by the Property, incurred in response to any and all orders, directives or other requirements received from governmental entities or agencies having appropriate jurisdiction (state, federal or local), received by Buyer within 60 months after the Closing Date.

(i) "Existing Contamination" of the Property means contamination of the Property or caused by the Property disclosed in the Exhibit C documents delivered to Buyer or disclosed by Seller's or Buyer's testing before Closing, and no other. For purposes of this

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Agreement, contamination "caused by the Property" and/or contamination of the Property's "environs" means contamination of adjacent properties shown to have migrated thereon from Existing Contamination on the Property.

(ii) "Remediation Costs" indemnified means actual, direct, out-of-pocket costs necessarily incurred for on-site remediation of Existing Contamination, including investigation fees, consultant fees and professional fees but excluding attorneys' fees or other legal costs.

(iii) In implementation of, but subject to, Seller's obligation to so indemnify Buyer against Remediation Costs, Seller shall, upon written demand of Buyer, following any order, directive, or other requirement to remediate or respond to Existing Contamination received from any appropriate governmental agency having jurisdiction within said 60 month period, promptly take all action necessary to remediate Existing Contamination of the Property. Buyer shall, within five (5) days after Buyer's receipt of same, give Seller written notice of such order, directive or other requirement and deliver to Seller a copy thereof. Seller shall retain absolute control of remediation negotiations with governmental agencies and the conduct of remediation, to the extent Seller remains financially responsible for remediation, and Seller shall have all reasonably necessary access to the Property required to conduct such remediation. Seller's "Remediation Costs" incurred and actually paid out in conducting such remediation shall satisfy and offset Seller's indemnity obligations *pro tanto*. Seller hereby expressly reserves all rights of recovery from parties other than Seller and Buyer (prior owners of the Property, adjoining land owners, etc.) for contribution or other apportionment or reassignment of liability respecting any contamination which Seller is responsible to remediate pursuant to this Agreement and Buyer agrees to fully cooperate with Seller in Seller's

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enforcement of such rights; provided however, that such reservation of rights by Seller shall not affect any rights of Buyer for like recovery against such parties in the event Buyer incurs expenses or costs not covered by Seller's indemnity of Buyer as herein set forth.

(iv) Remediation for which Remediation Costs are incurred must be required for the Property, or its environs if caused by the Property, by a government entity or agency, (state, federal or local) having appropriate jurisdiction.

(v) Seller's foregoing indemnity is limited to Buyer and is not assignable or otherwise transferable by Buyer, either voluntarily or involuntarily, by operation of law or otherwise.

(vi) Seller's total liability under this indemnity agreement as set forth in this paragraph, shall be limited to the Remediation Costs actually incurred and paid out in response to governmental order, directives or other requirements issued within 60 months following the Closing Date and shall not exceed an aggregate dollar limitation equal to the amount of the Purchase Price of the Property ($600,000.00).

(vii) In the event Seller shall fail to commence remediation for which the above indemnity is given within thirty (30) days after Buyer's written notice to Seller of its obligation to do so pursuant to the above terms and conditions with specific reference to this clause, Buyer shall be entitled to undertake remediation negotiations with governmental agencies and conduct the remediation and offset the Remediation Costs incurred and actually paid out by Buyer in doing such remediation against the Promissory Note given by Buyer to Seller in connection with this Agreement. To the extent that such offset does not satisfy the Remediation Costs for which Seller is obligated hereunder, Buyer shall be entitled to recover the remainder from Seller and Seller shall pay same upon demand.

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(d) Subject to Seller's prior written approval in each instance thereof, which approval shall not be unreasonably withheld, Buyer may make such additional investigations and tests, assessments, studies and inspections of the Property as Buyer and his advisors may deem necessary or desirable during Buyer's 120 day Approval Period, provided that all additional testing on the Property shall be done by or under the supervision of SCS Engineers or other consultant(s) retained by Seller at Buyer's instance and that the cost of any testing performed by SCS Engineers or other consultant(s) retained by Seller at Buyer's instance shall be paid by Buyer, except that Buyer and Seller shall each pay one-half the cost of a Phase II Environmental inspection report should Buyer desire such to be undertaken (not to exceed $15,000.00 to Seller). Seller also reserves the right to further investigate and test the Property at Seller's expense during the Approval Period, to refine existing contamination baseline data. Buyer shall fully protect, indemnify and save Seller free and harmless from and against any and all costs, expenses, claims, risks and liabilities arising out of, connected with or resulting from such investigatory and assessment work by or on behalf of Buyer, except for such costs, expense, claims, risks and liabilities arising out of existing contamination discovered by Buyer. True copies of all documentation of Seller's and Buyer's additional investigation and assessment work shall be delivered to the other party concurrently with delivery thereof to the originator, all of which shall remain absolutely confidential and the property of Seller as provided above, excepting only that such data, information, investigatory and test results shall belong to both Buyer and Seller from and after the Closing, each of whom shall be entitled to a copy thereof.

(e) As used in this Agreement, "Hazardous Substance" shall mean: Any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any federal,

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California or local environmental statute, regulation, or ordinance presently in effect or that may be promulgated in the future, as such statutes, regulations and ordinances may be amended from time to time, including but not limited to the statutes listed below:

(i) Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq.;

(ii) Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.;

(iii) Federal Clean Air Act, 42 U.S.C. Section 7401-7626;

(iv) Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1257 et seq.;

(v) Federal Insecticide, Fungicide, and Rodenticide Act, Fed. Pesticide Act of 1978 7 U.S.C. Paragraph 13 et seq.;

(vi) Federal Toxic Substance control Act, 15 U.S.C. Section 2601 et seq.;

(vii) Federal Safe Drinking Water Act, 42 U.S.C. Section 300(f) et seq.; and all other statutes, regulations and ordinances of the State in which the Property is located and its political subdivisions regulating the generation, use, treatment, storage or disposal of hazardous, toxic or radioactive substances, or any reporting or remediation of release thereof into the environment.

(viii) California Health & Safety Code §25316.

12. *Further Documentation - Termination*. Each party agrees to provide to the other such documents, instruments and agreements, executed and acknowledged by such party (but without risk or expense to it), if necessary, as the other party shall reasonably require. Upon

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any cancellation or termination of this Agreement, Buyer shall deliver to Seller without charge copies of all reports, documents, data and information obtained by Buyer from any source with respect to the Property.

13. *Notices*. all notices required or permitted under this Agreement shall be in writing, personally delivered or sent by certified mail or telecopier addressed to the parties at their respective addresses set forth below. Notices shall be effective and deemed given when personally delivered, or one day (24 hours) after telecopier transmission thereof or three days (72 hours) after mailing thereof. Either party may, by notice to the other, specify another address for the purpose of notification. The initial addresses of the parties are:

TO SELLER:

Trico Industries, Inc., c/o
PACCAR, Inc.
P. O. Box 1518
Bellevue, Washington 98009

Attention: Mr. Phillip Gladfelter

FAX Number: 206-455-7421

cc: Mr. Roger C. Pettitt
Brant & Pettitt
Attorneys at Law
626 Wilshire Boulevard, Suite 410
Los Angeles, California 90017

FAX Number: 213-624-7203

TO BUYER:

Mr. Peter Tsai
19706 South Normandie Avenue
Torrance, California 90502

FAX Number: 310-

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cc: Mr. David M. Gurewitz
Gurewitz & Lieb
Attorneys at Law
10780 Santa Monica Blvd., Suite 350
Los Angeles, California 90025

FAX Number: 310-474-6225

14. *Successors and Assigns*. Time is of essence of this Agreement and the waiver of any breach or default in any one instance shall not constitute a waiver of the same or any other breach or default in any other instance. Except as otherwise expressly provided herein, all representations, warranties and agreements contained herein shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns. Buyer may not assign any of its rights or obligations under this Agreement without Seller's prior written consent in each instance, and any assignment in contravention hereof shall be void. Notwithstanding the foregoing at Buyer's election prior to the Closing, Mighty Enterprises, Inc. may be substituted in as Buyer under this Agreement and Peter Tsai substituted as the Guarantor under the Guarantee Agreement (Exhibit "B" hereto), in which event Peter Tsai shall be released of the obligations of Buyer under this Agreement.

15. *LIQUIDATED DAMAGES*. SELLER AND BUYER, BEFORE ENTERING INTO THIS TRANSACTION, HAVE CONSIDERED THE FACT THAT DAMAGES WILL BE SUFFERED BY THE OTHER IF BUYER OR SELLER SHOULD FAIL TO PERFORM ACCORDING TO THE TERMS OF THIS AGREEMENT. SELLER AND BUYER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT AND IMPRACTICAL TO DETERMINE WITH ANY DEGREE OF CERTAINTY THE AMOUNT AND EXTENT OF DETRIMENT TO THE OTHER IF BUYER OR SELLER SHOULD FAIL OR REFUSE TO CLOSE ESCROW ACCORDING TO THE TERMS OF THIS AGREEMENT. SELLER AND BUYER

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HEREBY AGREE THAT IN THE EVENT EITHER PARTY BREACHES ITS OBLIGATIONS TO CLOSE ESCROW, THE SUM OF SIXTY THOUSAND DOLLARS ($60,000.00) IS A REASONABLE ESTIMATE OF SUCH DAMAGES AND SAID SUM SHALL CONSTITUTE LIQUIDATED DAMAGES TO THE NON-DEFAULTING PARTY AND SHALL CONSTITUTE SUCH PARTY'S SOLE AND EXCLUSIVE REMEDY AT LAW OR EQUITY BY REASON OF SUCH BREACH AND ITS SOLE RIGHT TO DAMAGES. (Subject to Buyer's alternative right to specific performance pursuant to Section 7).

16. *Entire Agreement*. This Agreement shall constitute the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. It may not be changed orally but only be a writing signed by the party against whom any waiver, change, modification, extension or discharge is sought to be enforced. Each of the parties acknowledges that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, or assurances, oral or written, concerning the Property, or any aspect of the Occupational Safety and Health Act, environmental protection and/or hazardous substance laws, or any other act, ordinance or law, have been made by either, or are relied upon by either party hereto.

17. *Counterparts - Severability*. This Agreement has been executed in two or more counterparts, each of which shall be an original and all of which shall be one Agreement. If any provision of this Agreement shall be determined to be invalid or unenforceable, the remaining provisions shall be given effect as though such invalid or unenforceable provision had been omitted.

18. *Back-up Offer*. Until such time as all of Buyers conditions precedent under Section 4 have been satisfied or waived during the Approval Period, Seller may solicit, entertain

and accept one or more back-up offers to purchase the Property, subject only to Buyer's prior rights under this Agreement.

In the event a governmental order, directive, or other requirement concerning Hazardous Substances upon the Property is received after the Approval Period, but before the Closing, or if Exhibit C attached hereto is supplemented by a Seller disclosure pursuant to paragraph 7(a)(ii) after the Approval Period but prior to the Closing, the Closing shall be delayed for thirty (30) days during which time Buyer shall be entitled to investigate the impact of such governmental order, directive or other requirement or Seller disclosure and determine whether Buyer desires to proceed with the purchase of the Property. During such thirty days, if Buyer determines it does not want to proceed with purchase of the Property, Buyer shall so notify Seller and this Agreement shall be terminated, neither party shall have any duty to perform hereunder and Buyer's Sixty Thousand Dollar ($60,000.00) deposit, with accrued interest, shall be refunded to Buyer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

TRICO INDUSTRIES, INC.

By_____

Its:

- SELLER

_____

PETER TSAI as his
sole and separate property

- BUYER

Date: _____

Date: _____

The Exhibits to this Agreement are:

A. The Title Report with exceptions. Survey delivered to Buyer 12/5/94.
B. The Guaranty Agreement
C. The list of Environmental Reports previously delivered to Buyer.

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STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On _____, 1995, before me, _____, Notary Public, personally appeared **PETER TSAI**,personally known to me or proved to me on the basis of satisfactory evidence to be the person whose names is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

_____
Notary Public in and for said
County and State.

EXHIBIT A

With Exceptions

Commitment For Title Insurance

First American Title Insurance Company

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (By Policy Type)

1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990
SCHEDULE B

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs attorneys fees or expenses) which arise by reason of

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records Proceedings by a public agency which may result in taxes or assessments or notice of such proceedings whether or not shown by the records of such agency or by the public records

2 Any facts rights interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof

3 Easements liens or encumbrances or claims thereof which are not shown by the public records

4 Discrepancies conflicts in boundary lines shortage in area encroachments or any other facts which a correct survey would disclose and which are not shown by the public records

5 (a) Unpatented mining claims (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof (c) water rights claims or title to water whether or not the matters excepted under (a) (b) or (c) are shown by the public records

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage costs attorneys fees or expenses which arise by reason of

1 (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws ordinances or regulations) restricting regulating prohibiting or relating to (i) the occupancy use or enjoyment of the land (ii) the character dimensions or location of any improvement now or hereafter erected on the land (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part or (iv) environmental protection or the effect of any violation of these laws ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above except to the extent that a notice of the exercise thereof or a notice of a defect lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

3 Defects liens encumbrances adverse claims, or other matters

(a) whether or not recorded in the public records at Date of Policy but created suffered assumed or agreed to by the insured claimant

(b) not known to the Company not recorded in the public records at Date of Policy but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

(c) resulting in no loss or damage to the insured claimant

(d) attaching or created subsequent to Date of Policy or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy

4 Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy or the inability or failure of any subsequent owner of the indebtedness to comply with the applicable "doing business" laws of the state in which the land is situated

5 Invalidity or unenforceability of the lien of the insured mortgage or claim thereof which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law

6 Any claim which arises out of the transaction vesting in the insured the estate or interest insured by their policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy state insolvency or similar creditors' rights laws

2. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
SCHEDULE OF EXCLUSIONS FROM COVERAGE

1 Any law ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy use or enjoyment of the land or regulating the character dimensions or location of any improvement now or hereafter erected on the land or prohibiting a separation in ownership or a reduction in the dimensions or area of the land or the effect of any violation of any such law ordinance or governmental regulation

2 Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy

3 Defects liens encumbrances adverse claims or other matters (a) created suffered assumed or agreed to by the insured claimant (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder (c) resulting in no loss or damage to the insured claimant (d) attaching or created subsequent to Date of Policy or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy

3. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970
WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 2 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following

Part One

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts rights interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements claims of easement or encumbrances which are not shown by the public records

4 Discrepancies conflicts in boundary lines shortage in area encroachments or any other facts which a correct survey would disclose and which are not shown by public records

5 Unpatented mining claims reservations or exceptions in patents or in Acts authorizing the issuance thereof water rights claims or title to water

6 Any lien or right to a lien for services labor or material heretofore or hereafter furnished imposed by law and not shown by the public records

Form No 1342 (1982)
ALTA Plain Language Commitment

First American Title Insurance Company

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

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YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, please contact the issuing office.

