

TERMINATION AND RELEASE OF PLEDGE

This Termination and Release of Pledge is made and entered into by and between the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners (“City”), and Libaw-Horowitz Investment Company, a California partnership, and its general partners (“LHIC”).

RECITALS

Whereas, in August 2003, Libaw-Horowitz Investment Company, a California partnership by and through Ralph Horowitz and J.E. Libaw, general partners, executed a Pledge Agreement (the “Property Pledge Agreement”) wherein Libaw-Horowitz Investment Company agreed to donate a certain parcel of land more particularly described therein to the City or alternatively to a tax exempt non-profit community organization selected by the Councilperson for the 9th District that would use and maintain the property for recreation and park purposes. A copy of the Property Pledge Agreement is attached hereto as Exhibit A.

Whereas, the City has concluded that the establishment of an active use park is no longer appropriate because of the parcel’s location in an industrial corridor. Furthermore, the parcel is required for the development of a garment design, manufacturing and warehousing center that will employ up to 600 persons. Considering the City’s immediate need for jobs and tax revenues, the City would prefer a cash donation in lieu of property with said donation to be used to improve existing public amenities in the surrounding community.

Whereas, Ralph Horowitz as trustee of the Horowitz Family Trust, The Libaw Family L.P., Timothy M. Ison and Shaghan Securities, LLC have agreed to donate cash to the City pursuant to a new Cash Pledge Agreement, the form of which is attached hereto as Exhibit B and incorporated herein by this reference (the “Cash Pledge Agreement”).

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein, and for other consideration the adequacy of which is hereby acknowledged, the parties agree as follows:

1. Libaw-Horowitz Investment Company, Ralph Horowitz and J.E. Libaw and their successors and assigns are hereby relieved of the obligation to donate that certain parcel of land to the City pursuant to the Property Pledge Agreement and the Property Pledge Agreement is hereby terminated and rendered null and void and with no further force or effect.
2. CITY and its officers, boards, commissioners, employees, agents, attorneys, and all other persons interested or acting on its behalf does hereby release and forever discharge and hold

harmless LHIC, and its agents, successors, assigns, and all other persons interested or acting on its behalf of and from any and all claims, debts, demands, or causes of action, and liabilities of any kind, whether presently known or unknown, arising from the Property Pledge Agreement.

3. LHIC, for itself, its agents, successors, assigns, and all other persons interested or acting on its behalf, does hereby release and forever discharge and hold harmless the City, and its agents, successors, assigns, and all other persons interested or acting on its behalf of and from any and all claims, debts, demands, or causes of action, and liabilities of any kind, whether presently known or unknown, arising from the Property Pledge Agreement.

4. This Termination and Release of Pledge shall become effective upon: (A) execution by the Executive Director of the Harbor Department following authorization by the Board of Harbor Commissioners and approval by the Los Angeles City Council; and (B) the execution of the Cash Pledge Agreement.

5. This agreement is the final expression of and contains the entire agreement between the parties with respect to the Property Pledge Agreement.

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The City of Los Angeles, by and through its
Board of Harbor Commissioners

Date: _____

By: _____
Executive Director

Attest: _____
Board Secretary

Approved as to form and legality

Date: _____
CARMEN A. TRUTANICH, City Attorney
Thomas A. Russell, General Counsel

By: _____
Kenneth F. Mattfeld, Deputy

LIBAW-HOROWITZ INVESTMENT CO.,
a California general partnership

Date: _____

By: _____
RALPH HOROWITZ, general partner

Date: _____

RALPH HOROWITZ

Date: _____

J.E. LIBAW

PLEDGE AGREEMENT

by and among

**HOROWITZ
AND
CITY OF LOS ANGELES, HARBOR DEPARTMENT**

In consideration of the mutual promises and agreements set forth herein and in reliance upon said agreements, this Pledge Agreement (this "**Pledge**") is executed by and between LIBAW-HOROWITZ INVESTMENT COMPANY, a California partnership by and through Ralph Horowitz and J.E. Libaw, general partners ("LHIC"), a successor in interest to ALAMEDA-BARBARA INVESTMENT COMPANY ("Alameda"), a general partnership by and through Ralph Horowitz, as trustee of the Horowitz Family Trust, and J.E. Libaw, as trustee of the Libaw Family Trust, acting together as general partners of Alameda (collectively "**Horowitz**") and the CITY OF LOS ANGELES, a municipal corporation, acting by and through its Harbor Department (the "**Harbor Department**").

RECITALS:

A. Horowitz is in the process of acquiring that certain real property (the "**Property**") located in the City of Los Angeles and more particularly described in Exhibit "A" attached hereto from the City's Harbor Department.

B. As a part of the acquisition process, the City's Harbor Department will initiate and process an application for a new parcel map.

C. Horowitz believes that there is an important need for additional parks and community spaces in the City of Los Angeles, and Horowitz would like to donate a portion of the Property to the City of Los Angeles Recreation and Parks Department ("**Department**") or, if the Department does not wish to accept the property, to a tax-exempt, non-profit organization so that it may be used by children and other members of the Los Angeles community for recreation and parks purposes, including hopefully as a soccer field. That portion of the Property that Horowitz so desires to donate is depicted on Exhibit "A" as the "**Soccer Field Property**".

