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SERVED BY EMAIL and US MAIL

Re: Letter Agreement regarding the Former Specific Plating Site located at 1350 South Eastern Avenue, Commerce, CA 90040; EPA ID No. CAD 008 380 214 ("the Site")

Dear counsel:

The purpose of this letter is to reach an agreement between our respective clients to enable the Successor Agency to the Commerce Community Development Commission ("Successor Agency"), the Successor Agency's consultants, and the DTSC to conduct a preliminary investigation of contamination on the Site. While there is an ongoing dispute pertaining to ownership of the Site and the reasons therefor, the Successor Agency is willing to move forward with a preliminary investigation of the Site. Below are the simple terms of this Agreement.

I. No Waiver:

There is ongoing litigation between the parties to this agreement – the Successor Agency, Los Jardines, a Nevada LLC ("Los Jardines") and Mayans Development, Inc. ("Mayans"). This agreement is without prejudice to the rights or obligations of the Successor Agency, Los, Jardines, or Mayans in this litigation or under the 2004 Owner Participation Agreement ("OPA"). This agreement is not intended to nor does it amend, revoke, modify, or otherwise affect the OPA in any way. By entering into this Agreement, no party to the litigation is waiving any of its rights, claims, defenses, denials, or remedies in the ongoing litigation. This Agreement shall not be construed as a covenant not to sue, release, waiver, or limitation on any powers, authorities, rights, or remedies, civil or criminal, that any party may have under any laws, regulations or common law. Moreover, this Agreement does not constitute, and does

not contain, any admission by any party with respect to any matter. Rather, the parties are merely agreeing to facilitate investigation of the Site.

II. Site Access and Fence Maintenance:

There is a fence enclosing the Site. Los Jardines or Mayans constructed and maintains this fence, which is locked. The ownership dispute aside, Los Jardines and/or Mayans will provide a duplicate key to for the Site access to the DTSC, the Successor Agency, and the Successor Agency's consultants solely for purposes of investigation and remediation. The Successor Agency has observed the fence has been compromised and new piles of dirt are on the Site, which have not been tested for contamination. In order to conduct an investigation for purposes of remediation, the Successor Agency must be certain that the Site is secure and the fence is repaired and maintained. The Successor Agency hereby agrees to repair and maintain the surrounding fence during the time of the remediation and investigation at the Site. Los Jardines and Mayans agree to not interfere with the repair and maintenance of this fence, or with the investigation and remediation activities to take place on the Site for the duration of this Agreement. Neither Los Jardines nor Mayans will make any claim for trespass to the Site or investigation or remediation activities upon the Site done in accordance with and within the scope of this Agreement. Because it is important to maintain a controlled environment at the Site, only the Successor Agency and the DTSC will each maintain a duplicate key to the fence for purposes of access, however, Mayans and/or Los Jardines may maintain a key and may access the property with 24 hours' notice to the Successor Agency. In such an instance, neither Mayans nor Los Jardines may interfere with investigation activities in any way. This includes adding material to the Site or moving or altering any soil or other materials. Nothing in this Agreement is to be construed as prohibiting or interfering with Mayans and/or Los Jardines access to the Site. Mayans and/or Los Jardines are allowing temporary access to the Site to the DTSC, the Successor Agency, and the Successor Agency's consultants as a temporary and revocable license to access the Site that can be revoked and/or cancelled at any time by Mayans and/or Los Jardines at their sole discretion and effective immediately upon written notice to the Successor Agency. However, by use of the term "license" in this Agreement, Successor Agency in no way concedes any aspect of its claims regarding ownership of the subject property in the underlying litigation.

III. Scope of Work

The scope of work for Successor Agency's consultant is set forth in Exhibit A attached hereto. The DTSC's scope of work pertains to oversight, and is also described in Exhibit A.

IV. Each Party Responsible for its Own Actions and Omissions:

The Successor Agency shall defend, indemnify, and hold harmless Mayans and Los Jardines for any claims or liability arising out of or related to the investigation and/or remediation activities on the Site whether by the Successor Agency's consultants, DTSC, or any other person or entity accessing the Site pursuant to this Agreement. However, the Successor Agency will in no way defend, indemnify, or hold harmless Mayans or Los Jardines for claims resulting from their own affirmative conduct relating to the subject property which happens during the term of this Agreement.

