

## LICENSE

THIS LICENSE ("License") is made to be effective August 2, 2013 (the "Effective Date") by and between BNSF RAILWAY COMPANY, a Delaware corporation ("Licensor") and CALIFORNIA CARTAGE COMPANY, LLC, a California Corporation ("Licensee").

## RECITALS

A. Licensor is the grantee of exclusive possessory rights in and to certain real property and improvements located thereon situated in the City of Los Angeles, County of Los Angeles, State of California, pursuant to an agreement between Licensor and the City of Los Angeles acting by and through its Board of Harbor Commissioners entitled Site Preparation and Access Agreement, effective as of May 8, 2013 (the "SPAA") subject to the terms and conditions of the SPAA. Such real property and improvements are herein referred to as the "BNSF Licensed Property and Improvements."

B. Licensee has for some period prior to the effective date of the SPAA been the occupant of the portion of the BNSF Licensed Property and Improvements under City of Los Angeles Revocable Permit No 95-40 more particularly depicted and/or described on Exhibit "A" attached hereto and incorporated herein (the "Premises"). Licensee desires to continue its occupation of the Premises on the terms and conditions set forth in this License. Licensee owns that certain personal property described on Exhibit "B" attached hereto and incorporated herein (the "Licensee Personal Property").

## AGREEMENTS

In consideration of the mutual covenants contained herein, the parties agree to the following:

### GENERAL

1. Grant of License. Licensor hereby grants Licensee a non-exclusive license for the use and occupancy of the Premises for the Permitted Uses (defined below), subject to all rights, interests, and estates of third parties, including, without limitation, any leases, use rights, easements, liens, or other encumbrances, and upon the terms and conditions set forth below.
2. Term. This License shall commence on the Effective Date and shall continue until terminated by Licensor by thirty days' prior written notice to Licensee.
3. No Disturbance. Licensee shall not disturb any existing third party uses or installations on the Premises as of the Effective Date, or any, remediation, relocation of rights of way, construction or improvements of Licensor or Licensor's lessees, licensees, easement beneficiaries or lien holders, if any, or interfere with the use, repair, maintenance or replacement of such activities or improvements.
4. Permitted Uses. Licensee shall use the Premises solely for: (i) completion of remediation and restoration provisions of Permit 95-40 to the maximum extent practicable (ii) operation, maintenance, repair of the existing improvements owned or controlled by Licensee and removal of existing improvements and remediation as required under this License (collectively, the "Improvements") and (ii) Parking employee vehicles, truck parking and for purposes incidental thereto and not for any other purpose without the prior written consent of Licensor (collectively, items (i) and (ii) are referred to hereinafter as the "Permitted Uses"). Licensee shall not use the Premises for any other purpose.
5. Alterations. Except as set forth in this License, Licensee may not make any alterations to the Premises or permanently affix anything to the Premises or any buildings or other structures adjacent to the Premises without Licensor's prior written consent.
6. Warranty. Licensee represents and warrants that it has complied with, to the maximum extent practicable, its obligations under Permit 95-40 Section 5, Restoration Bond.

## COMPENSATION

### 7. License Fees.

- 7.1 Licensee shall pay as compensation for the use of the Premises, in advance, during the term of the License, which may be paid in equal monthly installments of ONE THOUSAND SEVEN HUNDRED THREE DOLLARS AND 40/100 (\$1,703.40) ("Base License Fee"). Such Base License Fee shall increase 3% annually during the term of the License. Billing or acceptance by Licensor of any Base License Fee payment shall not imply a definite term or otherwise restrict either party from cancelling this License as provided herein. Either party hereto may assign any receivables due it under this License; provided, however, such assignments shall not relieve the assignor of any of its rights or obligations under this License. All rent and other monetary payments under this License from Licensee to Licensor shall be delivered solely to the following address:

BNSF Railway Company  
~~P.O. Box 676480~~ c/o Jones Lang LaSalle, Attn: Facilities Lease Admin.  
Dallas, TX 75267-6480 4300 Arnon Carter Blvd, Ste 100  
Ft Worth, TX 76155

Licensor shall have the right to designate at any time and from time to time a different address for delivery of such payments by written notice to Licensee pursuant to the notice provisions of Section 29 below. No rent or other payment sent to any other address shall be deemed received by Licensor unless and until Licensor has actually posted such payment as received on the account of Licensee, and Licensee shall be subject to all default provisions hereunder, late fees and other consequences as a result thereof in the same manner as if Licensee had failed or delayed in making any payment.

- 7.2 Licensee acknowledges that Licensor utilizes the rental collection system involving direct deposit of monies received through a financial institution selected by Licensor, which precludes Licensor's ability to exercise rejection of a Base License Fee payment before Licensee's check is cashed. Licensee agrees that as a condition of Licensor granting this License, Licensee hereby waives any rights it may have under law to force continuation of this License due to Licensor having accepted and cashed Licensee's Base License Fee remittance. Licensor shall have the option of rejecting Licensee's payment by refunding to Licensee the Base License Fee amount paid by Licensee, adjusted as set forth in this License, and enforcing the termination provisions of this License.
- 7.3 Licensee shall pay the Base License Fee and all additional amounts due pursuant to Sections 23 and 24 as and when the same become due and payable, without demand, set-off, or deduction. Licensee's obligation to pay Base License Fee and all amounts due under this License is an independent covenant and no act or circumstance, regardless of whether such act or circumstance constitutes a breach under this License by Licensor, shall release Licensee of its obligation to pay Base License Fee and all amounts due as required by this License.
- 7.4 If any Base License Fee or any payment under Sections 23 and 24 or any other payment due by Licensee hereunder is not paid within five (5) days after the date the same is due, Licensor may assess Licensee a late fee ("Late Fee") in an amount equal to 5% of the amount which was not paid when due to compensate Licensor for Licensor's administrative burden in connection with such late payment. In addition to the Late Fee, Licensee shall pay interest on the unpaid sum from the due date thereof to the date of payment by Licensee at an annual rate equal to (i) the greater of (a) for the period January 1 through June 30, the prime rate last published in *The Wall Street Journal* in the preceding December plus two and one-half percent (2 1/2%), and for the period July 1 through December 31, the prime rate last published in *The Wall Street Journal* in the preceding June plus two and one-half percent (2 1/2%), or (b) twelve percent (12%), or (ii) the maximum rate permitted by law, whichever is less.
- 7.5 Licensee understands and agrees it is responsible for complete restoration and remediation of the Premises in accordance with Section 26.1, including the cleanup of any hazardous material contamination on or arising from the use of the Premises, before the expiration or earlier termination of this License. For any reason, if such Restoration Obligations are not completed before such expiration or earlier termination, Licensee is obligated to pay compensation to Licensor in accordance with Section 7.1 during such restoration and remediation period.