Form No. 1343 (1982)
ALTA Plain Language Commitment

COMMITMENT FOR TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of this Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions on the other side of this page 1.

This Commitment is not valid without SCHEDULE A and Sections 1 and 2 of SCHEDULE B.

First American Title Insurance Company

BY Parker S. Kennedy PRESIDENT

ATTEST Mark R. Arneson SECRETARY

BY COUNTERSIGNED

PACCAR 01332

SCHEDULE A

1. Commitment Date: September 22, 1994 Commitment No.: 9248546-21

2. Policy or Policies to be issued: Policy Amount:

1) EXTENDED COVERAGE OWNERS POLICY
2) EXTENDED COVERAGE LENDERS POLICY $ 1) TO BE DTERMINED
2) TO BE DETERMINED

Proposed Insured:

1) TO BE DETERMINED
2) TO BE DETERMINED

3. a. The estate or interest in the land described in this Commitment is:

A fee, as to Parcel(s): 1.
An easement, as to Parcel(s): 2.

b. Title to said estate or interest at the date hereof is vested in:

TRICO INDUSTRIES, INC., a California corporation.

4. The land referred to in this Commitment is in the State of California, County of Los Angeles, and is described as follows:

PARCEL 1:

Those portions of Lots 6 and 7 of Tract 4671, as per map recorded in Book 56, Pages 30 and 31 of Maps, in the office of the county recorder of said county, described as follows:

Beginning at a point in the Northerly line of said Lot 6, distant thereon, 467.00 feet Easterly, from the Westerly line of said Lot 6; thence Southerly, parallel with said Westerly line, 180.00 feet, to the North line of the South half of said Lot 6; thence North 89°54'45" West, along said North line, to a point distant Easterly, 402.38 feet from the Westerly line of said Lot 6; thence South 00°04'28" East parallel to said West line 136.81; thence North 89°54'05" East parallel to the South line of said Lot 7, a distance of 11.02 feet; thence South 00°04'28" East parallel to said West line 141.20 feet; thence South 89°%$")%" West parallel to the South line of said Lot 7, a distance of 31.76; thence South 00°04'28" East parallel to said West line, 42.11 feet to a point

PACCAR 01333

in the North line of the South 220.00 feet of said Lot 7; thence along said Northerly line North 89°54'05" East to the Easterly line of said Lot 7; thence North 00°04'28" East along the Easterly lines of said Lots 6 and 7 to the North line of said Lot 6' thence along said North line South 89°54'05" West 160.30 feet to the point of beginning.

EXCEPT therefrom an undivided one-half interest in all oil, gas, minerals and other hydrocarbon substances in, on, or under said land, as reserved by Benjamin and Anna Srapiro in deed recorded October 8, 1942 as Instrument No. 215 in Book 19556 Page 398, Official Records.

ALSO EXCEPT one-half remaining oil, minerals, gas, hydrocarbon and allied substances in or under said land, as reserved by Harry Cohen and Berta L. Cohen, husband and wife, in deed recorded March 22, 1956 in Book 50667 Page 372, of Official Records.

The surface rights of entry in and to the top 100 feet of said land were quitclaimed by deed recorded November 16, 1961 in Book D1422 Page 358, Official Records as Instrument No. 1378.

PARCEL 2:

A right of way for street purposes, to be used in common with others, over the Northerly 25.00 feet of the Westerly 467.00 feet of said Lot 6.

SCHEDULE B - Section 1
Requirements

The following requirements must be met:

(a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.

(b) Pay us the premiums, fees and charges for the policy.

(c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.

(d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

(e) Release(s) or Reconveyance(s) of item(s) 13, 14, 15 and 16.

(f) N/A.

(g) You must give us the following information:

1. Statement(s) of identity, all parties.

2. Alta Survey prepared by a Licensed Surveyor.

3. Rights of parties in possession of said land by reason of any unrecorded leases.

   PLEASE SUBMIT ANY SUCH LEASES TO THIS COMPANY FOR OUR EXAMINATION.

4. Grant Ded to record.

5. Deed of Trust to record.

SCHEDULE B- Section 2
Exceptions

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction. The printed exceptions and exclusions from the coverage of the policy or policies are set forth in Exhibit A attached. Copies of the policy forms should be read. They are available from the office which issued this Commitment.

1. General and special taxes, a lien not yet payable, for the fiscal year 1994-1995.

1a. General and special county and/or city taxes, including special assessments and/or personal property taxes, if any

Fiscal Year:	1993-1994.
Total:	$ 18,582.53 paid.
First Installment:	$ 9,291.27.
Second Installment:	$ 9,291.26.
Exemptions,	
(Veterans or Homeowners):	$ none.
Code No.:	1519.
Parcel No.:	7351-035-027.

1b. The lien of supplemental taxes and/or adjusted taxes, if any, assessed pursuant to the California Revenue and Taxation Code.

1c. The requirement that this company be furnished all tax bills affecting the subject property prior to the close of this transaction.

2. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: pipe line and water distribution system.
Affects: said land.
Recorded: November 9, 1922 as Instrument No. 1030, in Book 1515 Page 265, Official Records.

3. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: pipe lines.
Affects: within 5 feet of the following described lines:

beginning at a point in the Westerly line of said Lot 6, distant thereon North 0°03' West 20 feet from the Southwest corner of said Lot 6; thence North 89°57' East 150 feet to the Easterly line of said land.
Recorded: in Book 35705 Page 352, Official Records.

4. An easement for purposes herein stated, and rights incidental thereto as provided in a document

PACCAR 01336

For: road purposes.
Affects: the Northerly 25 feet of Parcel 1 of said land.

No representation is made as to the present ownership of said easement.
Recorded: in Book 6764 Page 136, Official Records.

5. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: pole lines.
Affects: the Northerly 10 feet and the Easterly 10 feet of said land.
Recorded: in Book 25833 Page 78, Official Records.

6. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: pole lines.
Affects: the Easterly 10 feet of the North half of Parcel 6 of said land.
Recorded: in Book 25834 Page 85, Official Records.

7. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: gas line.
Affects: No representation is made as to the present ownership of said easement.

Said matter affects a portion of said land as more particularly described in document.
Recorded: in Book 50667 Page 154, Official Records.

8. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: gas line.
Affects: No representation is made as to the present ownership of said easement.

Said matter affects a portion fo said land as more particularly described in said document.
Recorded: in Book 50667 Page 154, Official Records.

9. An easement for purposes herein stated, and rights incidental thereto as provided in a document
For: roadway.
Affects: the Northerly 25 feet of the Westerly 25 feet of Parcel 1 of said land.

No representation is made as to the present ownership of said easement.
Recorded: May 27, 1963 as Instrument No. 1309, in Book D2042 Page 784, Official Records.

10. An easement for purposes herein stated, and rights incidental thereto as provided in a document

PACCAR 01337

For: sanitary sewers.
Affects: the Nrotherly 12.5 feet of the Easterly 80 feet of Parcel 6 of said land.
Recorded: July 29, 1968 as Instrument No. 1839 in Book D4081 Page 535, Official Records.

11. An easement for street purposes, to be used in common with others, over the Northerly 25' of the Westerly 467' of said Lot 6 and for parking purposes, for lighting purposes and/or for temporary storage of non-toxic personal property and incidental and/or related purposes, for such water well drilling, pumping plant construction, tank construction, water storage and distribution and related purposes over the North 60' of said Lot 6, recorded February 1, 1990 as Instrument No. 90-178472.

12. An unlocated easement for the purposes shown and incidental purposes as provided in a document
For: to allow natural surface water to flow without diminution or disturbance of any kind from property bordering on the West.
Recorded: February 6, 1990 as Instrument No. 90-204896.

13. A lien for unsecured property taxes in favor of the Tax Collector, County of Los Angeles.
Amount: $ 6,091.13.
Taxpayer: Trico Industries Inc..
Year/Account No.: 90/40464822.
Recorded: August 25, 1992 as Instrument No. 92-1588370.

14. A lien for unsecured property taxes in favor of the Tax Collector, County of Los Angeles.
Amount: $ 24,107.29.
Taxpayer: Trico Industries Inc..
Year/Account No.: 90/40575365.
Recorded: August 25, 1992 as Instrument No. 92-1588371.

15. A lien for unsecured property taxes in favor of the Tax Collector, County of Los Angeles.
Amount: $ 3,629.00.
Taxpayer: Trico Industies Inc..
Year/Account No.: 91/49861102.
Recorded: March 19, 1993 as Instrument No. 93-520089.

16. A lien for unsecured property taxes in favor of the Tax Collector, County of Los Angeles.
Amount: $ 114.60.
Taxpayer: Trico Industries.
Year/Account No.: 92/49860062.
Recorded: June 13, 1994 as Instrument No. 94-1124042.

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17. Rights of parties in possession of said land by reason of any unrecorded leases.

PLEASE SUBMIT ANY SUCH LEASES TO THIS COMPANY FOR OUR EXAMINATION.

COUNTY OF

TRW-REDI

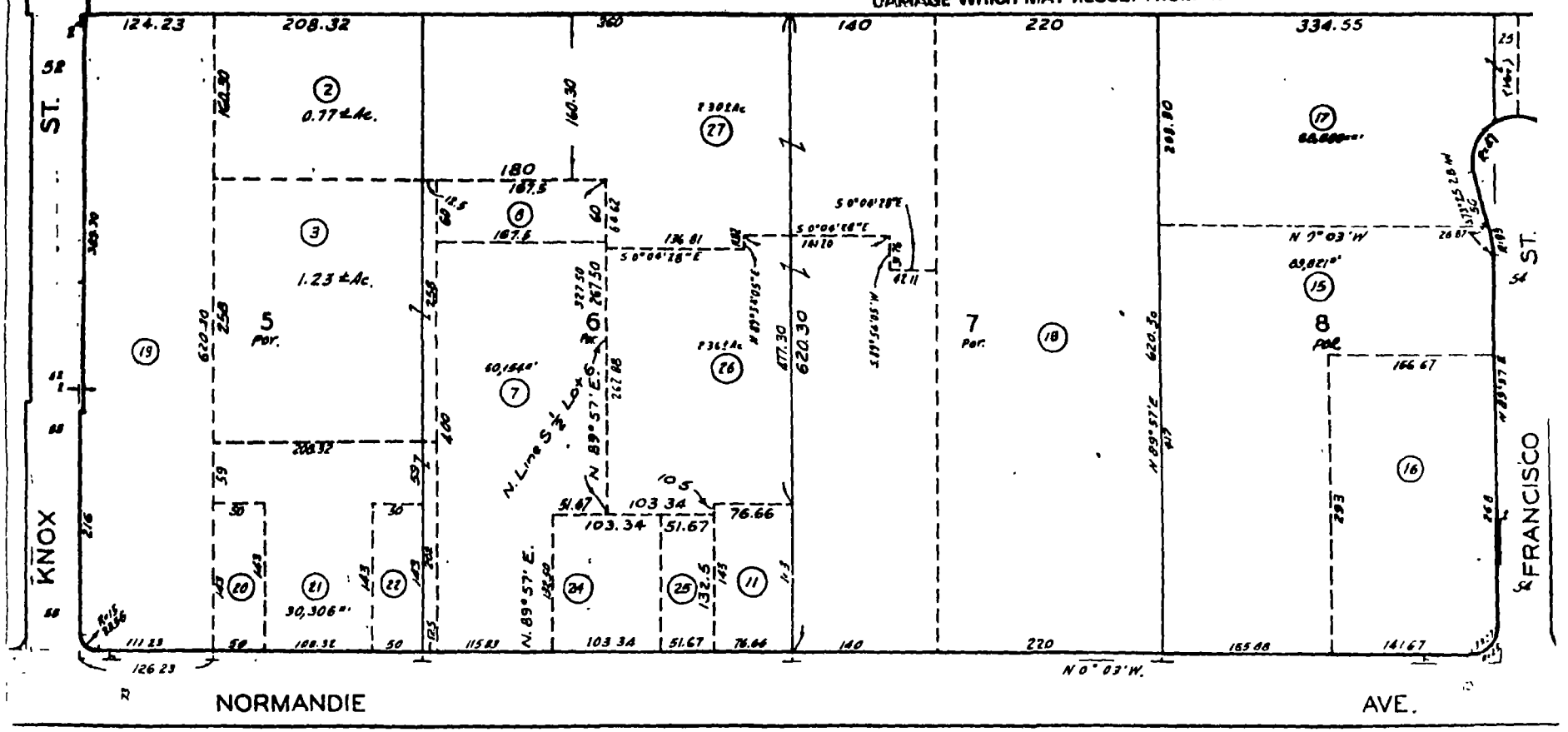
1-800-34

First American Title Company of Los Angeles

7351	35
SCALE 1" = 100'	