V. Insurance:

The Successor Agency and its consultant shall maintain adequate insurance for the underlying investigation activities. *Successor Agency's consultant is required by contract to have the following insurance:*

"INSURANCE: Amec Foster Wheeler will maintain insurance for this Agreement in the following types and limits: (i) worker's compensation insurance as required by applicable law, (ii) comprehensive general liability insurance (CGL) (\$1,000,000 per occurrence/\$2,000,000 aggregate), and (iii) automobile liability insurance for bodily injury and property damage (\$1,000,000 CSL). CLIENT and its officers, employees and agents shall be covered as additional insureds under Amec Foster Wheeler's CGL and automobile liability coverages. Before beginning any work under this Agreement, Amec Foster Wheeler shall furnish CLIENT with Certificates of Insurance."

Successor Agency has the following insurance relating to environmental hazards:

Program: Pollution And Remediation Legal Liability for sudden and gradual pollution at or from property, streets, sanitary sewer trunk lines and storm drain outfalls owned by CALIFORNIA JPIA Members. Coverage is on a claims made basis.

Per-Member Sub-limit: \$10 million per member/\$10 million aggregate per member

Self-insured retention: \$50,000 per loss

Underground Storage Tank: \$1,000,000

Successor Agency also has the following insurance applicable to the project:

Liability limits: \$50,000,000 per occurrence, including general liability and automobile liability

Workers Compensation: \$10,000,000 per occurrence (includes employer's liability)

The access to the Site is contingent upon providing evidence of adequate insurance coverage described above and furnishing to Mayans and Los Jardines certificates of insurance that include an additional insured endorsement adding Mayans and Los Jardines, as well as their officers, directors, members, employees, and agents as additional insureds with respect to this Agreement. The Successor Agency's insurance carriers and coverages are described in Exhibit B attached hereto. As a condition of this Agreement, the Successor Agency's consultant will also add Mayans and Los Jardines, as well as their officers, directors, members, employees, and agents as additional insureds with respect to this Agreement.

Insurance coverage described above shall not be cancelled, modified, or reduced without thirty (30) days advance written notice to Mayans and/or Los Jardines, delivered by certified mail, return receipt requested.

No work of shall be performed under the terms of this Agreement and no access to the property shall occur by the Successor Agency or the Successor Agency's consultant under the "license" (as is used in this Agreement) granted pursuant to the terms of this Agreement without the existence of the insurance required under the terms of this Agreement.

VI. Investigation Reports:

Successor Agency will provide all findings, reports and correspondence pertaining to findings and analysis from the investigation and remediation activities to Mayans and Los Jardines, so long as this Agreement is in effect.

VII. Redevelopment Law:

The parties understand that the Successor Agency must comply with the provisions of ABx1 26 and AB 1484 in connection with the approval of this Agreement, including approval by the Oversight Board for the Successor Agency and review and approval by the State Department of Finance.

VIII. Notice:

Notice regarding any aspect of this Agreement shall be sent to the following persons for the respective parties:

Successor Agency:
Attn: Project Manager, Department of Public Works
2535 Commerce Way
Commerce, California 90040
ginan@ci.commerce.ca.us

Mayans or Los Jardines:
c/o Lobb & Cliff, LLP
25240 Hancock Avenue, Suite 315
Murrieta, CA 92562
ukozechuk@lobbcliff.com

IX. California Law:

The validity, performance, and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

X. Attorneys' Fees and Costs:

In the event an arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

XI. Severability:

Should any provision of this Agreement at any time conflict with any law, ruling, or regulation and be unenforceable, that provision shall continue in effect only to the extent it remains valid. If any provision of this Agreement becomes thus inoperative, the remaining provisions shall remain fully effective.

XII. Counterparts:

This Agreement may be executed in counterparts, all of which shall constitute but one and the same contract.

IN CONSIDERATION OF THE FOREGOING, the parties hereto enter into this Agreement on the date last written below.

Mayans Development, Inc.

Date: _____

By:

Title:

Los Jardines, a Nevada LLC

Date: _____

By:

Title:

Successor Agency to the Commerce Community Development Commission

Date: _____

By:

Title: