EIGHTH AMENDMENT TO LEASE

THIS EIGHTH AMENDMENT TO LEASE ("Eighth Amendment") is made and entered into, in duplicate, as of the date executed by the Executive Director of the Long Beach Harbor Department, by and between the CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners ("City"), pursuant to Ordinance No. HD-____, adopted by the Board at its meeting of ______________, 2019, and SA RECYCLING LLC, a Delaware limited liability company ("SA").

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

1.1 City and SA's predecessor, Hiuka America Corporation, entered into a lease of certain terminal premises as of November 5, 1992 (Harbor Department Document No. HD-5095). Upon completion of construction of certain improvements by City, the lease became effective as of November 14, 1994. On or about December 27, 1996, Pacific Coast Recycling, LLC ("Pacific") and City entered into an Acknowledgment, Assumption and Consent whereby Pacific became the lessee under the lease pursuant and subject to the terms and conditions of said Acknowledgment, Assumption and Consent. The lease was amended by First Amendment as of November 4, 1999 (HD-5095A), by Second Amendment as of October 26, 2005 (HD-5095B), by Third Amendment as of May 12, 2011 (HD-5095C), and by Fourth Amendment as of February 14, 2013 (HD-5095D). As of January 27, 2014, Pacific assigned to SA the rights and obligations of Pacific under the lease, and City consented to the assignment and assumption. Concurrently, in the same document, SA entered into the Fifth Amendment (HD-5095E). The lease was then amended by Sixth Amendment as of September 14, 2015 (HD-5095F) and Seventh Amendment as of November 20, 2017 (HD-5095G) (collectively, the "Lease").
1.2 SA is the current lessee under the Lease.

1.3 By the terms of the Lease, compensation is negotiable for each five-year segment of the term.

1.4 The parties now wish to extend the term, establish the compensation to be paid for the segment of the term commencing November 14, 2017, adjust the insurance provisions, and address certain repairs and clean-up activities.

2. The first sentence of subparagraph 2.1 of the Lease is hereby amended and restated as follows:

"2.1 The term of this Lease shall commence on the effective date, and shall terminate November 13, 2024."

3. For the five-year segment of the term commencing November 14, 2017, the calculation of annual Base Rent shall be:

<table>
<thead>
<tr>
<th>Period</th>
<th>Base Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 14, 2017 - November 13, 2018</td>
<td>$4,416,806</td>
</tr>
<tr>
<td>November 14, 2018 - November 13, 2019</td>
<td>$4,505,142</td>
</tr>
<tr>
<td>November 14, 2019 - November 13, 2020</td>
<td>$4,865,000</td>
</tr>
</tbody>
</table>

Commencing with the period beginning November 14, 2020, the annual Base Rent shall be adjusted pursuant to Paragraph 6.2.1. The annual Base Rent for the segment beginning November 14, 2022 shall be determined pursuant to Paragraph 8 of the Lease, and shall be subject to Paragraph 6.2.1.

4. Paragraph 4.7 of the Agreement is hereby deleted in its entirety and revised to read as follows:

"4.7 Environmental Compliance. In its use and occupancy of the Premises, Assignee shall comply with all applicable environmental standards set by international, federal, state or local laws, rules, regulations or orders, including but not limited to Port of Long Beach Tariff No. 4, Item 757, as amended, supplemented and restated from time to time."
("Tariff No. 4), and any laws, rules, regulations or orders regulating the use, storage, generation or disposal of hazardous materials, substances or wastes ("Environmental Standards"). Assignee shall monitor its compliance with Environmental Standards and immediately halt and correct any incident of noncompliance.

4.7.1 Hazardous Materials, Substances and Wastes.
Assignee shall not cause or permit any hazardous material, substance or waste to be brought upon, generated, kept or used in or about the Premises by Assignee, its agents, employees, contractors or subcontractors except in compliance with all applicable Environmental Standards.