1992

THIS MAP MAY OR MAY NOT BE A SURVEY OF THE LAND DEPICTED HEREON. YOU SHOULD NOT RELY UPON IT FOR ANY PURPOSE OTHER THAN ORIENTATION TO THE GENERAL LOCATION OF THE PARCEL OR PARCELS DEPICTED. FIRST AMERICAN EXPRESSLY DISCLAIMS ANY LIABILITY FOR ALLEGED LOSS OR DAMAGE WHICH MAY RESULT FROM RELIANCE UPON THIS MAP



TRACT NO. 4671

M.B. 56-30-31

CODE 1519

PACCAR 01340

4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE
SCHEDULE OF EXCLUSIONS FROM COVERAGE

Any law ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy use or enjoyment of the land or regulating the character dimensions or location of any improvement now or hereafter erected on the land or prohibiting a separation in ownership or a reduction in the dimensions or area of the land or the effect of any violation of any such law ordinance or governmental regulation

Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy

Defects liens encumbrances adverse claims, or other matters (a) created suffered assumed or agreed to by the insured claimant (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder (c) resulting in no loss or damage to the insured claimant (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy)

Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the indebtedness to comply with applicable 'doing business' laws of the state in which the land is situated

5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH REGIONAL EXCEPTIONS

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following

Part One

Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

Any facts rights interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

Easements claims of easement or encumbrances which are not shown by the public records

Discrepancies conflicts in boundary lines shortage in area encroachments or any other facts which a correct survey would disclose and which are not shown by public records

Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof water rights claims or title to water

Any lien or right to a lien for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records

6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage costs, attorneys' fees or expenses which arise by reason of

(a) Any law ordinance or governmental regulation (including but not limited to building and zoning laws ordinances or regulations) restricting regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land (ii) the character dimensions or location of any improvement now or hereafter erected on the land (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part or (iv) environmental protection or the effect of any violation of these laws ordinances or governmental regulations except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

Defects liens encumbrances adverse claims or other matters

(a) created, suffered, assumed or agreed to by the insured claimant

(b) not known to the Company not recorded in the public records at Date of Policy but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy,

(c) resulting in no loss or damage to the insured claimant

(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy) or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage

Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable 'doing business' laws of the state in which the land is situated

Invalidity or unenforceability of the lien of the insured mortgage or claim thereof which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law

Any statutory lien for services labor or materials (or the claim of priority of any statutory lien for services labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance

Any claim which arises out of the transaction creating the interest of the mortgagee insured by this policy by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws that is based on

(i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer or

(ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination or

(iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure

(a) to timely record the instrument of transfer or
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs attorneys fees or expenses) which arise by reason of

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts rights interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements claims of easement or encumbrances which are not shown by the public records

4 Discrepancies conflicts in boundary lines shortage in area encroachments or any other facts which a correct survey would disclose and which are not shown by public records

5 Unpatented mining claims reservations or exceptions in patents or in Acts authorizing the issuance thereof water rights claims or title to water

6 Any lien or right to a lien for services labor or material theretofore or hereafter furnished imposed by law and not shown by the public records

8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage costs attorneys' fees or expenses which arise by reason of

1 (a) Any law ordinance or governmental regulation (including but not limited to building and zoning laws ordinances or regulations) restricting regulating prohibiting or relating to (i) the occupancy use or enjoyment of the land (ii) the character dimensions or location of any improvement now or hereafter erected on the land (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part or (iv) environmental protection or the effect of any violation of these laws ordinances or governmental regulations except to the extent that a notice of the enforcement thereof or a notice of a defect lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

(b) Any governmental police power not excluded by (a) above except to the extent that a notice of the exercise thereof or a notice of a defect lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy

2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge

3 Defects liens encumbrances adverse claims or other matters

(a) created suffered, assumed or agreed to by the insured claimant

(b) not known to the Company not recorded in the public records at Date of Policy but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy

(c) resulting in no loss or damage to the insured claimant

(d) attaching or created subsequent to Date of Policy or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy

4 Any claim which arises out of the transaction vesting in the Insured the estate or interest insured by this policy by reason of the operation of federal bankruptcy state insolvency or similar creditors' rights laws that is based on

(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer or

(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure

(a) to timely record the instrument of transfer, or

(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 8 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs attorneys' fees or expenses) which arise by reason of

Part One

1 Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records

2 Any facts rights interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof

3 Easements claims of easement or encumbrances which are not shown by the public records

4 Discrepancies conflicts in boundary lines, shortage in area encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records

5 Unpatented mining claims reservations or exceptions in patents or in Acts authorizing the issuance thereof water rights claims or title to water

6 Any lien or right to a lien, for services labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records

10. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY - 1987
EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss costs attorneys fees and expenses resulting from

1 Governmental police power and the existence or violation of any law or government regulation This includes building and zoning ordinances and also laws and regulations concerning

- land use
- land division
- improvements on the land
- environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date

This exclusion does not limit the zoning coverage described in items 12 and 13 of Covered Title Risks

2 The right to take the land by condemning it unless

- a notice of exercising the right appears in the public records on the Policy Date
- the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3 Title Risks

- that are created allowed or agreed to by you
- that are known to you but not to us on the Policy Date - unless they appeared in the public records
- that result in no loss to you
- that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4 Failure to pay value for your title

5 Lack of a right

- to any land outside the area specifically described and referred to in Item 3 of Schedule A or
- in streets alleys or waterways that touch your land

This exclusion does not limit the access coverage in item 5 of Covered Title Risks

FATCOLA

First American Title Company of Los Angeles

520 NORTH CENTRAL AVENUE
GLENDALE, CALIFORNIA 91203
(818) 242-5800

RECEIVED

0? 1994

12/1/94

Brant & Pettitt
626 Wilshire Blvd #410
Los Angeles, Calif 90017

Our No 9248546-21

Trico Ind.

Roger Pettitt

Enclosed please find one set of itemized exceptions as requested.

Cordially

Jeanie quintal
Title Officer

#2

263 DUP. 1515

cures the payment of all the indebtedness and the performance of all of the obligations hereinbefore referred to, and in all its parts, except as herein otherwise provided applies to, inures to the benefit of, and binds the heirs, administrators, executors, successors and assigns of all and each of the parties hereto. The words "trustor", "beneficiary" and "member" wherever used in this instrument shall be construed to include the plural as well as the singular number.

Witness the hands of the trustor, the day and year first above written.

J. Gottfrid Kuwert
Ida Kuwert

State of California, County of Los Angeles, ss. On this 4th day of November 1922, before me, Rose McAlexy, a Notary Public in and for said County, personally appeared J. Gottfrid Kuwert and Ida Kuwert, known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same. Witness my hand and official seal.

(Notarial Seal)

Rose McAlexy, Notary Public in and for the County of Los Angeles, State of California.

#729 Copy of original recorded at request of Grantee Nov. 17, 1922 at 8 min past 9 A.M.
Compared Copy. Compared. C. E. Logan, County Recorder, By [illegible] Signed [illegible] Deputy

-----000-----

"Easement" Susana D. del Amo and Gregorio del Amo, her husband, Maria de los Reyes D. de Francis, a widow, Dominguez Estate Company, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, County of Los Angeles, State of California, and Watson Estate Company, a corporation likewise duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, County of Los Angeles, State of California as parties of the first part, in consideration of the sum of Ten Dollars ($10) to them in hand paid, receipt of which is hereby acknowledged, do hereby grant to Dominguez Water Company, a like corporation duly organized and existing under the laws of the State of California and having its principal place of business in the City of Los Angeles, County of Los Angeles, State of California, an easement described as follows, to-wit:

1. An easement consisting of a right of way, or such rights of way as may be necessary for the Dominguez Water Company to maintain its present distribution system upon, over, under and across, all of the property standing of record upon the official records of Los Angeles County, in the name of the grantors respectively, in the Rancho San Pedro, County of Los Angeles, lying West of the right of way of the Southern Pacific Railroad Company, the lands herein referred to being the lands allotted to the grantors or to their predecessors in interest by the final decree in partition entered in Case No. 3286 of the files of the Superior Court in and for the County of Los Angeles, State of California; together with the right, of constructing, laying, maintaining, repairing and replacing the said pipe line or pipe lines above described, for the conveyance of water for irrigation, domestic or other purposes or uses; and such other rights as may be necessary for the complete operation and maintenance of the distribution system of the grantee.

2. And for the same consideration the said grantors hereby grant to the grantee an easement and right of way over, across, under and through, the foregoing described real property for the purpose of constructing, laying, maintaining, replacing and repairing extensions, laterals or additions to the present distribution system of the grantee, being the pipe lines hereinbefore referred to, for the conveyance of water for irrigation, domestic and other purposes and uses, together with fifty (50) feet of width over said lands for the purpose of making repairs, extensions, laterals or additions together with the right to operate and maintain the same. To have and to hold to the said grantee, its successors and assigns. In Witness thereof the said parties of the first part have hereunto set

PACCAR 01344

their hands and seals this 8th day of November, 1922, the said [illegible] being thereunto duly authorized by resolutions passed by their respective board of directors at legal meetings of said directors duly convened and held

[illegible] Seal
[illegible] del Amo, (Seal)
[illegible] Attorney in Fact
[illegible] de Francia (Seal)
(Corporate Seal) By H W O'Melveny Hr Attorney in Fact
Dominguez Estate Company,
By H W O'Melveny President
(Corporate Seal) By James J Watson, Secretary
Watson Estate Company,
By H W O'Melveny Pre[illegible]
By James J Watson

State of California, County of Los Angeles)ss On this 8th day of November 1922, before me, Nellie Lemert, a Notary Public in and for said County and State residing therein, duly commissioned and sworn, personally appeared H W O'Melveny, known to me to be the person whose name is subscribed to the within instrument as the attorney in fact of Gregorio del Amo and Susana D del Amo, and acknowledged to me that he subscribed the names Gregorio del Amo and Susana D Ar[illegible] thereto as principals and his own name as attorney in fact Witness my hand and official seal the day and year in this certificate first above written

(Notarial Seal) - -- - Nellie Lemert Notary Public in and for the County of Los Angeles, State of California

State of California, County of Los Angeles)ss On this 8th day of November 1922, before me, Nellie Lemert, a Notary Public in and for the County and State aforesaid, residing therein, duly commissioned and sworn personally appeared H.W O'Melveny, personally known to me to be the the person whose name is subscribed to the within instrument as the attorney in fact of Maria de los Reyes D de Francia and acknowledged to me that he subscribed the name of Maria de los Reyes D de Francia thereto as principal and his own name as attorney in fact

Witness my hand and seal the day and year in this certificate [illegible]

(Notarial Seal) Nellie Lemert Notary Public in and for the County of Los Angeles, State of California

State of California, County of Los Angeles)ss. On this 8th day of November, 1922, before me, Nellie Lemert, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared H W O'Melveny known to me to be the President and James J Watson, known to me to be the Secretary of Dominguez Estate Company, the corporation that executed the within and foregoing instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same Witness my hand and official seal the day and year in this certificate first above written

(Notarial Seal) Nellie Lemert Notary Public in and for the County of Los Angeles, State of California

State of California County of Los Angeles)ss. On this 8th day of November 1922 before me, Nellie Lemert, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared H W O'Melveny, known to me to be the President and James J Watson, known to me to be the Secretary of Watson Estate Company the corporation that executed the within and foregoing instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same Witness my hand and official seal the day and year first above written.

PACCAR 01345

(Notarial Seal) Nellie Lemert, Notary Public

in and for the County of Los Angeles, State of California.
#1030 Copy of original recorded at request of [illegible] Insurance & [illegible] Co. Nov. 9 1922 at [illegible] 3 PM Copyist [illegible] Compared [illegible] Logan, County Recorder, [illegible] (signed), [illegible] Deputy

---000---

Assignment of Interest in Production Whereas, on the 24th day of June, 1922, John L. Wyatt and Nettie B. Wyatt, as husband and wife, and Lloyd B. Wyatt and Veryle B. Wyatt, did as Lessors lease to J. P. Detweiler, R. C. Steel and W. H. Bial, as Lessees, for the purpose of producing oil, [illegible] other hydro-carbon substances certain real property located in the County of Los Angeles, State of California [illegible] more particularly described as follows.