8. Security Deposit. With and in addition to its first payment under Section 7.1, Licensee shall pay as a security deposit for the use of the Premises, in advance, an amount equal to FIVE THOUSAND ONE HUNDRED DOLLARS

(\$5,100.00). The security deposit under this section is refundable upon completion of all Licensee's obligations under Section 26 of this License. Licensor's withholding or repayment of the security deposit under this section, or any portion thereof, does not affect Licensor's ability to pursue any remedy under this License or available under the law.

9. Costs and Expenses.

9.1 For the purpose of this License, "cost" or "costs" and "expense" or "expenses" includes, but is not limited to, actual labor and material costs including all assignable additives, and material and supply costs at current value where used.

9.2 Licensee agrees to reimburse Licensor (pursuant to the terms of Section 10 below) for all costs and expenses incurred by Licensor in connection with Licensee's use of the Premises or the presence, repair and maintenance of the Improvements or the performance of any other activities in connection with the Permitted Uses unless provided by PHL. Licensee shall bear the cost of flagger services and other safety measures provided by Licensor, when deemed necessary by Licensor's representative. Flagging costs shall include, but not be limited to, the following: pay for at least an eight (8) hour basic day with time and one-half or double time for overtime, rest days and holidays (as applicable); vacation allowance; paid holidays (as applicable); railway and unemployment insurance; public liability and property damage insurance; health and welfare benefits; transportation; meals; lodging and supervision. Negotiations for railway labor or collective bargaining agreements and rate changes authorized by appropriate Federal authorities may increase flagging rates. Flagging rates in effect at the time of performance by the flaggers will be used to calculate the flagging costs pursuant to this Section 9.

10. Payment Terms. All invoices are due thirty (30) days after the date of invoice. If Licensee fails to pay any monies due to Licensor within thirty (30) days after the invoice date, then Licensee shall pay interest on such unpaid sum from the due date until paid at an annual rate equal to the lesser of (i) the prime rate last published in *The Wall Street Journal* in the preceding December plus two and one-half percent (2-1/2%), or (ii) the maximum rate permitted by law.

LICENSOR'S RESERVED RIGHTS

11. Reserved Rights of Use. Licensor excepts and reserves the right, to be exercised by Licensor and any other parties who may obtain written permission or authority from Licensor:

11.1 to maintain, use, operate, repair, replace, modify and relocate any utility, power or communication pipe/lines/cables and appurtenances and other facilities or structures of like character upon, over, under or across the Premises existing as of the Effective Date;

11.2 to construct, maintain, renew, use, operate, change, modify and relocate any equipment, tracks or additional facilities, Improvements, structures and related appurtenances upon, over, under or across the Premises; or

11.3 to use the Premises in any manner as Licensor in its sole discretion deems appropriate, provided Licensor uses all commercially reasonable efforts to avoid material interference with the operation of the Premises by Licensee for the purpose specified in Section 4 above.

12. (Intentionally Deleted.)

LICENSEE'S OPERATIONS

13. Maintenance, Repair and Removal of the Improvements.

13.1 (Intentionally Deleted.)

13.2 Licensee's on-site supervisors shall retain/maintain a fully executed copy of this License at all times while on the Premises.

13.3 Licensee shall only enter the Premises at the location(s) and using the route(s) designated on Exhibit "A."

13.4 Any contractors or subcontractors performing work on the Improvements or entering the Premises on behalf of Licensee shall be deemed servants and agents of Licensee for purposes of this License.

- 13.5 Under no conditions shall Licensee be permitted to conduct any tests, investigations or any other activity using mechanized equipment and/or machinery, or place or store any mechanized equipment, tools or other materials, within twenty-five (25) feet of the centerline of any railroad track on the Premises unless Licensee has obtained prior written approval from Licensor. Licensee shall, at its sole cost and expense, perform all activities on and about the Premises in such a manner as not at any time to endanger or interfere with (i) the construction, existence, demolition or use of present or future tracks, roadbeds, and/or appurtenances thereto, buildings, vehicles, structures, equipment or other property of Licensor on or about the Premises, or any remediation or relocation of rights-of-way, (ii) the safe operation and activities of Licensor or existing third parties, or (iii) the rights or interests of third parties. If ordered to cease using the Premises at any time by Licensor's personnel due to any hazardous condition, Licensee shall immediately do so. Notwithstanding the foregoing right of Licensor, the parties agree that Licensor has no duty or obligation to monitor Licensee's use of the Premises to determine the safe nature thereof, it being solely Licensee's responsibility to ensure that Licensee's use of the Premises is safe. Neither the exercise nor the failure by Licensor to exercise any rights granted in this Section will alter the liability allocation provided by this License.
- 13.6 Licensee shall, at its sole cost and expense, maintain, repair and operate the Improvements in such a manner and of such material that the Improvements will not at any time endanger or interfere with (i) the construction, existence, demolition or use of present or future tracks, roadbeds, and/or appurtenances thereto, buildings, vehicles, structures, equipment or other property of Licensor on or about the Premises, (ii) the safe operation and activities of Licensor or existing third parties, or (iii) the rights or interests of third parties. On or before expiration or termination of this License for any reason, Licensee shall, at its sole cost and expense, surrender the Premises to Licensor pursuant to the terms and conditions set forth in Section 26 hereof.
- 13.7 Licensor may direct one or more of its field engineers to observe or inspect the operation, repair and/or maintenance of the Improvements at any time for compliance with Legal Requirements (defined below). If ordered at any time to halt repair and/or maintenance of the Improvements by Licensor's personnel due to any other hazardous condition, Licensee shall immediately do so. Notwithstanding the foregoing right of Licensor, the parties agree that Licensor has no duty or obligation to observe or inspect, or to halt work on, the Improvements, it being solely Licensee's responsibility to ensure that the Improvements are repaired and maintained in a safe and workmanlike manner in compliance with all terms hereof. Neither the exercise of, nor the failure by Licensor to exercise, any right granted by this Section will alter in any way the liability allocation provided by this License. If at any time Licensee shall, in the sole judgment of Licensor, fail to properly perform its obligations under this Section 13, Licensor may, at its option and at Licensee's sole expense, arrange for the performance of such work as it deems necessary for the safety of its operations and activities. Licensee shall promptly reimburse Licensor for all costs and expenses of such work, pursuant to the terms of Sections 9 and 10. Licensor's failure to perform any obligations of Licensee shall not alter the liability allocation hereunder.