4.7.2 Noncompliance. In the event of any spill or discharge of hazardous materials, substances or wastes or any other incident of noncompliance with the Environmental Standards, Assignee, at its cost, shall: (i) give the Executive Director immediate notice of the incident in person, by telephone or by facsimile, followed by written notice in accordance with subparagraph 28.8, providing as much detail as possible; (ii) as soon as possible, but no later than seventy-two (72) hours after discovery of an incident of noncompliance, submit a written report to City, identifying the source or cause of the noncompliance and the method or action required to correct the problem; (iii) cooperate with City or its designated agents or contractors with respect to the investigation of such problem; (iv) promptly commence remediation of the problem in accordance with a plan approved by City and all governmental agencies having jurisdiction and diligently prosecute the approved plan to completion; and (v) provide City with copies of all records, including hazardous waste manifests indicating that the generator is not the City of Long
Beach or any subdivision thereof. The obligations set forth in
subparagraphs (iv) and (v) above shall not apply to Assignee if such
incident is caused solely by City, a temporary assignee or other third
party not connected with Assignee’s business at the Premises.

4.7.3 Liability for Noncompliance. Assignee shall be
liable for all costs, expenses, losses, damages, actions, claims,
cleanup costs, penalties, assessments or fines arising from
Assignee’s failure to comply with the Environmental Standards
(“Environmental Losses”) including a failure to comply with any
reporting requirements. Assignee shall not be liable for any losses
caused solely by City, a temporary assignee or other third party not
connected with Assignee’s business at the Premises.

4.7.4 Environmental Audits. City shall have the right to
conduct, at its cost, periodic audits of Assignee’s compliance with the
Environmental Standards and management of hazardous materials,
substances and wastes at the Premises. City shall provide Assignee
with copies of any written reports or results of such audits promptly
upon completion of such documents. In the event City’s audit
discloses any noncompliance by Assignee, or any third party
connected with Assignee’s business at the Premises, with the
Environmental Standards, Assignee shall reimburse the City for City’s
cost in performing the audit.

4.7.5 Maintenance Areas. Assignee shall not conduct
or permit any maintenance of mobile or portable equipment on the
Premises except in full compliance with best management practices
as defined in the applicable regulations.”

5. Paragraph 6.2.1 shall be added to the Lease as follows:

“6.2.1 The Base Rent shall be adjusted annually on each
November 14 during the term ("adjustment date") beginning November 14, 2020 without further action of the parties. Said adjustment shall be made by comparing the Consumer Price Index for All Urban Consumers (base year 1982-84=100) for Los Angeles-Long Beach-Anaheim (formerly Los Angeles-Riverside-Orange County), California, published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), which is published for the date three months prior to the adjustment date ("Current Index"), with the Index published nearest November 14, 2019 ("Beginning Index"). If the Current Index has increased over the Beginning Index, the Base Rent for the then-current lease year shall be set by multiplying the Base Rent of $4,865,000 by a fraction, the numerator of which is the Current Index and the denominator of which is the Beginning Index; provided, in no event shall the Base Rent be less than the Base Rent in effect immediately preceding the adjustment date. The term "lease year" shall mean the twelve (12) consecutive calendar month period commencing on the adjustment date. If the Index is discontinued or revised during the term, such other government index or computation shall be used in order to obtain substantially the same result as if the Index had not been discontinued or revised."

6. Paragraph 7 of the Agreement is hereby deleted in its entirety and revised to read as follows:

"7. Lessee shall keep full and accurate books, records and accounts relating to its operations on the Premises, including, without limitation, the volume of cargo handled and vessel occupancy of the facilities leased to Lessee. City shall have the right and privilege, through its representatives at all reasonable times and on reasonable notice, to inspect such books, records and accounts in order to verify the accuracy of the sums due, owing and paid to City hereunder. Lessee agrees that such books, records and accounts shall be made available to City at Lessee's office in the"
City of Long Beach. City shall protect, to the extent permitted by law, the confidentiality of any such books, records and/or accounts so inspected. As soon as reasonably available, but no later than ninety (90) days after the close of each year during the term hereof, Lessee shall prepare and deliver or cause to be prepared and delivered to City a complete set of annual financial statements prepared in accordance with generally accepted accounting principles, including a consolidated balance sheet, a statement of operations showing profit and loss, and a statement of cash flows. All financial statements shall be certified by an independent certified public accountant."