Lot Fifteen (15), Block Forty-eight (48), of the Peck and Anderson Tract in the County of Los Angeles, State of California as per map recorded in Book 6, Page 11 of Maps, in the office of the County Recorder of said County, [illegible] to which lease reference is hereby made for further particulars, and [illegible] after the execution of said lease on said 24th day of June 1922, the said J. P. Detweiler, R. C. Steel and W. H. Bial, Lessees named in said lease, did by assignment duly executed and recorded in the office of the County of Los Angeles, County, California, assign transfer and set over unto W. B. Wigle and J. H. McBride, all right [illegible] and interest in and to lease, and Whereas, B. P. Hargrave and Edward Whitely, desires to acquire an interest in the proceeds received by the said W. B. Wigle and J. H. McBride from the sale of any [illegible] gas asphaltum, or other hydro-carbon substances which may hereafter be produced from said premises.

Now Therefore, in consideration of the sum of Ten Dollars to them in hand paid, the receipt whereof is hereby acknowledged, W. B. Wigle and J. H. McBride do hereby assign, transfer and set over and agree to hereafter pay and deliver, as and when received, to B. P. Hargrave and Edward Whitely, or order, out of such amounts as they may be entitled to retain as assignee under such lease, one per cent (1%) of the total proceeds received from the sale of any and all oil gas asphaltum or other hydro-carbon now or hereafter produced from any and all wells now or hereafter drilled upon the real property above mentioned, under and by virtue of the terms of said lease said and assignment, without deduction of royalty or otherwise except that the said W. B. Wigle and J. H. McBride shall deduct from any sums paid hereunder, One-Seventy-Fifths (1/75th) including actual cost of production incurred after the well or wells drilled thereon have been placed upon production in paying quantities. It is expressly understood that no cost of drilling or other cost incurred prior to the placing of such wells or any of them upon production shall be deducted from the interest of the said B. P. Hargrave and Edward Whitely or their assigns. The said Wigle and McBride also covenant and agree that they will, in consideration of the money paid to them for the execution of this instrument by the parties last above mentioned, drill and otherwise fully complete and place on production the present well now upon said premises, without any expense whatsoever to said last mentioned parties and will within the time limited in said lease of June 24, 1922, drill to completion and place on production an additional well provided that the first well produces oil in paying quantities as defined in original lease and this without expense of any kind whatsoever to the said mentioned parties. In witness whereof the said W. B. Wigle and J. H. McBride have caused their names and seal to be affixed this 31st day of October 1922.

W. B. Wigle (Seal)
J. H. McBride (Seal)

State of California, County of Los Angeles, ss. On this 31st day of October, A.D. 1922, before me, Chris Wilson, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared W. B. Wigle and J. H. McBride, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they

BOOK 35705 PAGE 352
Cost less than $100.00

RIGHT OF WAY

R/W 12,835

FOR AND IN CONSIDERATION of the sum of One ($1.00) Dollar, to the undersigned in hand paid, the receipt whereof is hereby acknowledged, MARY SOTERAS, a widow,

of the County of Los Angeles, State of California, do grant hereby grant to SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under and by virtue of the laws of the State of California, its successors and assigns, the right of way to lay, construct, maintain, operate, repair, renew, change the size of and remove a pipe line, with metering, regulating and other equipment, for the transportation of gas, with the right of ingress and egress to and from the same, over and through, under, along and across that certain parcel of land situated in Los Angeles County, State of California, which is described as follows, to-wit:

That portion of Lot 6, Tract No. 4671, as shown on map recorded in Book 56, pages 30 and 31, of Maps, in the office of the Recorder of the County of Los Angeles, being a strip of land 10 feet in width, lying 5 feet on each side of the following described center line:

Beginning at a point in the westerly line of said Lot 6, distant thereon North 0° 03' West, 20.00 feet from the southwest corner of said Lot 6; thence North 89° 57' East, 150.00 feet to a point in the easterly line of grantor's property.

The said grantor to fully use and enjoy the said premises, except as to the rights hereby granted; and the said grantee hereby agrees to pay any damages which may arise to crops, fences or buildings from the laying, construction, maintenance or operation of said pipe line; said damages, if not mutually agreed upon, to be ascertained and determined by three disinterested persons; one thereof to be appointed by the grantor, or assigns, one by the grantee, or assigns, and the third by the two so appointed as aforesaid; and the award of such three persons, or any two of them, shall be final and conclusive.

The grantee shall have the right at any time or times to lay additional lines of pipe alongside of the line or lines already laid but shall pay the grantor for each additional line laid the same consideration paid herefor.

IN WITNESS WHEREOF, these presents are hereby signed this 14 day of FEB 19 5

Executed in the presence of:

Mary Soteras

Subscribing Witness.

STATE OF CALIFORNIA
COUNTY OF Los Angeles } ss.

On this 14 day of February, A.D. 1951, before me George L. Pappas a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared MARY SOTERAS known to me to be the person whose name is subscribed to the within Instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

George L. Pappas
Notary Public in and for said County and State.

My Commission Expires Feb. 8, 1954

SOUTHERN CALIFORNIA GAS CO.—1588-8A

3548

Recorded

PACCAR 01347

3548

DOCUMENT No. 3548
RECORDED AT REQUEST OF
Southern California Gas Company
MAR 2 1951
45 MIN. PAST 4 P.M.
BOOK 35705 PAGE 352
OFFICIAL RECORDS
County of Los Angeles, California
Fee $
MAME B. BEATTY, County Recorder
By Deputy

RECORDED REQUEST OF
SOUTHERN CALIFORNIA GAS CO.
Return to
Land and Right of Way Department
810 South Flower Street
Los Angeles, California

BOOK 35705 PAGE 353

Recorded and compared: MAME B. BEATTY, County Recorder, By Deputy

Mortgage of Chattels

THIS MORTGAGE, Made this 13th day of February, 19 51

By THOMAS GOLDSTEIN

residing in the County of Los Angeles, California,

, Mortgagor,

To ABE GOLDSTEIN, also known as Abraham Goldstein

, Mortgagee,

WITNESSETH: That the Mortgagor mortgages to the Mortgagee all that certain personal property situated and described as follows, to-wit: Furniture, fixtures and equipment of a certain Self Service Laundry business known as House of Domestic Crafts and located at 2612 South Central Avenue, in the City of Los Angeles, County of Los Angeles, State of California, more particularly described as follows:

20 Automatic Washers - Launderall
1 Calsco Extractor #2358
1 Perry Dryer #G 6961
1 Sellers Immersion - Omatic Boiler #A 163
1 Flow Master Water Softener TV 9544
27 Wire Baskets
6 Chairs
1 Stool
1 Wooden Counter
5 Norton Automatic Washers, #16617, #16563, #16566, #16604, #16564
All other Misc. Plumbing and Electrical Wiring

as security for the payment to Mortgagee of

One Thousand Six Hundred Fifty and No/100 - - - - - - - - ($ 1,650.00) Dollars

according to the terms and conditions of a certain Promissory Note, of even date herewith substantially in form as follows:

For
Satisfaction of
CHATTEL MORTGAGE
Book 3249
Page 219
Official Records

PACCAR 01348

#4

State of the State of California, upon the premises hereinafter described, for materials furnished and labor performed under agreement made about June 15, 1927, with A. B. Medlin by whom claimant was employed to furnish said materials and labor, which said materials and labor were actually used in construction of the certain buildings, improvement or structure now upon the certain parcel of land [illegible] the County of Los Angeles, State of California, sought to be charged with this Lien, and [illegible] as follows

The Westerly (38) feet of Lot 154 and the Easterly ([illegible]) feet of Lot [illegible] the Westerly 12 feet of Lot 153, and the Easterly 38 feet of the Westerly 50 feet of Lot 153, and Easterly 14 feet of lot 153, all in Tract number 3002 as per map recorded in Book 31, Page [illegible] of Maps, in the office of the County Recorder of said County.

That A. B. Medlin and Peter J. Begh are the name of the reputed owner of said premises

That the total net value of the materials furnished and labor performed by claimant as aforesaid is $552.50, that nothing has been paid on account and that the sum of $552.50 is still due and owing to claimant after deducting all just credits and offsets.

Julius Picconi.

State of California, County of Los Angeles, ss.

Julius Picconi, being first duly sworn, deposes and says that he is owner of Peerless Plumbing Company named as claimant in the foregoing Claim of Lien, that he has read the same and known the contents thereof, and that the same is true, and that the contents show (among other things) a correct statement of claimant's demand, after deducting all just credits and offsets.

[illegible] Picconi.

Subscribed and sworn to before me this 9th day of August, 192[illegible]

(Notarial Seal) Lewis K. Rosenberger, Notary Public in and for the County of Los Angeles, State of California. My Com.Exp. July 22, 1928.

#1405.Copy of original recorded at request of Claimant, Aug. [illegible], 1927, 26 min. past [illegible] P.
Copyist #74.Compared, C. L. Logan, County Recorder, By [illegible] Deputy.

Grant Deed.

Charles Yager, a single man, in consideration of Ten ($10.00) Dollars, to him in hand paid, receipt of which is hereby acknowledged, does hereby Grant to William Borden and Mary Borden, husband and wife, as joint tenants, with right of survivorship, the real property in the County of Los Angeles, State of California, described as:

Parcel 1: The Northerly one-half of Lot Six (6) of Tract Number Forty-six Hundred Seventy-one, as per map recorded in Book 56, Pages 30 and 31, of Maps, in the office of the County Recorder of said County, Excepting therefrom the Westerly four hundred sixty-seven (467) feet thereof, Reserving therefrom a right of way for street purposes to be used in common with others over the Northerly twenty-five (25) feet and the Southerly seven and fifty hundredths (7.50) feet of the above described land.

Parcel 2 The Westerly one hundred thirty-nine and fifty hundredths (139.50) feet of the Northerly one-half of said Lot Six (6) Excepting therefrom the Northerly one hundred twenty-eight and thirty-three hundredths (128.33) feet thereof, Reserving therefrom a right of way for street purposes to be used in common with others over the Easterly seven and fifty hundredths (7.50) feet of said land. Parcel 3 A right of way for street purposes to be used in common with others over (a), The Northerly twenty-five (25) feet of said Lot Six, (b) The Easterly fifteen (15) feet of the Westerly one hundred forty-seven (147) feet of said Lot Six (6), and (c) The Southerly fifteen (15) feet of the Northerly one hundred eighty-seven and fifty hundredths (187.50) feet of said Lot Six (6) excepting therefrom the Westerly one hundred forty-seven (147) feet thereof,

Excepting from a, b and c above, those portions included within the lines of Parcels 1 and 2 above described. Subject to the taxes for the fiscal year 1927-1928, Subject Also to all rights, rights of way and easements as shown of record, Subject also to reservations, restrictions and conditions as contained in deed from Title Insurance and Trust Company, a corporation, to Charles Yager, dated June 15th, 1927.

To have and to hold to said Grantees in Joint Tenancy, subject to the matters above shown

Witness his hand this 21st day of June, 192[illegible]. Charles Yager.
By J. L. Feinfeld, his attorney-in-fact.

State of California, County of Los Angeles, ss.

On this 25 day of June, A.D. 1927, before me, Blanche Brown, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared J. L. Feinfeld, known to me to be the person whose name is subscribed to the within instrument, as the Attorney-in-fact of Charles Yager, and acknowledged to me that he subscribed the name of Charles Yager, thereto as principal and his own name as Attorney-in-

PACCAR 01349

[illegible] L. [illegible], known to [illegible] the [illegible] [illegible] in subscribed to the within instrument, as the Attorney-in-fact of Charles Yager, and acknowledged to me that he subscribed the name of Charles Yager, thereto as principal and his own [illegible] as Attorney-in-

fact. In Witness Whereof, I have hereunto [illegible] [illegible] and affixed my official seal the day and year in this certificate first above written.

(Notarial Seal) Blanche Brown, Notary Public
in and for said County and State.

§10. Copy of original recorded at request of [illegible] Insurance & Tr Co. Aug. 10, 1927, at 8:30 A.M. Copyist #74, Compared, C. L. Logan, County Recorder, By Deputy

Corporation Grant Deed.

California Trust Company, a corporation organized and existing under the laws of the State of California, for and in consideration of Ten Dollars ($10.00) to it in hand paid, the receipt of which is hereby acknowledged, does hereby Grant to J. M. Longfellow and Dora A. Longfellow, his wife, as joint tenants, all that real property situated in the County of Los Angeles, State of California, described as follows, to-wit

Lot Two Hundred Sixty-two (262) Tract 6084, as per map recorded in Book of Maps 101, Pages 53 to 57 inclusive in the office of the County Recorder of said County, to which reference is hereby made for a more particular description.

Subject to conditions, restrictions, reservations, rights and rights of way of record. Subject to all liens for taxes and assessments. And further, Excepting and reserving from said realty an easement and right of way for the erection, construction, maintenance and operation of pole lines, with the necessary cross-arms and wires for the transmission of electrical energy and for telephone lines, and/or for laying and maintaining conduits and/or pipe lines for said purposes, (and/or gas, water and other public utility purposes), together with the right of ingress and egress for the purpose of erecting, constructing, laying, maintaining, repairing and operating the same over, under, along, across and through such portion of said realty if any, as may be included within the rear five (5) feet of all lots in said Tract, together with the right of entry for the purpose of constructing, erecting, repairing and maintaining any and all utilities above mentioned.