14. Repairs; Maintenance.

- 14.1 Licensee shall, at its sole expense, take good care of the Premises (including all Improvements) and shall not do or suffer any waste with respect thereto and Licensee shall promptly make all necessary or desirable Repairs to the Premises. The term "Repairs" means all reasonable repair and maintenance necessary to keep the Premises (including all Improvements) in good condition and includes, without limitation, replacements, restoration and renewals when necessary. Licensee shall keep and maintain any paved areas, sidewalks, curbs, landscaping and lawn areas in a clean and orderly condition, and free of accumulation of dirt and rubbish.
- 14.2 Licensor shall not have any liability or obligation to furnish or pay for any services or facilities of whatsoever nature or to make any Repairs or alterations of whatsoever nature in or to the Premises, including but not limited to structural repairs, or to maintain the Premises in any manner. Licensee acknowledges that Licensor shall have no responsibility for management of the Premises.

LIABILITY AND INSURANCE

15. Liability and Indemnification.

- 15.1 For purposes of this License: (a) "Indemnitees" means Licensor and Licensor's affiliated companies, partners, successors, assigns, legal representatives, officers, directors, shareholders, employees, and

agents; (b) "Liabilities" means all claims, liabilities, fines, penalties, costs, damages, losses, liens, causes of action, suits, demands, judgments, and expenses (including, without limitation, court costs, reasonable attorneys' fees, costs of investigation, removal and remediation, governmental oversight and government administrative enforcement costs) environmental or otherwise; and (c) "Licensee Parties" means Licensee or Licensee's officers, agents, invitees, licensees, employees, or contractors, or any party directly or indirectly employed by any of them, or any party they control or exercise control over.

- 15.2 TO THE FULLEST EXTENT PERMITTED BY LAW, LICENSEE SHALL, AND SHALL CAUSE ANY CONTRACTOR(S) IT ALLOWS ONTO THE PREMISES TO, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS INDEMNITEES FOR, FROM, AND AGAINST ANY AND ALL LIABILITIES OF ANY NATURE, KIND, OR DESCRIPTION DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART):
- 15.2.1 THIS LICENSE, INCLUDING, WITHOUT LIMITATION, ITS ENVIRONMENTAL PROVISIONS,
- 15.2.2 ANY RIGHTS OR INTERESTS GRANTED PURSUANT TO THIS LICENSE,
- 15.2.3 LICENSEE'S OCCUPATION AND USE OF THE PREMISES BEFORE OR AFTER THE EFFECTIVE DATE OF THIS LICENSE, AND ANY OBLIGATION OR LIABILITY IT HAS ASSUMED WITH REGARD TO THE OCCUPATION AND USE OF THE PREMISES,
- 15.2.4 THE ENVIRONMENTAL CONDITION AND STATUS OF THE PREMISES CAUSED BY OR CONTRIBUTED TO BY LICENSEE (OR ANY OF ITS CONTRACTORS) BEFORE OR AFTER THE EFFECTIVE DATE OF THE LICENSE, OR
- 15.2.5 ANY ACT OR OMISSION OF ANY LICENSEE PARTY.
- 15.3 TO THE FULLEST EXTENT PERMITTED BY LAW, LICENSEE NOW AND FOREVER WAIVES ANY AND ALL CLAIMS THAT BY VIRTUE OF ENTERING INTO THIS LICENSE, LICENSOR IS A GENERATOR, OWNER, OPERATOR, ARRANGER, OR TRANSPORTER FOR THE PURPOSES OF THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT, AS AMENDED ("CERCLA") OR OTHER ENVIRONMENTAL LAWS (DEFINED BELOW). LICENSEE WILL INDEMNIFY, DEFEND, AND HOLD THE INDEMNITEES HARMLESS FROM ANY AND ALL SUCH CLAIMS. NOTHING IN THIS LICENSE IS MEANT BY EITHER PARTY TO CONSTITUTE A WAIVER OF ANY INDEMNITEE'S COMMON CARRIER DEFENSES AND THIS LICENSE SHOULD NOT BE SO CONSTRUED. IF ANY AGENCY OR COURT CONSTRUES THIS LICENSE TO BE A WAIVER OF ANY INDEMNITEE'S COMMON CARRIER DEFENSES, LICENSEE AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND INDEMNITEES FOR ANY LIABILITIES RELATED TO THAT CONSTRUCTION OF THIS LICENSE. IN NO EVENT AS BETWEEN LICENSOR AND LICENSEE SHALL LICENSOR BE RESPONSIBLE TO LICENSEE FOR THE ENVIRONMENTAL CONDITION OF THE PREMISES.
- 15.4 IF ANY EMPLOYEE OF ANY LICENSEE PARTY ASSERTS THAT HE OR SHE IS AN EMPLOYEE OF ANY INDEMNITEE, TO THE FULLEST EXTENT PERMITTED BY LAW, LICENSEE SHALL, AND IF APPLICABLE SHALL CAUSE ITS CONTRACTOR TO RELEASE, INDEMNIFY, DEFEND, AND HOLD THE INDEMNITEES HARMLESS FROM AND AGAINST ANY LIABILITIES ARISING OUT OF OR RELATED TO (IN WHOLE OR IN PART) ANY SUCH ASSERTION INCLUDING, BUT NOT LIMITED TO, ASSERTIONS OF EMPLOYMENT BY AN INDEMNITEE RELATED TO THE FOLLOWING OR ANY PROCEEDINGS THEREUNDER: THE FEDERAL EMPLOYERS' LIABILITY ACT, THE SAFETY APPLIANCE ACT, THE LOCOMOTIVE INSPECTION ACT, THE OCCUPATIONAL SAFETY AND HEALTH ACT, THE RESOURCE CONSERVATION AND RECOVERY ACT, AND ANY SIMILAR STATE OR FEDERAL STATUTE.
- 15.5 THE FOREGOING OBLIGATIONS OF LICENSEE SHALL NOT APPLY TO THE EXTENT LIABILITIES ARE PROXIMATELY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE, BUT SHALL APPLY TO ALL OTHER LIABILITIES, INCLUDING THOSE ARISING FROM OR ATTRIBUTED TO ANY OTHER NEGLIGENCE, INTENTIONAL ACTS, OR STRICT LIABILITY OF ANY INDEMNITEE.
- 15.6 Upon written notice from Licensor, Licensee agrees to assume the defense of any lawsuit or other proceeding brought against any Indemnatee by any entity, relating to any matter covered by this License for which Licensee has an obligation to assume liability for and/or save and hold harmless any

Indemnatee. Licensee shall pay all costs and expenses incident to such defense, including, but not limited to, reasonable attorneys' fees, investigators' fees, litigation and appeal expenses, settlement payments, and amounts paid in satisfaction of judgments.