7. Paragraph 8 of the Agreement is hereby deleted in its entirety and revised to read as follows:

"8. Rent and Insurance Renegotiation. As required by the provisions of Long Beach City Charter Section 1207(d), the parties agree to renegotiate the rent provisions set forth in paragraph 6 and the insurance coverages and limits set forth in paragraph 17 for each five-year segment of the term. The parties shall commence negotiations at least three hundred sixty-five (365) days prior to the beginning of each five-year segment. The adjusted rent (whether negotiated pursuant to subparagraph 8.1 or determined by arbitration pursuant to subparagraph 8.2) shall be effective as of the beginning of the applicable five year segment of the term regardless of when determined. If the adjusted rent is not determined prior to the commencement of a five year segment, Assignee shall continue to pay rent in accordance with rent provisions in force during the preceding five year segment. Upon determination of the adjusted rent, Assignee shall promptly pay any difference due City in the event of an increase.

8.1 Adjustment Factors. In any negotiation or arbitration to establish the rent in subsequent five-year segments of
the term, the parties or arbitrators shall take into consideration the character of the Premises, the location, the rental rates of similar premises and facilities within the Harbor District of the City of Long Beach devoted to similar use, all capital improvement costs and maintenance expenses incurred by the City, infrastructure costs and services incurred by the City, the return on investment to City, and any other facts and data necessary for the proper determination of such rent provisions.

8.2 Rent Arbitration. If the parties cannot reach agreement with respect to the rent for subsequent five-year segments of the term two hundred forty (240) days prior to the beginning of the next segment, the matter may at any time thereafter at the discretion of either party be submitted to binding arbitration. Each party, at its cost, shall appoint a real estate appraiser licensed by the State of California. This appraiser must comply with the "Competency Rule" as defined by the most recent edition of the Uniform Standards of Professional Appraisal Practice ("USPAP"), published by The Appraisal Foundation. If a party does not appoint an appraiser within thirty (30) business days after the other party has given notice of the name of its appraiser, the single appraiser appointed shall be the sole appraiser and shall determine the rent within ninety (90) days after his or her appointment, which rent shall in no event be less than the highest rent in the previous five-year segment. If two (2) appraisers are appointed, each within ninety (90) days after the selection of the second appraiser shall state his or her opinion as provided in subparagraph 8.2.2 as to the compensation payable by Assignee to the City.

8.2.1 Comparable Facilities. In forming an
opinion of the rent payable by Assignee, the appraiser or appraisers shall consider only comparable marine terminals within the Harbor District of the City of Long Beach and the provisions of those marine terminal agreements for such comparable premises and facilities and the factors set forth in subparagraph 8.1.

8.2.2 Appraisal Reports. On or before the expiration of the ninety (90) day period, the appraiser or appraisers shall prepare and furnish the party who appointed the appraiser with a report setting forth the rent payable by Assignee with supporting data and his or her reasons supporting the conclusions. Such reports shall comply with all standards and requirements set forth in the most recent edition of the USPAP. The parties shall promptly exchange reports and shall have thirty (30) business days after the exchange of the reports to further negotiate the rent payable by Assignee, which rent shall in no event be less than the highest rent in the previous five-year segment.

8.2.3 Third Appraiser. If the parties cannot agree as to the rent payable by Assignee, City and Assignee shall promptly notify their designated appraiser of that fact and the two appraisers shall promptly select a third appraiser meeting the qualifications stated in subparagraph 8.2. As part of such selection, the two appraisers shall jointly prepare the engagement letter to the third appraiser. If they are unable to agree on the third appraiser, either of the parties, by giving ten (10) business days' notice to the other party may apply to the Presiding Judge or Assistant Presiding Judge of the Superior
Court of the County of Los Angeles, or the Presiding Judge of the South District of said Court, who shall select and appoint the third appraiser who meets the qualifications stated in subparagraph 8.2. Each of the parties shall bear one-half of the cost of appointing the third appraiser and of paying the third appraiser's fee. Notwithstanding this equal sharing of cost, City shall contract with the third appraiser to provide for the fee and insurance requirements. The contract shall provide that the third appraiser shall look to one party for half of the fee and to the other party for the remaining half of the fee. The third appraiser shall (i) promptly meet and confer with the two appraisers appointed by the parties; (ii) review the reports of the two appraisers and the supporting data and reasons supporting the respective conclusions; (iii) determine the rent payable by Assignee; and (iv) notify the parties of his or her determination within thirty (30) business days after his or her appointment; provided, however, that said determination shall not result in Assignee paying rent for use of the Premises in an amount a) less than the highest rent in the previous five-year segment, nor b) lower than the determinations of the first two appraisers appointed by the parties. The third appraiser's review and subsequent report shall comply with the standards and requirements set forth in the most recent edition of the USPAP.