Provided, Further, that this conveyance is made and accepted upon the following express conditions, restrictions and covenants which shall apply to and be binding upon the Grantee, his heirs, devisees, executors, administrators and assigns

First: That no part of said premises shall ever at any time be used for the purpose of buying, selling, manufacturing, vending or handling intoxicating liquors, and that no part of said premises shall ever at any time be sold, conveyed, leased or occupied by any person not of the Caucasian or white race. Second: That the Grantee, his heirs and assigns, hereby covenant and agree as a covenant running with the land that the said Grantee, his heirs or assigns, will not at any time erect, or place upon said land, or any part thereof, any building of any kind whatsoever other than single residences, double bungalows, duplexes and bungalow courts, it being understood, covenanted and agreed that any single residence erected thereon shall cost and be reasonably worth not less than $3,500; that any duplex residence erected thereon shall cost and be reasonably worth not less than $4,500, that in any bungalow court erected [illegible] two front units of said court shall cost and be reasonably worth not less than $[illegible],500 per unit, that the rear units of said bungalow court shall cost and be reasonably worth not less than $2,000 per unit; with the customary outbuildings, including a private stable or garage; that said buildings that may be erected thereon shall face toward the front line of the lot upon which the same is located, that no part except the front steps shall be built closer than fifteen feet to or from the front line of said lot and that no part of any building or buildings shall be closer than four feet to or from the side lines of said lot, that all lavatories or toilets shall be built indoors and connected with outside cess-pools until such time as a sewer system shall be maintained, at which time the Grantee, his heirs or assigns agree to connect therewith; that any private stable, garage or other customary outbuildings shall be located not less than eighty feet from the front line of said premises, and not less than four (4) feet from any street line; and that immediately upon completion thereof, all buildings or any part thereof constructed of wood, including roofs thereof, placed, erected or maintained on said premises, shall be painted or stained, all and any fences erected shall also be immediately painted or stained.

The restrictions and conditions set forth in Clause No. Two above shall in all respects

PACCAR 01350

Book 25233 Page 72

GRANT OF EASEMENT

RALPH KUSHNER, AL FRIED BEN GRUNDLEY [illegible] RALPH KUSHNER CONSTRUCTION CO., Co partnership

[illegible] Los Angeles [illegible]

The northerly 20 feet and the easterly 20 feet of Lot 7, Track 4072 as per map recorded in Book 56, pages 30 and 31 of Maps records of said County EXCEPTING THEREFROM, the southerly 220 feet of said Lot

[illegible] have free access [illegible] at all times for the purpose of exercising the rights herein [illegible] may endanger or interfere with said electric

[illegible] executed this instrument this 21st day August [illegible] 97

Signature of Grantor(s)

Ralph Kushner

Al Fried

Ben Grundlet

PACCAR 01351

Book 25833 Page 72

STATE OF CALIFORNIA
COUNTY OF _____ } ss.

On this _____ day of _____, 19__, before me, _____ a Notary Public in and for said County and State, personally appeared _____ [illegible] _____ known to me, (or proved to me on the oath of _____) to be the person _____ whose _____ [illegible] _____ subscribed to the within instrument, and acknowledged to me that _____ [illegible] _____ and the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Seal)

_____
Notary Public in and for said County and State

My commission expires on _____

STATE OF CALIFORNIA
COUNTY OF _____ } ss.

On this _____ day of _____, 19__, before me, _____ a Notary Public in and for said County and State, personally appeared _____ personally known to me to be the same person whose name is subscribed to the within instrument as a subscribing witness thereto, who being by me duly sworn, deposes and says that he resides in the County of _____ State of California, that he was present and saw _____ personally known to him to be the same person _____ described in and whose name _____ is/are subscribed to the within instrument as _____ part _____ thereto, sign and execute the same, and that he, the affiant, then and there subscribed his name to said instrument as a witness.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Seal)

_____
Notary Public in and for said County and State

My commission expires on _____

Recorded in
SOUTHERN CALIFORNIA EDISON COMPANY LTD.
P. O. Box 351
Los Angeles 53, California
Attention Right of Way and Land Department

GRANT OF EASEMENT

Signature

DOCUMENT No. _____ 1939
RECORDED AT REQUEST OF
SOUTHERN CALIFORNIA EDISON COMPANY LTD.

Dated _____ 1939
_____ 1 AM
_____ 2 PM

Book 25833 Page 72
OFFICIAL RECORDS
County of Los Angeles, California
Fee $ 2.00 Paid
MARY E. BEATTY, County Recorder
By _____ Deputy

PACCAR 01352

#6

Book 25 - 34 Page 85

GRANT OF EASEMENT
(INDIVIDUAL)

THE GRANTOR HAROLD BERNARD SILLERMAN

hereby granted to SOUTHERN CALIFORNIA EDISON COMPANY [redacted] a corporation, its successors and assigns, the right to construct, use, maintain, alter and/or repair, replace and/or remove, in, on and over the real property hereinafter described, situated in the County of Los Angeles State of California, an electric line, consisting of poles, necessary guys and anchors, cross-arms, wires and other fixtures and appliances, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes.

Said real property is described as follows:

The easterly 20 feet of the northerly half of Lot 6, Tract [redacted] as per map recorded in Book 56, pages 30 and 31 of Maps, records of said County, EXCEPTING TELEPHONE, the westerly [redacted] feet of said Lot.

The Grantee, its successors and assigns, and its and their agents and employees, shall have free access to said electric line and every part thereof at all times, for the purpose of exercising the rights herein granted, and shall have the right to trim or top such trees as may endanger or interfere with said electric line.

IN WITNESS WHEREOF the Grantor has executed this instrument this 27th day of August 19[illegible]

Witness: Lou Campbell, Ross V. Thomas

Signature of Grantor(s): Harold Bernard Silberman

(over)

PACCAR 01353

Book 25834 Page 86

STATE OF CALIFORNIA
COUNTY OF _____ } ss.

On this _____ day of _____ 194_ before me _____ a Notary Public in and for said County and State personally appeared _____ known to me (or proved to me on the oath of _____) to be the person whose name _____ subscribed to the within instrument and acknowledged to me that _____ be _____ executed the same.

(Direct Form)

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Seal) _____ Notary Public in and for said County and State

My commission expires on _____

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } ss.

On this _____ day of NOVEMBER 1947 before me O. W. SCOTT a Notary Public in and for said County and State personally appeared JOSE V. THOMAS personally known to me to be the same person whose name is subscribed to the within instrument as a subscribing witness thereto who being by me duly sworn, deposes and says that he resides in the County of LOS ANGELES State of California that he was present and saw HAROLD RICHARD [illegible] personally known to him to be the same person described in and whose name is subscribed to the within instrument as the party thereto sign and execute the same and that he the affiant then and there subscribed his name to said instrument as a witness.

(Witness Form)

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Seal) _____ Notary Public in and for said County and State

My commission expires on _____

Return
SOUTHERN CALIFORNIA EDISON COMPANY
P. O. Box 351
Los Angeles 53, California
Assistant Right of Way and Land Department

2072

GRANT OF EASEMENT

Dated _____ DEC 1 1947
_____ 2 P.M.

Book 25834 Page 85
OFFICIAL RECORDS
County of Los Angeles, California
_____ Folio _____
MAME B. BEATTY, County Recorder
By _____ Deputy

2072

SOUTHERN CALIFORNIA EDISON COMPANY

10/6 [illegible]

PACCAR 01354

50667 154

PLACE INTERNAL REVENUE STAMPS IN THIS SPACE

EASEMENT **Deed**

Affix I. R. S. $ none

THIS FORM FURNISHED BY TITLE INSURANCE AND TRUST COMPANY

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

HORACE L. WHITE and DONNA G. WHITE, husband and wife,

hereby GRANT(S) to WILLIAM PHILIP GUIDRY, a widower,

An easement for gas line purposes over

the following described real property in the state of California, county of Los Angeles,

The North 10 feet of the Southerly 25 feet of the Easterly 100 feet of the Westerly 407 feet of Lot 6 in Tract No. 4671, as per map recorded in Book 56 Pages 30 and 31 of Maps, in the office of the County Recorder of said County.

Dated: January 30, 1956

Horace L. White

Horace L. White

Donna G. White

Donna G. White

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } SS.

On Feb. 1 1956 before me, the undersigned, a Notary Public in and for said County and State, personally appeared

HORACE L. WHITE and DONNA G. WHITE,

known to me to be the person S. whose name S are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

(Seal) Florence White

Notary Public in and for said County and State

SPACE BELOW FOR RECORDER'S USE ONLY

2128

DOCUMENT No.
RECORDED AT REQUEST OF
TITLE INSURANCE & TRUST CO.
MAR 22 1956
1 8 A.M.

BOOK 50667 PAGE 154
OFFICIAL RECORDS
RAY E. LEE, RECORDER
LOS ANGELES COUNTY, CALIF.

FEE $1.

2128

Recorded and compared: RAY E. LEE, County Recorder, By M Lewis Deputy

PACCAR 01355

9

RECORDING REQUESTED BY

1309

AND WHEN RECORDED MAIL TO

Mr. Harry L. Cohen
Box # 616
Tujunga, California

SPACE ABOVE THIS LINE FOR RECORDER'S USE

AFFIX I.R.S. $ 16.50 IN THIS SPACE

Corporation Grant Deed

THIS FORM FURNISHED BY TITLE INSURANCE AND TRUST COMPANY

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

AMERICAN CHEMSOLV INC., a corporation

a corporation organized under the laws of the state of California
hereby GRANTS to

Harry Cohen, a married man

the following described real property in the
county of Los Angeles state of California:

Parcel 1:
The easterly 160.30 feet of the southerly 3 acres of Lot 5 of Tract 4671 as per map recorded in Book 56 Pages 30 and 31 of Maps in the office of the county recorder of said county
Parcel 2:
An easement for roadway purposes over the northerly 25 feet of the westerly 25 feet of the easterly 160.30 feet of Lot 6 of Tract 4671 as per map recorded in Book 56 Pages 30 and 31 of Maps for ingress and egress.

SUBJECT TO:
All general and special taxes for the fiscal year 1963-1964
Covenants, conditions, reservations, restrictions, rights, rights of way, and easements of record.

In Witness Whereof, said corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its _____ President and _____ Secretary thereunto duly authorized.

Dated: May 15, 1963

AMERICAN CHEMSOLV INC.,

By _____ President

By _____ Secretary

STATE OF CALIFORNIA
COUNTY OF Los Angeles } SS.
On May 16, 1963 before me, the undersigned, a Notary Public in and for said County and State, personally appeared W. P. GUIDRY, known to me to be the President, and ROBERT W. LITTLE known to me to be Secretary of the Corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors

WITNESS my hand and official seal.
(Seal)
Signature _____
HORACE W. LITTLE, JR.
(Typed or Printed)
HORACE W. LITTLE
MY COMMISSION EXPIRES ... Notary Public in said County and State

Title Order No. 6046313
Escrow or Loan No. 211-9951

T.I. REC. MAY 27 63

1309

PACCAR 01356

RECORDING REQUESTED BY
COUNTY OF LOS ANGELES

WHEN RECORDED MAIL TO
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

1839

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF.
45 min Date 8 A.M. JUL 29 1968
RAY E. LEE, County Recorder

FREE 24

Space above this line for Recorder's use

Documentary Transfer Tax $0
L.A. County

EASEMENT

FOR A VALUABLE CONSIDERATION, *receipt of which is hereby acknowledged,*

B & W INCORPORATED, a California corporation,

does hereby grant to the COUNTY OF LOS ANGELES *an easement for, and the right to construct, maintain, operate, and use,* sanitary sewers *and appurtenant structures in and across the real property in the* _____ *County of Los Angeles, State of California, described as*

Parcel 1-6A

The northerly 12.5 feet of the easterly 80 feet of the westerly 547 feet of Lot 6, Tract No. 4671 as shown on map filed in Book 56, pages 30 and 31 of Maps, in the office of the Recorder of the County of Los Angeles.

Parcel 1-10

The westerly 7 feet of Lot 7, above mentioned tract.

Excepting from last described parcel of land the southerly 220 feet thereof.

JUL 29 '68

Together with the right to enter upon and to pass and repass over and along said easement and right of way and to deposit tools, implements, and other materials thereon, by said County of Los Angeles, its officers, agents, and employees, and by any contractor, his agents and employees, engaged by said County, whenever and wherever necessary for the purposes above set forth.

It is understood that each undersigned grantor grants only that portion of the above described land in which said grantor has an interest.

Dated: July 18, 19 68

(SEAL)

B & W INCORPORATED

BY K. A. Wright
Vice President

BY _____
J. H. Mitchell, Jr.
Assistant Secretary

FOR C.I. 2450

Search No. 1 Parcels 6A & 10
Index Map
Supervisorial District No. 4

1839

PACCAR 01357

STATE OF CALIFORNIA, County of Los Angeles } ss.

On this 18th day of July, 19 68, before me, the undersigned, a Notary Public in and for said County and State, personally appeared K. A. Wright known to me to be the Vice President, and J. H. Mitchell, Jr. known to me to be the Assistant Secretary of the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.
WITNESS my hand and official seal.

GERALDINE E. JOBE
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 9, 1968

Geraldine E. Jobe
Notary Public in and for said County and State.
Geraldine E. Jobe
NOTARY — PRINT NAME HERE

(This area for official notarial seal)

STATE OF CALIFORNIA, County of Los Angeles } ss.

On this ..... day of ....., 19....., before me, the undersigned, a Notary Public in and for said County and State, personally appeared .....

known to me to be the person.... whose name ..... subscribed to the within instrument, and acknowledged to me that ....he.... executed the same.
WITNESS my hand and official seal.