15.7 The provisions of this Section 15 shall survive any termination or expiration of this License.

16. Personal Property Risk of Loss. ALL PERSONAL PROPERTY, INCLUDING, BUT NOT LIMITED TO, FIXTURES, EQUIPMENT, OR RELATED MATERIALS UPON THE PREMISES WILL BE AT THE RISK OF LICENSEE ONLY, AND NO INDEMNITEE WILL BE LIABLE FOR ANY DAMAGE THERETO OR THEFT THEREOF, WHETHER OR NOT DUE IN WHOLE OR IN PART TO THE NEGLIGENCE OF ANY INDEMNITEE.

17. Insurance. Licensee shall, at its sole cost and expense, procure and maintain during the life of this License the following insurance coverage:

17.1 Commercial General Liability Insurance. This insurance shall contain broad form contractual liability with a combined single limit of a minimum of \$1,000,000 each occurrence and an aggregate limit of at least \$2,000,000 but in no event less than the amount otherwise carried by Licensee. Coverage must be purchased on a post 2004 ISO occurrence or equivalent and include coverage for, but not limited to, the following:

- Bodily Injury and Property Damage
- Personal Injury and Advertising Injury
- Fire legal liability
- Products and completed operations

This policy shall also contain the following endorsements or language, which shall be indicated on the certificate of insurance:

- The definition of Insured contract shall be amended to remove any exclusion or other limitation for any work being done within 50 feet of railroad property.
- Waiver of subrogation in favor of and acceptable to Licensor.
- Additional insured endorsement in favor of and acceptable to Licensor.
- Separation of insureds.
- The policy shall be primary and non-contributing with respect to any insurance carried by Licensor.

It is agreed that the workers' compensation and employers' liability related exclusions in the Commercial General Liability Insurance policy(s) required herein are intended to apply to employees of the policy holder and shall not apply to Licensor's employees.

No other endorsements limiting coverage may be included on the policy.

17.2 Business Automobile Insurance. This insurance shall contain a combined single limit of at least \$1,000,000, and include coverage for, but not limited to the following:

- Bodily Injury and property damage.
- Any and all vehicles owned, used or hired.

This policy shall also contain the following endorsements, which shall be indicated on the certificate of insurance:

- Waiver of subrogation in favor of and acceptable to Licensor.
- Additional insured endorsement in favor of and acceptable to Licensor.
- Separation of insureds.
- The policy shall be primary and non-contributing with respect to any insurance carried by Licensor.

17.3 Workers' Compensation and Employers' Liability Insurance. This insurance shall include coverage for, but not limited to:

- Licensee's statutory liability under the workers' compensation laws of the state(s) in which the services are to be performed. If optional under state laws, the insurance must cover all employees anyway.
- Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 by disease policy limit, \$500,000 by disease each employee.

This policy shall also contain the following endorsements or language, which shall be indicated on the certificate of insurance:

- Waiver of subrogation in favor of and acceptable to Licensor.
- 17.4 Railroad Protective Liability Insurance. If construction is to be performed on the Premises by Licensee, Licensee or Licensee's contractor shall procure Railroad Protective Liability insurance naming only Licensor as the Insured with coverage of at least \$2,000,000 per occurrence and \$6,000,000 in the aggregate. If further maintenance of the Improvements is needed at a later date, an additional Railroad Protective Liability Insurance Policy shall be required. The policy shall be issued on a standard ISO form CG 00 35 12 03 and include the following:
- Endorsed to include the Pollution Exclusion Amendment.
  - Endorsed to include the Limited Seepage and Pollution Endorsement.
  - Endorsed to include Evacuation Expense Coverage Endorsement.
  - No other endorsements restricting coverage may be added.
  - The original policy must be provided to Licensor prior to performing any work or services under this License.
  - Definition of "Physical Damage to Property" shall be endorsed to read: "means direct and accidental loss of or damage to all property owned by any named insured and all property in any named insured's care, custody and control arising out of the acts or omissions of the contractor named on the Declarations."
- 17.5 Other Requirements:
- 17.5.1 Where allowable by law, all policies (applying to coverage listed above) shall contain no exclusion for punitive damages.
- 17.5.2 Licensee agrees to waive its right of recovery against Licensor for all claims and suits against Licensor. In addition, Licensee's insurers, through the terms of the policy or a policy endorsement, must waive their right of subrogation against Licensor for all claims and suits, and the certificate of insurance must reflect the waiver of subrogation endorsement. Licensee further waives its right of recovery, and its insurers must also waive their right of subrogation against Licensor for loss of Licensee's owned or leased property, or property under Licensee's care, custody, or control.
- 17.5.3 Licensee is not allowed to self-insure without the prior written consent of Licensor. If granted by Licensor, any self-insured retention or other financial responsibility for claims shall be covered directly by Licensee in lieu of insurance. Any and all Licensor liabilities that would otherwise, in accordance with the provisions of this License, be covered by Licensee's insurance will be covered as if Licensee elected not to include a self-insured retention or other financial responsibility for claims.
- 17.5.4 Prior to entering the Premises, Licensee shall furnish to Licensor an acceptable certificate(s) of insurance including an original signature of the authorized representative evidencing the required coverage, endorsements, and amendments. Licensee shall notify Licensor in writing at least 30 days prior to any cancellation, non-renewal, substitution, or material alteration. In the event of a claim or lawsuit involving Licensor arising out of this License, Licensee will make available any required policy covering such claim or lawsuit.
- 17.5.5 Any insurance policy shall be written by a reputable insurance company acceptable to Licensor or with a current Best's Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the service is to be provided.
- 17.5.6 If coverage is purchased on a "claims made" basis, Licensee hereby agrees to maintain coverage in force for a minimum of three years after expiration or termination of this License. Annually, Licensee agrees to provide evidence of such coverage as required hereunder.
- 17.5.7 Licensee represents that this License has been thoroughly reviewed by Licensee's insurance agent(s)/broker(s), who have been instructed by Licensee to procure the insurance coverage required by this License. Allocated Loss Expense shall be in addition to all policy limits for coverages referenced above.
- 17.5.8 Not more frequently than once every five years, Licensor may reasonably modify the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