D. To that end, Horowitz has written to the General Manager of the Department of Recreation and Parks of the City of Los Angeles to express his desire and intention to offer the Soccer Field Property to the City for park purposes hopefully, including a soccer field.

E. The City acting by and through its Department of Recreation is normally willing to accept the donation of the Soccer Field Property and agrees that, if it accepts the Soccer Field Property, it will use the same for recreation and parks

purposes for the benefit of the community.

NOW THEREFORE, Horowitz hereby agrees and pledges as follows:

1. If the City processes the new parcel map for the Property and the City is willing to execute the customary documentation in connection with the donation, then during the 3 month period immediately following the acquisition of the Property by Horowitz, and the recordation of a parcel map that allows the Soccer Field Property to be transferred as a legal parcel separate and apart from the balance of the Property, Horowitz shall transfer and convey the Soccer Field Property to the City or, if the City is not willing to accept the property, Horowitz shall transfer and convey the Soccer Field Property to a tax-exempt, non-profit community organization selected by the Councilperson for the 9th District which organization will use and maintain the Soccer Field Property for Recreation and Park purposes.

2. The City hereby agrees that if it accepts the donation of the Soccer Field Property, the City commits to use and maintain the Soccer Field Property as a community soccer field or public park.

3. Horowitz recognizes and agrees that in the event that any of the terms of this Pledge are not performed by Horowitz in accordance with their specific terms or are otherwise breached by Horowitz, immediately irreparable injury would be caused to the City, for which there is no adequate remedy at law. It is accordingly agreed that in the event of Horowitz's failure to perform its obligation hereunder in accordance with this irrevocable pledge, the City will be entitled to specific performance through injunctive relief. At the time the City or other tax-exempt, non-profit organization, accepts the donation of the Soccer Field Property, it shall execute such customary documentation in connection therewith recognizing the same, including IRS Form 8283.

4. This Pledge shall be subject to the laws of the State of California, and shall be binding on the parties, and their respective successors, heirs, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Pledge on the date to the left of their signatures.

Date: 8/18, 2003

**LIBAW-HOROWITZ INVESTMENT CO.,
a California General Partnership**

By: Ralph Horowitz
Name: RALPH HOROWITZ
Title: GENERAL PARTNER

Attest: J. E. Libaw
Name: J. E. LIBAW
Title: GENERAL PARTNER

**ALAMEDA-BARBARA INVESTMENT
COMPANY, a California General Partnership**

Date: 8/18, 2003

By: Ralph Horowitz
Name: RALPH HOROWITZ
Title: GENERAL PARTNER

RALPH HOROWITZ

Date: 8/18, 2003

By: Ralph Horowitz
Name: RALPH HOROWITZ
Title:

Attest: Kelly Hsieh
Name: Kelly Hsieh

Date: _____, 2003

J.E. LIBAW
By: J.E. Libaw
Name:
Title:

Attest: Kelly Hsieh
Name: Kelly Hsieh

Date: 9/4, 2003

THE CITY OF LOS ANGELES, acting by and through its Harbor Department

By: James E. ...
Attest: Audrey H. Yamaki

APPROVED AS TO FORM THIS

9th DAY OF ~~JULY~~, 2003
September

ROCKARD J. DELGADILLO,
City Attorney

By: James R. Kapel
James R. Kapel, Assistant

CASH PLEDGE AGREEMENT

This Cash Pledge Agreement is executed by and among Ralph Horowitz as trustee of the Horowitz Family Trust, The Libaw Family L.P., Timothy M. Ison and Shaghan Securities, LLC (collectively, "Pledgor"), and the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners ("City").

1. Pledgor, jointly and severally, hereby agrees to donate to the City the sum of \$3,573,365.00, which shall be paid in two installments as follows: The first installment in the aggregate amount of \$2,680,024.00 shall be delivered no later than January 15, 2012. The second installment in the aggregate amount of \$893,341.00 shall be delivered no later than May 10, 2012. Said installments shall be paid by wire transfer or check payable to the City of Los Angeles. At the time of each such installment, the City shall provide to each Pledgor a letter confirming the amount of each such contribution and the fact that no goods or services were provided in connection with the contribution.

2. This agreement shall become effective upon execution by the Executive Director of the Harbor Department following authorization by the Board of Harbor Commissioners and approval by the Los Angeles City Council.

3. This agreement is the final expression of and contains the entire agreement between the parties and supercedes all prior discussions and correspondence between the parties with respect to the charitable contribution set forth above and it may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument duly executed. This Pledge shall be subject to the laws of the State of California, and shall be binding on the parties, and their respective successors, heirs, and assigns

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The City of Los Angeles, by and through its
Board of Harbor Commissioners

Date: _____

By: _____
Executive Director

Attest: _____
Board Secretary

Approved as to form and legality

Date: _____
CARMEN A. TRUTANICH, City Attorney
Thomas A. Russell, General Counsel

By: _____
Kenneth F. Mattfeld, Deputy

Date: _____

By: _____
RALPH HOROWITZ, trustee of the
Horowitz Family Trust

Date: _____

THE LIBAW FAMILY L.P.,
A California limited partnership

By: _____
Evan Libaw,

Date: _____

TIMOTHY M. ISON
a single man

Date: _____

SHAGHAN SECURITIES, LLC
a California limited liability company

By: _____
Ralph Horowitz,
Manager