Notary Public in and for said County and State.

NOTARY — PRINT NAME HERE

(This area for official notarial seal)

STATE OF CALIFORNIA, County of Los Angeles } ss.

On this ..... day of ....., in the year 19....., before me, WILLIAM G. SHARP, County Clerk and ex-officio Clerk of the Superior Court in and for said County, personally appeared .....

known to me to be the person.... whose name ..... subscribed to the within instrument, and acknowledged to me that ....he.... executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Court, the day and year in this Certificate first above written.

WILLIAM G. SHARP,
County Clerk and ex-officio Clerk of said Superior Court

By .....
Deputy Clerk.

APPROVED: JUL 25 1968, 19.....
JOHN A. LAMBIE, County Engineer

As to execution and description:

By .....
Deputy County Engineer

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed or grant to the County of Los Angeles, a governmental agency, is hereby accepted under authority of a resolution adopted by the Board of Supervisors of said County on February 17, 1959, and the Grantee consents to the recordation thereof by its duly authorized officer.

Dated JUL 25 1968

By .....
LAND TITLE ENGINEER

JUL 29 68

1839

PACCAR 01358

RECORDING REQUESTED BY:

DOMINGUEZ WATER CORPORATION

WHEN RECORDED MAIL TO:

MR. JOHN TOOTLE
DOMINGUEZ WATER CORPORATION
21718 South Alameda Street
P.O. Box 9351
Long Beach, California 90810

90 178472

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA
FEB 1 1990 AT 8 A.M.
Recorder's Office

338122-6

FEE $11 P
4

GRANTOR DECLARES THAT:

Documentary Tax - $0.00. This is a conveyance of an Easement and the consideration and value are less than $100.00, R&T 11911.

EASEMENT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, and subject to each and all of its reserved rights and privileges, the undersigned, TRICO INDUSTRIES, INC., a California corporation (hereinafter "Grantor"), does hereby grant and convey (without warranty, express or implied), to DOMINGUEZ WATER CORPORATION, a California corporation (hereinafter "Grantee"), for the hereinafter described purposes only, the exclusive right, right-of-way and easement over, under, along and across the real property described below, together with the right to enter upon said real property from that certain right-of-way for street purposes, to be used in common with others, over the Northerly 25.00 feet of the Westerly 467.00 feet of Lot 6 of Tract No. 4671 referred to below, and the exclusive right to drill for, develop and remove water from and under said real property and the exclusive right to construct and maintain one or more pumping plants, tanks and other storage equipment for the storage of water upon and under said real property, for so long but only for so long as Grantee, its successors or assigns is lawfully engaged in the business of producing, distributing and/or selling water in Los Angeles County, California as a public utility. Such rights, rights-of-way and easements hereby granted by Grantor to Grantee include but are not limited to the rights to drill, redrill, deepen, line, construct, maintain, modify, repair and operate one or more water wells, casings and other necessary water well drilling equipment upon said real property and to carry on and to prosecute all necessary and proper operations for such water well drilling and water production purposes.

EXCEPTING AND RESERVING unto Grantor, its successors and assigns, the right to enter upon, in and under said real property for the purposes of ingress and egress to and from the same and to and from Grantor's adjoining property,

PACCAR 01359

and otherwise using the same, or any part thereof, for parking purposes, for lighting purposes and/or for temporary storage of non-toxic personal property and incidental and/or related purposes, so long as the exercise of such reserved rights and uses by Grantor, its successor or assigns, does not unreasonably interfere with or restrict Grantee's use of said real property for such water well drilling, pumping plant construction, tank construction, water storage and distribution and related purposes.

The real property covered by this Easement Deed is comprised of approximately 9,600 square feet along and across the Northerly part of the real property presently owned by Grantor, being the North 60 feet of the following described real property (as shown on the attached Plat):

THOSE PORTIONS OF LOTS 6 and 7 of TRACT NO. 4671, AS PER MAP RECORDED IN BOOK 56, PAGES 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 6, DISTANT THEREON, 467.00 FEET EASTERLY, FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTHERLY, PARALLEL WITH SAID WESTERLY LINE, 180.00 FEET, TO THE NORTH LINE OF THE SOUTH HALF OF SAID LOT 6; THENCE NORTH 89 DEGREES 54' 45" WEST, ALONG SAID NORTH LINE, TO A POINT DISTANT EASTERLY, 402.38 FEET FROM THE WESTERLY LINE OF SAID LOT 6; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 136.81; THENCE NORTH 89 DEGREES 54' 05" EAST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 11.02 FEET; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE 141.20 FEET; THENCE SOUTH 89 DEGREES 54' 05" WEST PARALLEL TO THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 31.76; THENCE SOUTH 00 DEGREES 04' 28" EAST PARALLEL TO SAID WEST LINE, 42.11 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH 220.00 FEET OF SAID LOT 7; THENCE ALONG SAID NORTHERLY LINE NORTH 89 DEGREES 54' 05" EAST TO THE EASTERLY LINE OF SAID LOT 7, THENCE NORTH 00 DEGREES 04' 28" EAST ALONG THE EASTERLY LINES OF SAID LOTS 6 AND 7 TO THE NORTH LINE OF SAID LOT 6; THENCE ALONG SAID NORTH LINE SOUTH 89 DEGREES 54' 05" WEST 160.30 FEET TO THE POINT OF BEGINNING.

SUBJECT TO all covenants, conditions, restrictions, exceptions, reservations, rights, right-of-way, easements and other matters of record and subject to and "as is, where is and with all faults" with respect to all existing surface and subsurface conditions of the soil and subject to all existing environmental conditions, known and/or unknown.

This Easement Deed is executed and delivered by Grantor to Grantee subject to, and by its acceptance hereof Grantee hereby covenants and agrees, on behalf of itself, its successors and assigns for the benefit of the interests and estates in said real property owned by Grantor, and for the benefit of Grantor, its successors and/or assigns, that the rights, rights-of-way and easements

90 178472

PACCAR 01360

hereby granted and conveyed to Grantee shall not nor shall any part of the real property subject thereto be used for any purpose or purposes other than the exploration for, development, storage and/or removal and distribution of water and for ingress and egress, utility installation and maintenance and incidental purposes, all as provided above and all at Grantee's sole risk and expense. The covenants hereby created shall be covenants running with the interests and estates of Grantor, its successors and assigns and shall bind Grantee and its successors and/or assigns.

If Grantee, its successors or assigns should at any time cease to be actively engage in the business of producing, distributing and/or selling water in Los Angeles County, California, as a public utility, all rights, rights-of-way and easements hereby granted shall immediately and automatically cease and terminate and this Easement Deed shall be of no further force or effect whatsoever.

IN WITNESS WHEREOF, Grantor has executed this Easement Deed on January 23, 1990 by and through its undersigned officers thereunto duly authorized.

TRICO INDUSTRIES, INC., a California corporation,

By _____
GARY L. BROOKSHIRE, Chief Financial Officer

By _____
ROBERT L. LITSCHI, Vice President and Corporate Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On January 26, 1990, before me a Notary Public in and for said State, personally appeared GARY L. BROOKSHIRE and ROBERT L. LITSCHI, personally known to me or proved to me on the basis of satisfactory evidence to be the persons who executed the within instrument as the Chief Financial Officer and Vice President and Corporate Secretary, respectively, of the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Renate Müller
Notary Public in and for Said County and State.

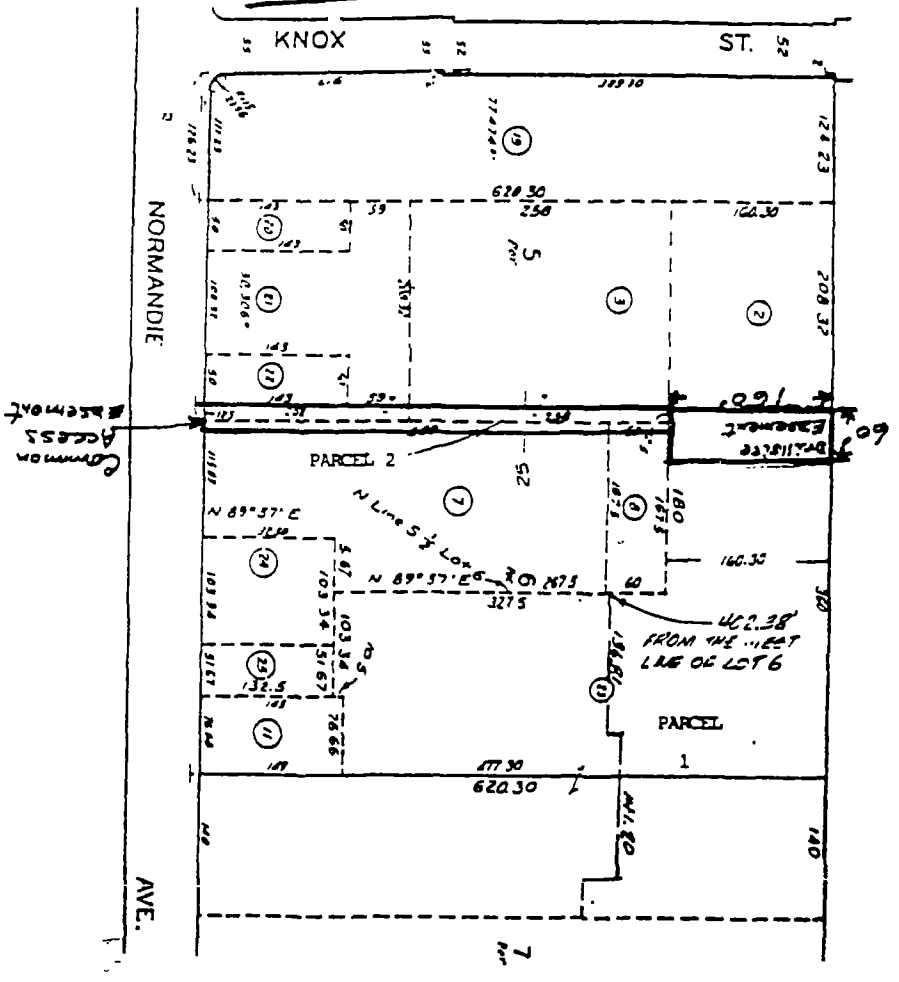
RENATE MULLER
Notary Public - California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19, 1991

90 178472

PACCAR 01361

4

PLAT
TO
EASEMENT DEED



90 178472

TRACT NO. 4671
M.B. 56-30-31

Stewart Title

90 204896

RECORDING REQUESTED BY

And When Recorded Mail To:

David M. Gurewitz, Esq.
GUREWITZ & LIEB, Attorneys at Law
10780 Santa Monica Boulevard, Suite 350
Los Angeles, California 90025

RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
1 MIN. PAST 11 A.M. FEB 6 1990

The value and consideration given for this easement is less than ~~$1.00~~ $100.

Documentary transfer tax is $0

David M. Gurewitz
Attorney for Peter Tsai

FEE $ 15.00 1

EASEMENT AGREEMENT

This Easement Agreement (hereinafter referred to as "Agreement") is made this 21st day of December, 1989, by and between Peter Tsai (hereinafter referred to as "Tsai") and Trico Industries, Inc., a California corporation (hereinafter referred to as "Trico") with reference to the following facts:

a. Tsai is the owner of certain real property located in the County of Los Angeles, State of California and more particularly described as:

All of those portions of Lots 6 and 7 of Tract No. 4671, as per map recorded in Book 56 Page 30 of maps, in the Office of the County Recorder of said County described as all of said Lots 6 and 7 except the west 467.00 feet of the north one-half of said Lot 6 and except the west 139.50 feet of the south one-half of said Lot 6 and except the east 10.50 feet of the west 150.00 feet of the south 76.66 feet of said Lot 6 and except the south 220.00 feet of said Lot 7, also except the westerly 7.00 feet of Lot 7 said portions of Lots 6 and 7 lying westerly of a line described as follows:

1664D

338922

PACCAR 01363

Beginning at a point in the north line of the south one-half of said Lot 6, said point being distant north 89 degrees 54' 45" east measured along said north line 402.38 feet from the west line of said Lots 6 and 7; thence south 00 degrees 04' 28" east parallel to said west line 136.81 feet; thence north 89 degrees 54' 05" east parallel to the south line of said Lot 7 11.02 feet; thence south 00 degrees 04' 28" east parallel to said west line 141.20 feet; thence south 89 degrees 54' 05" west parallel to the south line of said Lot 7 31.76 feet; thence south 00 degrees 04' 28" east parallel to said west line 42.11 feet to a point in the north line of the south 220.00 feet of said Lot 7.

(hereinafter referred to as "Dominant Tenement"); and

b. Trico is the owner of certain real property located in the County of Los Angeles, State of California and more particularly described as:

Those portions of Lots 6 and 7 of Tract No. 4671, as per map recorded in Book 56, Pages 30 and 31 of maps, in the Office of the County Recorder of said county, described as follows:

Beginning at a point in the northerly line of said Lot 6, distant thereon, 467.00 feet easterly, from the westerly line of said Lot 6; thence southerly, parallel with said westerly line, 180.00 feet, to the north line of the south half of said Lot 6; thence north 89 degrees 54' 45" west, along said north line, to a point distant easterly, 402.38 feet from the westerly line of said Lot 6; thence south 00 degrees 04' 28" east parallel to said west line 136.81; thence north 89 degrees 54' 05" east parallel to the south line of said Lot 7, a distance of 11.02 feet; thence south 00 degrees 04' 28" east parallel to said west line 141.20 feet; thence south 89 degrees 54' 05" west parallel to the south line of said Lot 7, a distance of 31.76; thence south 00 degrees 04' 28" east parallel to said west line, 42.11 feet to a point in the north line of the south 220.00 feet of said Lot 7; thence along said northerly line north 89 degrees 54' 05" east to the easterly line of said Lot 7, thence north 00 degrees 04' 28" east along the easterly lines of said Lots 6 and 7 to the north line of said Lot 6; thence along said north line south 89 degrees 54' 05" west 160.30 feet to the point of beginning.