19. Environmental.

- 19.1 Licensee shall strictly comply with all federal, state and local environmental Legal Requirements and regulations in its use of the Premises, including, but not limited to, the Resource Conservation and Recovery Act, as amended (RCRA), the Clean Water Act, the Oil Pollution Act, the Hazardous Materials Transportation Act, CERCLA, the Porter-Cologne Water Quality Act, the Clean Air Act, the Lewis Air Quality Act, their implementing regulations, and any other Legal Requirement relating to the use, storage, release, discharge, generation, transport, disposal or handling of any waste, material, or pollutant regulated under applicable laws (collectively referred to as the "Environmental Laws"). Licensee shall not maintain a treatment, storage, transfer or disposal facility, or underground or aboveground storage tank, as defined by Environmental Laws on the Premises. Licensee shall not release or suffer the release of oil or hazardous substances, as defined by Environmental Laws on or about the Premises.
- 19.2 Licensee covenants that it will not use, store, release, discharge, generate, transport, dispose or handle "hazardous waste", "hazardous substances", or any pollutant, contaminant, or dangerous or toxic chemical, or radioactive material, or asbestos, or petroleum products, on or about the Premises as those terms may now or in the future be defined by RCRA, CERCLA or any other any federal, state, or local governmental agency or body (collectively, "Regulated Material"). Licensee agrees periodically to furnish Licensor with proof, satisfactory to Licensor that Licensee is in compliance with the provisions of this Section 19.2.
- 19.3 Licensee shall give Licensor immediate notice to Licensor's Resource Operations Center at (800) 832-5452 of any known (i) release of Regulated Material on, onto, under, from, or affecting the Premises, (ii) violation of or threatened violation of Environmental Laws, and (iii) inspection or inquiry by governmental authorities charged with enforcing Environmental Laws with respect to Licensee's use of the Premises. Licensee shall immediately respond to and address the source of any release of Regulated Material on, onto, under, from, or affecting the Premises and remediate the release to the condition of the Premises immediately before the time of such release or in compliance Environmental Laws or governmental directive, whichever is strictest. Licensee also shall give Licensor prompt and periodic additional notice of all measures undertaken by Licensee or on behalf of Licensee to give any required notification and reporting to governmental authorities, investigate, remediate, respond to or otherwise cure such release or violation. Licensee shall concurrently provide copies of all correspondence and reports relating to any such release to Licensor.
- 19.4 If Licensor has notice from Licensee or otherwise of a release or violation of Environmental Laws on the Premises which occurred or may occur during the term of this License, Licensor may require Licensee, at Licensee's sole risk and expense, to take timely measures to investigate, remediate, respond to or otherwise cure such release or violation affecting the Premises or Licensor's right-of-way.
- 19.5 Licensee shall promptly report to Licensor in writing any conditions or activities upon the Premises known to Licensee which create a risk of harm to persons, property or the environment and shall take whatever action is necessary to prevent injury to persons, property, or the environment arising out of such conditions or activities; provided, however, that Licensee's reporting to Licensor shall not relieve Licensee of any obligation whatsoever imposed on it by Legal Requirements, Environmental Laws or this License. Licensee shall promptly respond to Licensor's request for information regarding said conditions or activities.

DISCLAIMER OF WARRANTIES

20. No Warranties.

- 20.1 LICENSOR'S DUTIES AND WARRANTIES ARE LIMITED TO THOSE EXPRESSLY STATED IN THIS LICENSE AND SHALL NOT INCLUDE ANY IMPLIED DUTIES OR IMPLIED WARRANTIES, NOW OR IN THE FUTURE. NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE BY LICENSOR OTHER THAN THOSE CONTAINED IN THIS LICENSE. LICENSEE HEREBY WAIVES ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES OR WHICH MAY EXIST BY OPERATION OF LAW OR IN EQUITY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, HABITABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 20.2 LICENSOR MAKES NO WARRANTY, REPRESENTATION OR CONDITION OF ANY KIND, EXPRESS OR IMPLIED, CONCERNING (A) THE SCOPE OF THE LICENSE OR OTHER RIGHTS GRANTED

- 17.5.9 If any portion of the operation is to be subcontracted by Licensee, Licensee shall require that the subcontractor shall provide and maintain insurance coverages as set forth herein, naming Licensor as an additional insured, and shall require that the subcontractor shall release, defend and indemnify Licensor to the same extent and under the same terms and conditions as Licensee is required to release, defend and indemnify Licensor herein.
- 17.5.10 Failure to provide evidence as required by this Section 17 shall entitle, but not require, Licensor to terminate this License immediately. Acceptance of a certificate that does not comply with this Section shall not operate as a waiver of Licensee's obligations hereunder.
- 17.5.11 The fact that insurance (including, without limitation, self-insurance) is obtained by Licensee shall not be deemed to release or diminish the liability of Licensee, including, without limitation, liability under the indemnity provisions of this License. Damages recoverable by Licensor shall not be limited by the amount of the required insurance coverage.
- 17.5.12 For purposes of this Section 17, Licensor shall mean "Burlington Northern Santa Fe, LLC", "BNSF Railway Company" and the subsidiaries, successors, assigns and affiliates of each.
- 17.5.13 By executing this License, Licensee represents and warrants that it has procured and will maintain during the life of this License the insurance policies and coverages set forth in this Section 17.

#### COMPLIANCE WITH LAWS, REGULATIONS, AND ENVIRONMENTAL MATTERS

##### 18. Compliance with Laws, Rules, and Regulations.

- 18.1 Licensee shall observe and comply with any and all laws, statutes, regulations, ordinances, orders, directives, covenants, restrictions, or decisions, orders or judgments of any court of competent jurisdiction ("Legal Requirements") relating to the maintenance, repair, operation and removal of the Improvements and the use of the Premises, including remediation of the Premises.
- 18.2 Prior to any contractor(s) of Licensee entering the Premises, Licensee shall and shall cause its contractor(s) to comply with all of Licensor's applicable safety rules and regulations. Licensee must ensure that each of its employees, contractors, agents or invitees entering upon the Premises completes the safety orientation program at the Website "www.contractororientation.com" (the "Safety Orientation") within one year prior to entering upon the Premises. Additionally, Licensee must ensure that each and every employee of Licensee, its contractors, agents and invitees possess a card certifying completion of the Safety Orientation prior to entering upon the Premises. Licensee must renew the Safety Orientation annually.
- 18.3 Licensee shall obtain on or before the date it or its contractor enters the Premises, any and all additional rights-of way, easements, permits, licenses and other agreements relating to the grant of rights and interests in and/or access to the Premises (collectively, the "Rights") and such other rights, licenses, permits, authorizations, and approvals (including without limitation, any necessary local, state, federal or tribal authorizations and environmental permits) that are necessary in order to permit Licensee to maintain, repair, own, operate and remove the Improvements, remediate the Premises, and otherwise to perform its obligations hereunder with respect to the Permitted Uses in accordance with the terms and conditions hereof.
- 18.4 Licensee shall either require that the initial stated term of each such Rights be for a period that does not expire, in accordance with its ordinary terms, prior to the last day of the term of this License or, if the initial stated term of any such Right expires in accordance with its ordinary terms on a date earlier than the last day of the term of this License, Licensee shall, at its cost, exercise any renewal rights thereunder, or otherwise acquire such extensions, additions and/or replacements as may be necessary, in order to cause the stated term thereof to be continued until a date that is not earlier than the last day of the term of this License.
- 18.5 Upon the expiration or termination of any Right that is necessary in order for Licensee to own, operate or use the Improvements or otherwise to carry out the Permitted Uses, or conduct any remediation, in accordance with the terms and conditions of this License, this License thereby shall automatically expire upon such expiration or termination of the Right.

HEREUNDER TO LICENSEE OR (B) WHETHER OR NOT LICENSEE'S REPAIR, MAINTENANCE, OWNERSHIP, USE, OPERATION OR REMOVAL OF THE IMPROVEMENTS OR ITS PERFORMANCE OF ANY OTHER ACTIVITIES IN CONNECTION WITH THE PERMITTED USES WILL VIOLATE OR INFRINGE UPON THE RIGHTS, INTERESTS AND ESTATES OF THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY LEASES, USE RIGHTS, EASEMENTS AND LIENS OF ANY THIRD PARTY.

21. Disclaimer of Warranty for Quiet Enjoyment. LICENSOR DOES NOT WARRANT ITS RIGHT TO THE PREMISES NOR UNDERTAKE TO DEFEND LICENSEE IN THE PEACEABLE POSSESSION OR USE THEREOF. NO COVENANT OF QUIET ENJOYMENT IS MADE.
22. Eviction at Risk of Licensee. In case of the eviction of Licensee by anyone owning, claiming title to, or claiming any interest in the Premises, Licensor shall not be liable (i) to refund Licensee any compensation paid hereunder, except for the pro-rata part of any recurring charge paid in advance, or (ii) for any damage Licensee sustains in connection with the eviction.

### LIENS, CHARGES AND TAXES

23. Liens and Charges.
  - 23.1 Licensee shall promptly pay and discharge any and all liens arising out of any maintenance, alterations or repairs done, suffered or permitted to be done by Licensee on Premises. Licensor is hereby authorized to post any notices or take any other action upon or with respect to Premises that is or may be permitted by law to prevent the attachment of any such liens to Premises; provided, however, that failure of Licensor to take any such action shall not relieve Licensee of any obligation or liability under this Section 23 or any other Section of this License.
  - 23.2 Licensee shall pay when due all utilities and other charges of every kind and character, whether foreseen or unforeseen, ordinary or extraordinary, which are attributable to the Term of this License and may become due or levied against the Premises, against Licensee, against the business conducted on the Premises or against the improvements located thereon during the Term hereof, even though such utilities or other charges may not become due and payable until after termination of this License. Licensee agrees that Licensor shall not be required to furnish to Licensee any utility or other services.
24. Taxes. Licensee shall pay when due any taxes, assessments or other charges (collectively, "Taxes") levied or assessed by any governmental or quasi-governmental body upon the improvements or any Taxes levied or assessed against Licensor or the Premises that are attributable to the improvements.

### DEFAULT, TERMINATION, AND SURRENDER

25. Default and Termination. In addition to and not in limitation of Licensor's right to terminate for failure to provide evidence of insurance as required pursuant to the terms of Section 17, the following events are also deemed to be events of default pursuant to which Licensor has the right to terminate as set forth below:
  - 25.1 If default shall be made in any of Licensee's covenants, agreements, or obligations contained in this License and Licensee fails to cure said default within thirty (30) days after written notice is provided to Licensee by Licensor, or in case of any assignment or transfer of this License in violation of Section 28 below, Licensor may, at its option, terminate this License by serving five (5) days' notice in writing upon Licensee. Notwithstanding the foregoing, Licensor shall have the right to terminate this License immediately if Licensee fails to provide evidence of insurance as required in Section 17.
  - 25.2 Should Licensee not comply fully with the obligations of Section 19 notwithstanding anything contained in any other provision of this License, Licensor may, at its option, terminate this License by serving five (5) days' notice of termination upon Licensee.
  - 25.3 Any waiver by Licensor of any default or defaults shall not constitute a waiver of the right to terminate this License for any subsequent default or defaults, nor shall any such waiver in any way affect Licensor's ability to enforce any Section of this License. The remedy set forth in this Section 25 shall be in addition to, and not in limitation of, any other remedies that Licensor may have at law or in equity.
  - 25.4 In addition to and not in limitation of Licensor's rights to terminate as specified as above this License may be terminated by Licensor, at any time, with or without cause, at will, by serving thirty (30) days' written

notice of termination upon Licensee.

25.5 This License may be terminated by Licensee upon execution of Licensor's then-current Mutual Termination Letter Agreement. Upon expiration of the time specified in the Mutual Termination Letter Agreement, this License and all rights of Licensee shall absolutely cease.

26. Surrender of the Premises.

26.1 On or before expiration or termination of this License for any reason, Licensee shall, at its sole cost and expense:

26.1.1 If so directed by Licensor in writing, remove the Improvements and all appurtenances thereto;

26.1.2 report and restore any damage to the Premises or Licensor's other property arising from, growing out of, or connected with Licensee's use of the Premises before or after the effective date of this License, and conduct any site characterization and/or site remediation as directed by Licensor;

26.1.3 remedy any unsafe conditions on the Premises created or aggravated by Licensee; and

26.1.4 remove all Licensee's Personal Property.

26.2 Upon any expiration or termination of this License, if Licensee fails to surrender the Premises to Licensor or if Licensee fails to complete its obligations under Section 26.1 above (the "Restoration Obligations"), Licensee shall have a limited license to enter upon the Premises solely to the extent necessary for Licensee to complete the Restoration Obligations, and all liabilities and obligations of Licensee hereunder shall continue in effect until the Premises are surrendered and the Restoration Obligations are completed. Neither termination nor expiration shall release Licensee from any liability or obligation under this License, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date of termination, or, if later, the date when Licensee surrenders the Premises and all of the Restoration Obligations are completed.

26.3 If Licensee fails to complete the Restoration Obligations within thirty (30) days after the date of such termination of its tenancy, then Licensor may, at its election, either: (i) remove the Improvements or otherwise restore the Premises, and in such event Licensee shall, within thirty (30) days after receipt of bill therefor, reimburse Licensor for the cost incurred, (ii) upon written notice to Licensee, take and hold the Improvements and personal property as its sole property, without payment or obligation to Licensee therefor, or (iii) specifically enforce Licensee's obligation to restore and/or pursue any remedy at law or in equity against Licensee for failure to so restore. Further, if Licensor has consented to the Improvements remaining on the Premises following termination, Licensee shall, upon request by Licensor, provide a bill of sale in a form acceptable to Licensor conveying the Improvements to Licensor for no additional consideration.

26.4 Relocation of Business. Upon the termination or expiration of the term of this License, if no new License is entered into, Licensee is obligated to relocate its business at its own expense and to vacate the Premises as provided for herein and no relocation expenses will be paid by Licensor.

MISCELLANEOUS

27. Successors and Assigns. All provisions contained in this License shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and assigns of Licensor and Licensee to the same extent as if each such successor and assign was named a party to this License.

28. Assignment.

28.1 Licensee may not sell, assign, transfer, or hypothecate this License or any right, obligation, or interest herein (either voluntarily or by operation of law, merger, or otherwise) without the prior written consent of Licensor, which consent may not be unreasonably withheld or delayed by Licensor. Any attempted assignment by Licensee in violation of this Section 28 shall be a breach of this License and, in addition, shall be voidable by Licensor in its sole and absolute discretion.

28.2 For purposes of this Section 28, the word "assign" shall include without limitation (a) any sale of the equity interests of Licensee following which the equity interest holders of Licensee immediately prior to

such sale own, directly or indirectly, less than 50% of the combined voting power of the outstanding voting equity interests of Licensee, (b) any sale of all or substantially all of the assets of (i) Licensee and (ii) to the extent such entities exist, Licensee's parent and subsidiaries, taken as a whole, or (c) any reorganization, recapitalization, merger or consolidation involving Licensee. Notwithstanding the foregoing, any reorganization, recapitalization, merger or consolidation following which the equity interest holders of Licensee immediately prior to such reorganization, recapitalization, merger or consolidation own, directly or indirectly, at least 50% of the combined voting power of the outstanding voting equity interests of Licensee or any successor thereto or the entity resulting from such reorganization, recapitalization, merger or consolidation shall not be deemed an assignment. THIS LICENSE SHALL NOT RUN WITH THE LAND WITHOUT THE EXPRESS WRITTEN CONSENT OF LICENSOR, SUCH CONSENT TO BE IN LICENSOR'S SOLE DISCRETION.

28.3 Notwithstanding the provisions of Section 28.1 above or anything contained in this License to the contrary, if Licensee sells, assigns, transfers, or hypothecates this License or any interest herein in contravention of the provisions of this License (a "Purported Assignment") to another party (a "Purported Transferee"), the Purported Transferee's enjoyment of the rights and privileges granted under this License shall be deemed to be the Purported Transferee's agreement to be bound by all of the terms and provisions of this License, including but not limited to the obligation to comply with the provisions of Section 17 above concerning insurance requirements. In addition to and not in limitation of the foregoing, Licensee, for itself, its successors and assigns, shall indemnify, defend and hold harmless Licensor for all Liabilities of any nature, kind or description of any person or entity directly or indirectly arising out of, resulting from or related to (in whole or in part) a Purported Assignment.

28.4 The provisions of this Section 28 shall survive the expiration or earlier termination of this License and the termination of the BNSF Permit.

29. Notices. Any notice, invoice, or other writing required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if (i) placed in the United States mail, certified, return receipt requested, or (ii) deposited into the custody of a nationally recognized overnight delivery service, addressed to the party to be notified at the address for such party specified below, or to such other address as the party to be notified may designate by giving the other party no less than thirty (30) days' advance written notice of such change in address.

If to Licensor: BNSF Railway Company  
2500 Lou Menk Dr. - AOB3  
Fort Worth, TX 76131  
Attn: Senior Manager Real Estate

If to Licensee: \_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

30. Survival. Neither termination nor expiration will release either party from any liability or obligation under this License, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date of termination or expiration, or, if later, the date when the Improvements are removed and the Premises are restored to its condition as of the Effective Date.

31. Recordation. It is understood and agreed that this License shall not be placed or allowed to be placed on public record.

32. Applicable Law. All questions concerning the interpretation or application of provisions of this License shall be decided according to the substantive laws of the State of California without regard to conflicts of law provisions.

33. Severability. To the maximum extent possible, each provision of this License shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this License shall be prohibited by, or held to be invalid under, applicable law, such provision shall be ineffective solely to the extent of such prohibition or invalidity, and this shall not invalidate the remainder of such provision or any other provision of this License.

34. Integration. This License is the full and complete agreement between Licensor and Licensee with respect to all matters relating to Licensee's use of the Premises, and supersedes any and all other agreements between the parties hereto relating to Licensee's use of the Premises as described herein. However, nothing herein is intended

to terminate any surviving obligation of Licensee or Licensee's obligation to defend and hold Licenser harmless in any prior written agreement between the parties.

35. Joint and Several Liability. If Licensee consists of two or more parties, all the covenants and agreements of Licensee herein contained shall be the joint and several covenants and agreements of such parties.

36. Waiver. The waiver by Licenser of the breach of any provision herein by Licensee shall in no way impair the right of Licenser to enforce that provision for any subsequent breach thereof.

37. Interpretation.

37.1 This License shall be interpreted in a neutral manner, and not more strongly for or against any party based upon the source of the draftsmanship; both parties hereby agree that this License shall not be subject to the principle that a contract would be construed against the party which drafted the same. Article titles, headings to sections and paragraphs and the table of contents (if any) are inserted for convenience of reference only and are not intended to be a part or to affect the meaning or interpretation hereof. The exhibit or exhibits referred to herein shall be construed with and as an integral part of this License to the same extent as if they were set forth verbatim herein.

