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MARINE TERMINALS CORPORATION

FIRST SUPPLEMENTAL AGREEMENT

Between

PORT OF OAKLAND

And

MARINE TERMINALS CORPORATION,
a California corporation,

Dated

April 6, 1999



21930

MARINE TERMINALS CORPORATION
FIRST SUPPLEMENTAL AGREEMENT
#21930

FIRST SUPPLEMENTAL AGREEMENT

THIS FIRST SUPPLEMENTAL AGREEMENT, dated as of April 6, 1999, by and between the **CITY OF OAKLAND**, a municipal corporation, acting by and through its **Board of Port Commissioners**, hereinafter the "Port", and **MARINE TERMINALS CORPORATION**, a California corporation, herein referred to as "Licensee,"

WITNESSETH:

WHEREAS, the Port and Licensee entered into that certain License and Concession Agreement dated the February 17, 1998, identified as Federal Maritime Commission Agreement No. 224-201052 ("Original Agreement") covering Licensee's right to use Wharf 7 and adjacent areas at the Oakland Army Base, referred to in the Original Agreement as the "Premises", which were leased by the Secretary of the Army to the Port; and

WHEREAS, the term of the Original Agreement expired July 31, 1998 and Licensee thereafter has continued using the Premises on a month-to-month holdover basis; and

WHEREAS, the Port and Licensee wish to amend the Original Agreement to reduce the compensation required to be paid by Licensee to the Port for Licensee's future use of the Premises on a month-to-month holdover basis;

NOW, THEREFORE, the Port and Licensee hereby agree as follows:

1. **Compensation for Month-to-Month Holdover Period:** The Port and Licensee agree that since July 31, 1998, Licensee has occupied the Premises on a hold-over month-to-month basis, subject to Licensee's obligation to pay to the Port minimum monthly compensation of \$46,000.00 referred to as "MMC" or the "First Breakpoint" (Section 2(b) of Exhibit "D" of Original

Agreement) and subject to Licensee's payment to the Port of certain percentages of those prevailing Port Tariff charges that accrue during the month which exceed the First Breakpoint or the "Second Breakpoint" in the amount of \$98,000.00 (Section 2(c) of Exhibit "D" of Original Agreement). The Port and Licensee hereby agree that Licensee shall continue to occupy the Premises on a hold-over month-to-month basis, but that for the period from the effective date of this First Supplemental Agreement through July 31, 1999, Licensee shall not be obligated to pay to the Port said percentages of those prevailing Port Tariff charges during the months in said period which exceed the First Breakpoint or the Second Breakpoint. This First Supplemental Agreement shall not change Licensee's hold-over month-to-month status, or affect the right of either the Port or Licensee to terminate the Original Agreement, as amended by this First Supplemental Agreement, or the right of the Port upon 30 days' written notice to Licensee to change any of the terms or conditions of Licensee's continued holding over. Compensation payable by Licensee to the Port for licensee's occupancy of the Premises after July 31, 1999, shall be determined solely under the Original Agreement and not under this First Supplemental Agreement.

2. **Effective Date:** This First Supplemental Agreement shall become effective upon the occurrence of all of the following events:

a) The filing of this First Supplemental Agreement with the Federal Maritime Commission pursuant to Section 5 of the Shipping Act of 1984 and its effectiveness pursuant to Section 6 of said Shipping Act, or a ruling by said Commission that such filing is not required.

b) The passage of Port resolution authorizing execution of this First Supplemental Agreement.

3. **Effective Date of Compensation Provisions:** It is the intent of the parties hereto that the interests of the Port and Licensee with respect to the payment and receipt of compensation as described in this First Supplemental Agreement shall take effect April 1, 1999. Accordingly, in the event this First Supplemental Agreement does not become effective on or before the April 1, 1999, not later than 90 days after the effective date of this First Supplemental Agreement, the parties shall mutually calculate the amount of compensation which would have been due and payable to the Port as if this First Supplemental Agreement had been in effect from and after April 1, 1999. If the amount of said compensation calculated in accordance with this First

Supplemental Agreement from and after said date is less than that which accrues in accordance with Licensee's use of the premises under the Original Agreement, the Port shall credit Licensee with the difference and said credit shall apply against compensation subsequently accruing under this First Supplemental Agreement.

4. **Ratification:** That in all other respects the Original Agreement is hereby ratified, confirmed and approved.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

CITY OF OAKLAND, a municipal corporation, acting by and through its Board of Port Commissioners,

By


Executive Director

Attest


Secretary

MARINE TERMINALS CORPORATION,
a California corporation

Dated: MAY 10, 1999

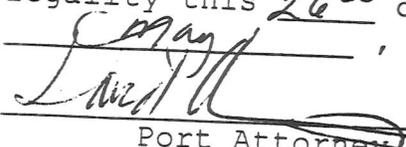

By DOUGLAS A. TILDEN - PRESIDENT
(Print Name and Title)
(If Corporate: Chairman, President
or Vice-President)

Dated: May 11, 1999


By CAROL A. PARIS - CHIEF FINANCIAL OFFICER
(Print Name and Title)
(If Corporate: Secretary, Assistant
Secretary, Chief Financial
Officer, or Assistant Treasurer)

THIS AGREEMENT SHALL NOT BE
VALID OR EFFECTIVE FOR ANY
PURPOSE UNLESS AND UNTIL IT
IS SIGNED BY PORT ATTORNEY.

Approved as to form and
legality this 26th day of
May, 1999.



Port Attorney

Port Resolution No. 99125

P.A. # 99-125