(hereinafter referred to as the "Servient Tenement"); and

PACCAR 01364

c. The flow of natural surface water runs from the Dominant Tenement onto the Servient Tenement; and

d. The Dominant Tenement adjoins the Servient Tenement; and

e. Tsai and Trico desire that the Dominant Tenement have an easement over the Servient Tenement to allow the natural surface water to run as it naturally may from the Dominant Tenement onto the Servient Tenement.

In consideration of the mutual agreements contained in this Agreement, Tsai and Trico agree as follows:

1. Grant of Easement

Trico hereby grants to Tsai an easement allowing natural surface water to flow without diminution or disturbance of any kind from the Dominant Tenement onto the Servient Tenement, provided, however, that by grant of this easement, Tsai may not divert such natural surface water, add to the flow thereof or contaminate the same.

2. No obstructions to easement:

Trico shall not take any action or do anything which would obstruct or interfere with the easement herein granted.

3. Easement runs with the land:

The easement contained in this Agreement is made for the benefit of the Dominant Tenement and shall be binding upon the Servient Tenement in favor of the Dominant Tenement, shall create rights and obligations between the respective owners of such properties and privy of contract and estate between all

grantees of such property, their heirs, successors and assigns, and shall, as to the owner of each property, its heirs, successors and assigns, operate as an easement running with the land.

4. Modification amendment or termination:

This Agreement shall not be modified, amended or supplemented other than by written instrument executed by the parties or their successors-in-interest and recorded in the Office of the County Recorder of Los Angeles County, California.

5. Recordation:

The parties to this Agreement shall cause this Agreement to be recorded in the Office of the County Recorder of Los Angeles County, California.

6. Legal fees:

In the event either party to this Agreement brings an action against the other by reason of any breach of or interpretation of any of the agreements or provisions in or arising out of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other party all costs and expenses of suit, including reasonable attorneys'fees as awarded by the court.

7. Binding effect:

Without limiting or derogating the provisions of paragraph 3 of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of Tsai and Trico and their respective heirs, executors, administrators, successors and assigns.

PACCAR 01366

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement on the date and year first above written.

By: _____
Peter Tsai

TRICO INDUSTRIES, INC.,
a California corporation

By: _____ Robert L. Litschi

Its: Secretary

By: _____ Gary L. Brookshire

Its: Chief Financial Officer

STATE OF CALIFORNIA)
)
COUNTY OF Los Angeles) ss.

On February 5, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Peter Tsai, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.

WITNESS my hand and official seal.

Willie T Whitlock 2-5-90
Notary Public in and for said State.

90- 204836

1664D

PACCAR 01367

STATE OF CALIFORNIA)
)
COUNTY OF [illegible]) ss.

On [illegible], before me, the undersigned, a Notary Public in and for said County and State, personally appeared [illegible] known to me to be the [illegible] ~~President~~, and [illegible] known to me to be the [illegible] Secretary of the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.

WITNESS my hand and official seal.

Renate Müller

Notary Public in and for said State

RENATE MULLER
Notary Public California
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires April 19 1991

90- 204896

1664D

PACCAR 01368

13

Recording requested by.

SANDRA M. DAVIS
TAX COLLECTOR
COUNTY OF LOS ANGELES

When recorded mail to:

TRICO INDUSTRIES INC
15707 S MAIN ST
GARDENA CA 90247

92 1588370

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF.
REQUESTED BY TAX COLLECTOR
1 Min. Past 10 A.M. AUG 25 1992
Registrar-Recorder
FREE

Space above this line for Recorder's use

LOS ANGELES COUNTY TAX COLLECTOR
225 North Hill Street
Los Angeles, California 90012

CERTIFICATE OF TAX LIEN

I, SANDRA M. DAVIS, TAX COLLECTOR of the County of Los Angeles, State of California, in compliance with provisions of Section 2191.3 of the Revenue and Taxation Code, do hereby certify that there are on record in my office delinquent unsecured property taxes which were duly assessed, computed and levied together with penalties prescribed by law for the years and in the amounts set forth below In addition, further penalties will accrue on said taxes at the rate of 1½% on the 1st day of each month beginning on the second month after delinquency.

ASSESSEE AND MAIL ADDRESS	YEAR/ACCOUNT NO.	**AMOUNT
TRICO INDUSTRIES INC 15707 S MAIN ST GARDENA CA 90247	90/40464822	6091 13
	INDEX NUMBER 00000000	SEQ. NO. 74704
	SITUS OR LOCATION 19706 NORMANDIE AVE TORRANCE CA 90502	

$7823.83 to 4-30-93
EMIA

From the time of recordation of this certificate, for a period of ten years or any extension thereof, the amount required to be paid as shown herein together with all accrued interest and penalties thereon will constitute a lien upon all real and personal property owned or hereafter acquired by the above named assessee within the County of Los Angeles

NOTE
There will be a $10 00 service charge for any check returned by the bank for any reason.

Sandra M Davis

SANDRA M. DAVIS, TAX COLLECTOR
COUNTY OF LOS ANGELES

**The above amount includes a Release Fee of $ 9.00. When paid, the lien will be released and a copy of the release will be mailed to you.

87

PACCAR 01369

14

Recording requested by:

SANDRA M DAVIS
TAX COLLECTOR
COUNTY OF LOS ANGELES

When recorded mail to:

TRICO INDUSTRIES INC
15707 S MAIN ST
GARDENA CA 90247

92 1588371

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF.
REQUESTED BY TAX COLLECTOR
1 Min Past 10 A.M. AUG 25 1992
Registrar-Recorder
FREE

Space above this line for Recorder's use

LOS ANGELES COUNTY TAX COLLECTOR
225 North Hill Street
Los Angeles, California 90012

CERTIFICATE OF TAX LIEN

I, SANDRA M. DAVIS, TAX COLLECTOR of the County of Los Angeles, State of California, in compliance with provisions of Section 2191.3 of the Revenue and Taxation Code, do hereby certify that there are on record in my office delinquent unsecured property taxes which were duly assessed, computed and levied together with penalties prescribed by law for the years and in the amounts set forth below. In addition, further penalties will accrue on said taxes at the rate of 1½% on the 1st day of each month beginning on the second month after delinquency.

ASSESSEE AND MAIL ADDRESS	YEAR/ACCOUNT NO.	**AMOUNT
TRICO INDUSTRIES INC 15707 S MAIN ST GARDENA CA 90247	90/40575365	24107 29
	INDEX NUMBER 00000000	SEQ. NO. 74705
	SITUS OR LOCATION 19706 NORMANDIE AVE TORRANCE CA 90502	

$ 30,999.17 cl 4 30 93
£ M.A

[redacted]

From the time of recordation of this certificate, for a period of ten years or any extension thereof, the amount required to be paid as shown herein together with all accrued interest and penalties thereon will constitute a lien upon all real and personal property owned or hereafter acquired by the above named assessee within the County of Los Angeles.

NOTE:
There will be a $10 00 service charge for any check returned by the bank for any reason

Sandra M Davis

SANDRA M DAVIS, TAX COLLECTOR
COUNTY OF LOS ANGELES

**The above amount includes a Release Fee of $ 9.00. When paid, the lien will be released and a copy of the release will be mailed to you.

TRC 1[illegible] (REV 1[illegible])

88

PACCAR 01370

MAR 19 1993 OPER # 1

15

Recording requested by.

SANDRA M DAVIS
TAX COLLECTOR
COUNTY OF LOS ANGELES

When recorded mail to.

TRICO INDUSTRIES INC
5601 W SLAUSON AVE
CULVER CITY CA 90230

93 520089 89

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF.
REQUESTED BY TAX COLLECTOR
4 Min Past 8 A.M. MAR 19 1993
Registrar Recorder
FREE

Space above this line for Recorder's use

LOS ANGELES COUNTY TAX COLLECTOR
2615 South Grand Avenue
Los Angeles, California 90007

CERTIFICATE OF TAX LIEN

I, SANDRA M DAVIS, TAX COLLECTOR of the County of Los Angeles, State of California, in compliance with provisions of Section 2191 3 of the Revenue and Taxation Code, do hereby certify that there are on record in my office delinquent unsecured property taxes which were duly assessed, computed and levied together with penalties prescribed by law for the years and in the amounts set forth below. In addition, further penalties will accrue on said taxes at the rate of 1½% on the 1st day of each month beginning on the second month after delinquency.

ASSESSEE AND MAIL ADDRESS	YEAR/ACCOUNT NO	**AMOUNT
TRICO INDUSTRIES INC 5601 W SLAUSON AVE CULVER CITY CA 90230	91/49861102	3629 00
	INDEX NUMBER 00000000	SEQ. NO. 22729

SITUS OR LOCATION

3040 SLAUSON AVE
HUNTINGTON PARK CA

From the time of recordation of this certificate, for a period of ten years or any extension thereof, the amount required to be paid as shown herein together with all accrued interest and penalties thereon will constitute a lien upon all real and personal property owned or hereafter acquired by the above named assessee within the County of Los Angeles.

NOTE.
There will be a service charge for any check returned by the bank for any reason.

Sandra M Davis

SANDRA M. DAVIS, TAX COLLECTOR
COUNTY OF LOS ANGELES

**The above amount includes a Release Fee of $ 9.00. When paid, the lien will be released and a copy of the release will be mailed to you.

76C198-A (REV 7/91)

PACCAR 01371

JUN 13 1994

14

Recording requested by:

SANDRA M. DAVIS
TAX COLLECTOR
COUNTY OF LOS ANGELES

When recorded mail to:

TRICO INDUSTRIES INC
5601 W SLAUSON AVE
CULVER CITY CA 90230

94-1124042

90

RECORDED/FILED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF.
REQUESTED BY TAX COLLECTOR
4 Min. Past 8 A.M. JUN 13 1994
Registrar-Recorder
FREE

Space above this line for Recorder's use

LOS ANGELES COUNTY TAX COLLECTOR
2615 South Grand Avenue
Los Angeles, California 90007

CERTIFICATE OF TAX LIEN

I, SANDRA M. DAVIS, TAX COLLECTOR of the County of Los Angeles, State of California, in compliance with the provisions of Section 2191.3 of the Revenue and Taxation Code, do hereby certify that there are on record in my office delinquent unsecured property taxes which were duly assessed, computed and levied together with penalties and costs prescribed by law for the years and in the amounts set forth below. In addition, further penalties will accrue on said taxes at the rate of 1 1/2% on the 1st day of each month beginning on the second month after delinquency.

ASSESSEE AND MAIL ADDRESS	YEAR/ACCOUNT NO.	**AMOUNT
TRICO INDUSTRIES INC 5601 W SLAUSON AVE CULVER CITY CA 90230	92/49860062	114 60
	INDEX NUMBER 00000000	SEQ. NO. 05850

SITUS OR LOCATION
3040 SLAUSON AVE
HUNTINGTON PARK CA

From the time of recordation of this certificate, for a period of ten years or any extension thereof, the amount required to be paid as shown herein together with all accrued interest and penalties thereon will constitute a lien upon all real and personal property owned or hereafter acquired by the above named assessee within the County of Los Angeles.

NOTE:
There will be a service charge for any check returned by the bank for any reason.

Sandra M Davis

SANDRA M. DAVIS, TAX COLLECTOR
COUNTY OF LOS ANGELES

** The above amount includes the original tax, and a ten percent penalty. Additional penalties maybe due. Upon payment of the tax and all applicable penalties, a Release of Lien will be mailed to you along with instructions for recording.

JUN 13 1994

PACCAR 01372

EXHIBIT B

GUARANTEE AGREEMENT

THIS GUARANTEE AGREEMENT is made as of _____, 1995 by MIGHTY ENTERPRISES, INC., a California corporation or by Peter Tsai, as the case may be, each as "Guarantor" herein.

RECITALS:

A. TRICO INDUSTRIES, INC., a California corporation (the "Creditor"), has required the Guarantor to execute and deliver this Guarantee Agreement as a condition to extending a purchase money loan (the "Loan") in the amount of Four Hundred Fifty Thousand and No/100 Dollars ($450,000.00), to PETER TSAI, a married man as his sole and separate property, (hereinafter called "Debtor"), as evidenced by a Trust Deed Note dated of even date herewith by Debtor to the Creditor which Note, together with any and all future renewals, extensions, amendments, modifications, supplements and restatements thereof, is hereafter referred to as the "Note." The Note is secured by a Deed of Trust dated of even date herewith by Debtor to the Creditor (the "Trust Deed"), together with any and all future renewals, extensions, amendments, modifications, supplements, and restatements thereof, (as hereinafter defined) on the terms stated herein.

B. It is necessary for the business purposes of the Guarantor that Debtor obtain the Loan from the Creditor. The legal and/or business relationship between the Guarantor and the Debtor is that the Debtor and the Guarantor are business affiliates.

EXHIBIT B

C. The term "Obligations" means all debts, obligations, and liabilities under or pursuant to the Trust Deed, the Note and any other sums advanced from time to time thereunder, and any and all other debts, obligations, and liabilities of Debtor to Creditor arising out of, under or pursuant to the Note or the Trust Deed.

COVENANTS:

IN CONSIDERATION OF these premises and any credit or financial accommodation now or hereafter granted by Creditor to Debtor, it is agreed that:

1. The Guarantor hereby (a) unconditionally guarantees the full and prompt payment and performance of the Obligations when due, whether by acceleration or otherwise, or (if earlier) at the time the Debtor becomes the subject of bankruptcy or other insolvency proceedings; (b) agrees to pay all costs, expenses and reasonable attorneys' fees incurred by Creditor in enforcing this Agreement for either; and (c) agrees to pay to the Creditor the amount of any payments made to Creditor or another in connection with any of the Obligations which are recovered from Creditor by a trustee, receiver, creditor or other party pursuant to applicable law.

2. This is a guarantee of payment, and not of collection. The Creditor shall not be obligated to: (a) take any steps whatsoever to collect from, or to file any claim of any kind against, the Debtor, any guarantor, or any other person or entity liable for payment or performance of any of the Obligations; or (b) take any steps whatsoever to protect, accept, obtain, enforce, take possession of, perfect its interest in, foreclose or realize on collateral or security, if any, for the payment or performance of any of the Obligations or any guarantee of

PACCAR 01375

any of the Obligations; or (c) in any other respect exercise any diligence whatever in collecting or attempting to collect any of the Obligations by any means.

3. The Guarantor's liability for payment and performance of the Obligations shall be absolute and unconditional; the Guarantor unconditionally and irrevocably waives each and every defense which, under principles of guarantee or suretyship law, would otherwise operate to impair or diminish such liability; and nothing whatever except actual full payment and performance to the Creditor of the Obligations (and all other debts, obligations and liabilities of Guarantor under this Agreement) shall operate to discharge the Guarantor's liability hereunder. Without limiting the generality of the foregoing, the Creditor shall have the exclusive right, which may be exercised from time to time without diminishing or impairing the liability of the Guarantor in any respect, and without notice of any kind to the Guarantor, to: (a) extend any additional credit to Debtor; (b) accept any collateral, security or guarantee for any Obligations or any other credit; (c) determine how, when and what application of payments, credits and collections, if any, shall be made on the Obligations and any other credit and accept partial payments; (d) determine what, if anything, shall at any time be done with respect to any collateral or security; subordinate, sell, transfer, surrender, release or otherwise dispose of all or any of such collateral or security; and purchase or otherwise acquire any such collateral or security at foreclosure or otherwise; and (e) with or without consideration grant, permit or enter into any waiver, amendment, extension, modification, refinancing, indulgence, compromise, settlement, subordination, discharge or release of: (i) any of the Obligations and any agreement relating to any of the Obligations, (ii) any obligations of any guarantor or other person or entity liable for payment or performance of any of the Obligations, and any agreement relating to such obligations and (iii) any collateral or security or agreement relating to collateral or security for any of the foregoing.

4. The Guarantor hereby unconditionally waives (a) presentment, notice of dishonor, protest, demand for payment and all notices of any kind, including without limitation: notice of acceptance hereof; notice of the creation of any of the Obligations; notice of nonpayment, nonperformance or other default on any of the Obligations; and notice of any action taken to collect upon or enforce any of the Obligations; (b) any subrogation to the rights of the Creditor against the Debtor, any other claim against the Debtor which arises as a result of payments made by the Guarantor pursuant to this Agreement, and any claim for contribution against any co-guarantor, until the Obligations have been paid or performed in full and such payments are not subject to any right of recovery; and (c) any setoffs or counterclaims against Creditor which would otherwise impair the Creditor's rights against the Guarantor hereunder.

5. Guarantor has made an independent investigation and evaluation of the financial condition of the Debtor and the value of any collateral, and has not relied (and will not rely) on any information or evaluation provided by Creditor regarding such condition or value.

6. Guarantor represents and warrants that:

(a) The execution, delivery and performance of this Agreement by the Guarantor are within the corporate powers of the Guarantor, have been duly authorized by all necessary corporate action and do not and will not (i) require any consent or approval of the stockholders of the Guarantor which has not been obtained, (ii) violate any provision of the articles of incorporation or by-laws of the Guarantor or of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the Guarantor or any subsidiary of the Guarantor; (iii) require the consent or approval of, or filing or registration with any governmental body, agency or authority, or (iv) result in a breach of or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property of the Guarantor or any subsidiary of the Guarantor pursuant to, any

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indenture or other agreement or instrument under which the Guarantor or any subsidiary of the Guarantor is a party or by which it or any of its properties may be bound or affected.

(b) This Agreement constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms, except that such enforceability may be limited by bankruptcy or similar laws affecting the enforceability of creditors' rights generally.

(c) The financial statements of the Guarantor furnished to the Creditor fairly present the financial condition of the Guarantor for the periods shown therein, and since the dates covered by the most recent of such financial statements, there has been no material adverse change in the Guarantor's assets or the conduct of its business. Except as expressly shown on such financial statements, the Guarantor owns all of its assets free and clear of all liens except liens in favor of the Creditor; is not a party to any litigation, nor is any litigation threatened to the knowledge of the Guarantor which would, if adversely determined, cause any material adverse change in its business or assets; and has no delinquent tax liabilities, nor have any tax deficiencies been proposed against it.

7. The Guarantor shall provide to the Creditor such information regarding the financial condition of the Guarantor as the Creditor may reasonably request from time to time.

8. This Agreement shall inure to the benefit of the Creditor and its successors and assigns, including every holder or owner of any of the Obligations, and shall be binding upon the Guarantor and Guarantor's successors and assigns. This is a continuing guarantee and shall continue in effect until all Obligations and all obligations of Guarantor hereunder shall be paid or performed in full and such payments are not subject to any right of recovery.

9. Pursuant to California Civil Code Section 2856(b), Guarantor waives all rights and defenses arising out of an election of remedies by the Creditor, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed

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obligation, has destroyed the Guarantor's rights of subrogation and reimbursement against the principal, by the operation of Section 580d of the Code of Civil Procedure or otherwise. The Guarantor and the Creditor hereby jointly and severally waive any and all rights to trial by jury in any action or proceeding relating to this Agreement, or any document delivered hereunder or in connection herewith. The Guarantor and the Creditor each represent that these waivers are knowingly, willingly and voluntarily given and made.

10. This Agreement constitutes the entire agreement between the Creditor and Guarantor with respect to the subject matter hereof, superseding all previous communications and negotiations, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Creditor unless expressed herein. This Agreement shall be governed by the laws of the State of California. If any provision of this Agreement shall be determined to be invalid or unenforceable, the remaining provisions shall be given effect as though such invalid or unenforceable provision had been omitted.

MIGHTY ENTERPRISES, INC.

By_____
President

Attest: _____
Secretary

ACCEPTED:

TRICO INDUSTRIES, INC.

By _____
President

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EXHIBIT C

EXHIBIT C

List of Environmental Reports:

1. Per Seeley Company transmittal to Seller's counsel dated October 26, 1994.

2. Per L. L. Sims Memo to P. E. Gladfelter dated November 7, 1994 including Dames & Moore.

3. Per L. S. Sims letter to John Carver dated June 20, 1994 including Dames & Moore.

An additional set of these reports is delivered herewith to Buyer's counsel.

SCS ENGINEERS

REVISED REPORT FOR PRELIMINARY SITE INVESTIGATION AT THE TRICO INDUSTRIES FACILITY, 19706 NORMANDIE AVENUE TORRANCE, CALIFORNIA

Prepared for:

TRICO
15707 South Main Street
Gardena, California 90247

Prepared by:

SCS Engineers
4014 Long Beach Boulevard
Long Beach, California 90807
(213) 426-9544

November 1987

File No. 18719

→ RKB ✓ LLS
cc: PEG DGO FYI LS

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

JAN 0 7 1993

Mr Larry L Sims
PACCAR, Inc
P.O. Box 1518
Bellevue, WA 98009

Dear Sir/Madam:

Enclosed please find the Site Assessment report prepared for EPA concerning the CERCLA evaluation for the site.

EPA encourages your written comments on this report. Your comments should be sent to Carolyn Douglas, Site Assessment Manager, EPA mail stop H-8-1. If you have any question please contact her at (415) 744-2343.

Sincerely,

Carolyn J. Douglas for

Thomas A. Mix, Chief
Site Evaluation Section

Enclosure

File: Third Torrance
Del Amo

Shell Oil Company

P O Box 4848
511 N Brookhurst Street
Anaheim, California 92803

July 28, 1994

Janet S. Rosati
U.S. Environmental Protection Agency
Region IX
Mail Stop H-7-1
75 Hawthorne Street
San Francisco, California 94105

Administrative Order On Consent, U.S. EPA Docket No. 92-13
Quarterly Progress Report #9
Del Amo RI/FS and FFS
April 1, 1994 to June 30, 1994

Dear Ms. Rosati:

Enclosed please find three copies of the above-referenced Quarterly Progress Report, submitted on behalf of the Del Amo Respondents in accordance with the AOC.

If you have any questions, please call me.

Sincerely,

C.B. Paine
Project Coordinator For Respondents

Enclosure

cc w/Enclosure: Gloria Conti (3 copies)
Udai Singh (1 copy)
Natasha Raykhman (1 copy)

CH9/9qurtly.ltr

JUL-10-1995 15:00 FROM GUREWITZ & LIEB TO 12064534900 P.01

(1) RRB - FYI
(2) File: Trico/Torrance sale

GUREWITZ & LIEB

ATTORNEYS AT LAW

SUITE 350
10780 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

TELEPHONE (310) 475-8551
FAX (310) 474-6225

FAXED

JUL 11 REC'D

Date: 7/10/95

To: Phillip Gladfelter Fax No. (206) 453-4900

From: David M. Gurewitz Fax No. (310) 474-6225

Re: Mighty Enterprises/Trico File No. 2329

Number of pages sent 3 including cover page.
If transmission is incomplete, please call (310) 475-8551

NOTICE OF CONFIDENTIALITY

The pages comprising this facsimile transmission contain confidential information from Gurewitz & Lieb, Attorneys at Law. This information is intended solely for use by the individual or entity named as the recipient hereof. If you are not the intended recipient, be aware that any disclosure, copying, distribution, or use of the contents of this transmission is prohibited. If you have received this transmission in error, please notify us by telephone immediately so we may arrange to retrieve this transmission at no cost to you.

COMMENTS:

Ltr dated 7/10/95 + Enclosure.

cc: Butler/Sims
Burgett

File this

W:\WPDATA\FORM_LTR\FAXTRANS

GUREWITZ & LIEB
ATTORNEYS AT LAW

SUITE 350
10960 SANTA MONICA BOULEVARD
LOS ANGELES, CALIFORNIA 90025

TELEPHONE (310) 475-8551
FAX (310) 474-6225

July 10, 1995

BY FAX (206) 453-4900

Mr. Phillip E. Gladfelter
Corporate Real Property Manager
PACCAR, INC.
777-106th Avenue N.E.
Bellevue, Washington 98004

Re: Peter Tsai/Mighty Enterprises, Inc. purchase of real property commonly known as 1206 West 196th Street, Torrance, California/Our File No. 2329

Dear Mr. Gladfelter:

Faxed please find a copy of the First Amendment to Commercial Real Estate Purchase Agreement reflecting Mr. Tsai's execution thereof. Mr. Tsai is coming into my office on Wednesday for a meeting, at which time I will obtain his original signatures and return to you one fully signed counterpart.

I am concurrently faxing to escrow a copy of the First Amendment so that they can note their file on the change of the date of the Approval Period and the Closing, and prepare an amendment to the escrow instructions as they deem appropriate.

Thank you for your continuing courtesies.

Very truly yours,

GUREWITZ & LIEB, Attorneys at Law

David M. Gurewitz

DMG/jh
Enclosures
cc: Peter Tsai (by fax)
Roger Pettitt (by fax w/encl.)
Maurice Neri (by fax w/encl.)
Anthony Brown (by fax w/encl.)
Ward Benshoof (by fax w/encl.)

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FIRST AMENDMENT

TO

COMMERCIAL REAL ESTATE PURCHASE AGREEMENT

Reference is made to the Commercial Real Estate Purchase Agreement (the "Agreement") dated February 21, 1995 between Trico Industries, Inc. as Seller and Peter Tsai as Buyer, respecting certain real property in Torrance, California more particularly described therein.

The parties agree that the Agreement is amended to extend the expiration date of the approval Period to August 12, 1995, and to extend the date by which the closing shall occur to September 11, 1995.

As amended hereby, the Agreement is ratified and confirmed and remains in full force and effect.

Executed as of this 3rd day of July, 1995.

Trico Industries, Inc.

By [signature]
Its Vice-Chairman

SELLER

[signature]
Peter Tsai, as his sole and separate property

BUYER

Post-it® Fax Note 7671	Date 7/3	Page 1
To P. Gonzalez	From P. Gonzalez	
Co./Dept.	Co.	
Phone #	Phone # [illegible]	
Fax # [illegible]	Fax # [illegible]	

TOTAL P.01

TOTAL P.03

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