37.2 As used herein, "include", "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; "writing", "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; references to any person are also to that person's successors and permitted assigns; "hereof", "herein", "hereunder" and comparable terms refer to the entirety hereof and not to any particular article, section, or other subdivision hereof or attachment hereto; references to any gender include references to the masculine or feminine as the context requires; references to the plural include the singular and vice versa; and references to this License or other documents are as amended, modified or supplemented from time to time.


38. Counterparts. This License may be executed in multiple counterparts, each of which shall, for all purposes, be deemed an original but which together shall constitute one and the same instrument, and the signature pages from any counterpart may be appended to any other counterpart to assemble fully executed documents, and counterparts of this License may also be exchanged via email or electronic facsimile machines and any email or electronic facsimile of any party's signature shall be deemed to be an original signature for all purposes.

**END OF PAGE – SIGNATURE PAGE FOLLOWS**

This License has been duly executed by the parties hereto as of the date below each party's signature; to be effective, however, as of the Effective Date.

**LICENSOR:**

**BNSF Railway Company**, a Delaware corporation

By:   
Name: KURT GERINGER  
Title: General Director Real Estate  
Date: 8/13/13

**LICENSEE:**


\_\_\_\_\_ a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

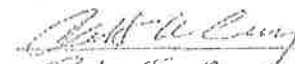
This License has been duly executed by the parties hereto as of the date below each party's signature; to be effective, however, as of the Effective Date

**LICENSOR:**

BNSF Railway Company, a Delaware corporation

By:   
 Name: THOMAS N. HUND  
 Title: V.P. CFO Chief Financial Officer  
 Date: 8/14/13

**LICENSEE:**

\_\_\_\_\_ a \_\_\_\_\_  
 By:   
 Name: Robert A. Corley  
 Title: President  
 Date: 8-2-13

This License has been duly executed by the parties hereto as of the date below each party's signature; to be effective, however, as of the Effective Date

**LICENSOR:**

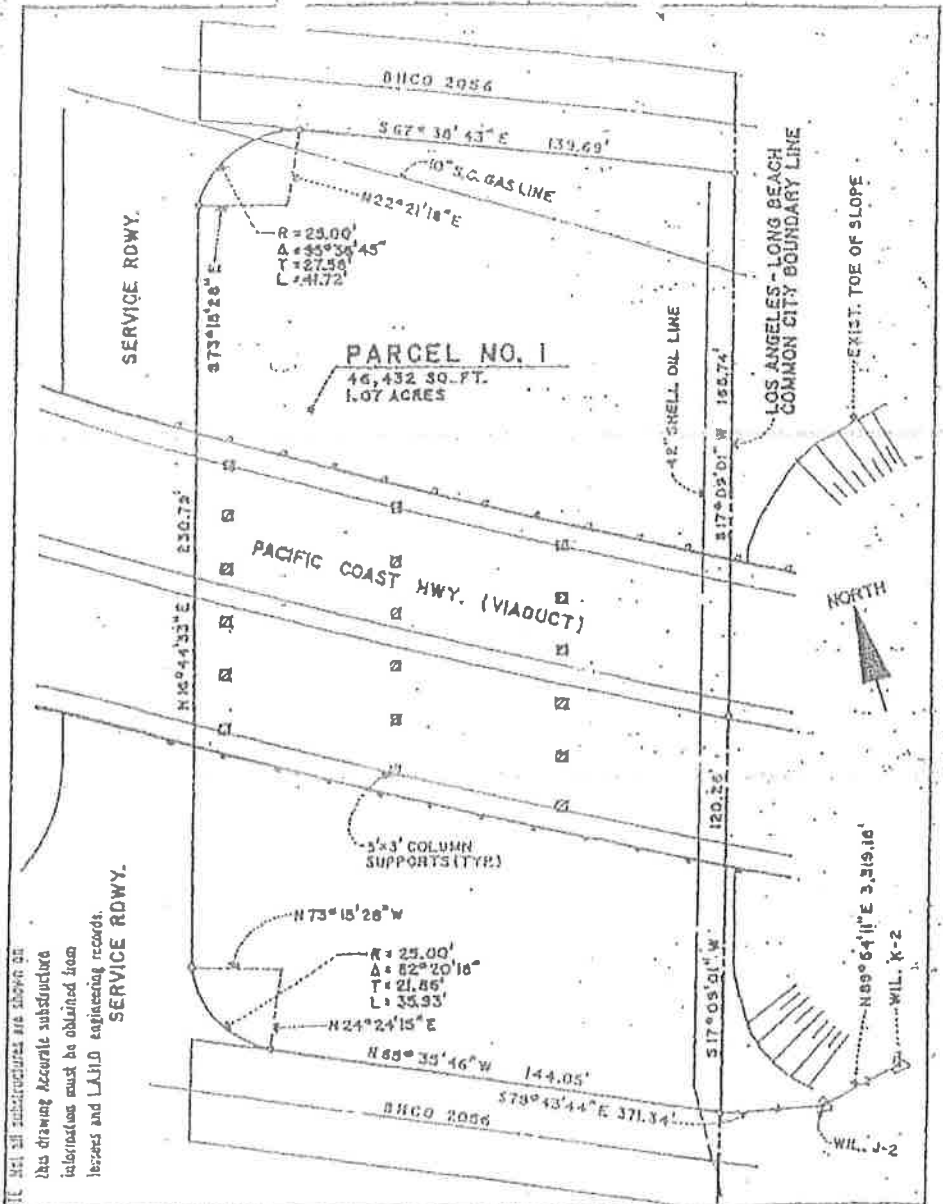
BNSF Railway Company, a Delaware corporation

Exhibit "A"

Description/Deplction of Premises

*[to be attached prior to execution]*

EXHIBIT 'A'



ALL THE SUBSTRUCTURES SHOWN ON THIS DRAWING ACCURATE SUBSTRUCTURE INFORMATION MUST BE OBTAINED FROM RECORDS AND LAND ENGINEERING RECORDS.

SCALE 1" = 40'		PERMIT MAP FOR:	
DESIGNER J. J. ...	DATE ...	CALIFORNIA CARTAGE CO., INC.	
CHECKED BY ...	PROJECT NO. ...	PORT OF LOS ANGELES	DRAWING NUMBER 5-7079
APPROVED BY ...	DATE ...	EXHIBIT A	

PRINTED ON DIETRICH-FOST CLEARPRINT

Exhibit "B"

List and Description of Personal Property of Licensee on Premises