

224-003800-010

FIRST AMENDMENT TO
INSTALLMENT SALE CONTRACT
AND
SECURITY AGREEMENT

THIS FIRST AMENDMENT TO INSTALLMENT SALE CONTRACT AND SECURITY AGREEMENT is made and entered into as of NOVEMBER 30, 1992, pursuant to a minute order adopted by the Board of Harbor Commissioners of the City of Long Beach at its May 4, 1992 meeting by and between the CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners ("City") and CALIFORNIA UNITED TERMINALS, a California joint venture ("Buyer").

1. RECITALS: This First Amendment is made with reference to the following facts and objectives:

1.1 City and Buyer entered into an Installment Sale Contract and Security Agreement for the modification and sale of a Paceco forty (40) long ton MACH PORTAINER container crane (the "Crane") bearing identification number 507 (Harbor Department Document No. HD-5028 and Federal Maritime Commission Agreement No. 224-003800-007) (the "Agreement").

1.2 The parties intend by this First Amendment to set forth their understandings and agreements consistent with the amendments to the Installment Sale Contract and Security Agreements for Cranes Nos. 959 and 960 (Harbor Department Documents Nos. HD-5029 AND HD-5030 and Federal Maritime Commission Agreements Nos. 224-003800-008 and 224-

1 Document No. HD-5028-A

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1 003800-009 respectively).

2 2. Paragraph 4 is amended by adding a new paragraph
3 4.7 thereto to read as follows:

4 "4.7 Buyer has received an opinion of counsel
5 that the transaction contemplated hereunder is not a taxable
6 event under California sales and use tax laws and for that
7 reason the parties have not allocated the responsibility for
8 the payment of sales and/or use taxes. If sales or use
9 taxes are imposed on the transactions contemplated
10 hereunder, Buyer may prosecute a claim of exemption
11 therefrom before the California Board of Equalization.
12 Buyer agrees to defend and indemnify City from and against
13 any such taxes, including penalty and interest, if any,
14 determined by the Board of Equalization to be payable on
15 this transaction."

16 3. Paragraph 20.2 is amended and restated in its
17 entirety to read as follows:

18 "20.2 Subject to the provisions of this
19 paragraph, Buyer shall be free to sell the Crane after the
20 purchase price has been paid to City in full. In the event
21 Buyer elects to sell or otherwise dispose of the Crane
22 (whether prior to payment of the purchase price in full or
23 thereafter) and the Crane is the only remaining crane of
24 Cranes Nos. 507, 959 and 960 in Buyer's possession, Buyer
25 shall not sell or agree to sell the Crane until (i) Buyer
26 pays the purchase price then owing to City hereunder in
27 full; (ii) Buyer shall first offer in writing to sell the
28 Crane to City, such offer to remain open for a sixty (60)

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1 day period; and (iii) City fails to elect in writing to
2 purchase the Crane within said sixty (60) day period. The
3 purchase price and other terms shall be mutually agreed to
4 by City and Buyer and shall be the fair market value of the
5 Crane, and its equipment and parts, if any, or equal to a
6 bonafide written offer to purchase the Crane acceptable to
7 Buyer made by a third party not affiliated with City or
8 Buyer or any member of joint venture comprising Buyer. If
9 City and Buyer are unable to agree on the fair market value,
10 the matter shall be determined in accordance with paragraph
11 7."

12 4. Paragraph 21 is amended and restated in its
13 entirety to read as follows:

14 "21. OPTION OF CITY TO LEASE OR PURCHASE CRANE:

15 If the Crane is the only remaining crane of cranes 507, 959
16 and 960 in Buyer's possession and at any time Buyer
17 unconditionally gives notice in writing of its intent to
18 terminate the Terminal Agreement or 180 days before the
19 termination of the Terminal Agreement without notice, City
20 shall have the option to either lease or purchase the Crane
21 together with its equipment and component parts, if any.
22 City shall exercise its option by giving Buyer written
23 notice of its election either within sixty (60) days from
24 the date on which Buyer gives notice of its intent to
25 terminate the Terminal Agreement or within 120 days before
26 the termination of the Terminal Agreement without notice.

27 21.1 If City elects to lease the Crane, Buyer
28 shall make the Crane available for lease to City after the

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1 termination of the Terminal Agreement for a period to end on
2 the date which is twenty-four (24) months from the date City
3 notifies Buyer of City's election to lease the Crane. Buyer
4 shall deliver possession of the Crane to City upon
5 termination of the Terminal Agreement. The lease shall be
6 at the fair rental value of the Crane, and its equipments
7 and parts, if any, as determined by the parties. If the
8 parties are unable to agree on a fair rental value, such
9 shall be determined in accordance with paragraph 7.

10 21.2 If City elects to purchase the Crane, the
11 purchase price by City shall be the fair market value of the
12 Crane, its equipment and parts, if any, as determined by the
13 parties. If City and Buyer are unable to agree on the fair
14 market value, such shall be determined in accordance with
15 paragraph 7. Delivery of the Crane and payment of the
16 purchase price shall take place upon the date of expiration
17 of the term of the Terminal Agreement, at which time this
18 Contract shall terminate. If the fair market value of the
19 Crane has not been determined as of the date of the
20 expiration of the term of the Terminal Agreement, the Crane
21 shall nevertheless be delivered on that date and interest on
22 the purchase price for the Crane shall be paid by City to
23 Buyer and shall accrue at the then existing prime rate
24 quoted by the Bank of America National Trust and Savings
25 Association in San Francisco, plus one percent (1%) from
26 that date to the date of payment of the purchase price,
27 compounded monthly."

28 5. Except as provided in this First Amendment, all

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } SS.

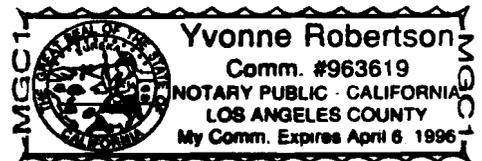
On November 13, 1992, before me, Yvonne Robertson, a
Notary Public in and for said State, personally appeared Charles Doan and David Hoekstra

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 Yvonne Robertson
Yvonne Robertson

Name (Typed or Printed)

L-10 (7/91)



(This area for official notarial seal)

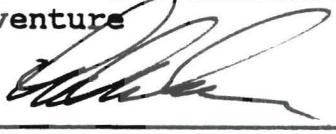
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1 terms and conditions of the Agreement shall remain unchanged and
2 in full force and effect.

3 6. This First Amendment shall become effective on the
4 date City shall have complied with the provisions of the Shipping
5 Act of 1984 with respect to the filing of marine terminal
6 agreements with the Federal Maritime Commission.
7

8 CALIFORNIA UNITED TERMINALS,
9 a joint venture

10 Dated: 11/13/92, 1992

By 

11 Dated: 11/13/92, 1992

By 

12 Certified as a true and
13 Correct Copy

BUYER

14 
15 Executive Secretary
16 Board of Harbor Commissioners
17 of the City of Long Beach,
18 California
19 Dated December 1, 1992

CITY OF LONG BEACH, a municipal
corporation, acting by and
through its Board of Harbor
Commission

20 Dated: Nov. 30, 1992

By 

S. R. Dillenbeck,
Executive Director
Long Beach Harbor Department

CITY

21
22 The foregoing First Amendment to Installment Sale
23 Contract and Security Agreement is hereby approved as to form
24 this 30th day of November, 1992.

25 JOHN R. CALHOUN, City Attorney

26 By 
27 Senior Deputy

28 ECP:pw
10/30/92\CUT11\CUT2.AME