8.3 Memorandum. After the rent has been determined (whether by negotiation or arbitration), the parties shall promptly execute a memorandum setting forth the adjusted rent. If either party fails or refuses to execute the memorandum within ten
(10) days after the rent has been determined and the memorandum prepared, the other party shall execute the memorandum on behalf of the party refusing as that party's special attorney-in-fact. The memorandum shall be effective immediately and retroactive to the first day of the applicable five-year segment."

8. Paragraph 12.1 is hereby added to the Lease as follows:

"12.1 Lessee shall comply with all applicable environmental laws related to Lessee's use or occupancy of the Premises including but not limited to any laws regulating the use, storage, generation or disposal of hazardous materials ("Environmental Laws"). In addition, with respect to the Premises, Lessee agrees to comply with the environmental covenants set forth in the attached Exhibit F, incorporated herein by this reference ("Environmental Covenants"). Lessee shall monitor its compliance with the Environmental Laws and the Environmental Covenants, and immediately halt, report and correct any incident of noncompliance."

9. Paragraph 17 is deleted in its entirety and replaced with the following:

"17. Insurance: As a condition precedent to the effectiveness of the contract, SA Recycling shall comply with the insurance requirements attached hereto as Exhibit D."

The existing Exhibit D to the Lease is hereby deleted and replaced by the attached Exhibit D, incorporated herein.

10. Without limiting the rights of the parties and the requirements of Paragraph 11 of the Lease, which shall remain in full force and effect, the parties have discussed certain repair and maintenance issues, and have agreed to the following:

a. City's Harbor Department Maintenance Division shall repair and/or remove navigational hazards at the Premises, and address current safety issues, currently estimated to cost $7,500. Immediately upon completion of the same, SA will pay City the sum representing fifty percent of the actual cost of the
work.

b. City’s Harbor Department Maintenance Division shall replace two wharf safety ladders at the Premises currently estimated to cost $8,300. Immediately upon completion of the same, SA will pay City the full sum of the actual cost of the work.

c. Prior to expiration or termination of the Lease, SA shall remedy all deficiencies related to the fender frame and fenders as described in the SA Recycling Fender Inspection Report dated October 4, 2018, which was delivered to SA Recycling, and by signing below SA Recycling acknowledges receipt.

d. Prior to expiration or termination of the Lease, SA shall remedy (i) all additional wharf deficiencies as described in the Preventative Maintenance Inspection Report dated May 31, 2018, which was delivered to SA Recycling, and by signing below SA Recycling acknowledges receipt, and (ii) any and all deficiencies identified by City in future inspection reports during the term of this Lease.

e. SA shall not accept any barges at the Premises unless and until the fender frame and fender piles have been replaced and/or repaired to the City’s satisfaction upon inspection.

f. SA shall provide City at least thirty (30) days advance notice of underwater clean-up activities.
11. Except as specifically provided in this Eighth Amendment, all terms and conditions of the Lease shall remain unchanged and in full force and effect.

SA RECYCLING LLC, a Delaware limited liability company

By: 
Name: ________________
Title: Executive Vice President

SA RECYCLING

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

By: ______________________
Name: Sandy Brooks
Title: VP Finance/Asst. Treasurer

The foregoing document is hereby approved as to form.

CHARLES PARKIN, City Attorney

By: ______________________
Name: ________________
Title: David R. Albers, Deputy

December 28th, 2018

December 28th, 2018

December 28th, 2018

January 1, 2019
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On ____, 20__, before me, ________________________________

Here Insert Name and Title of the Officer

personally appeared ________________________________

Name(s) of Signer(s)

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ________________________________

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: ____________________________________________

Document Date: ___________________________ Number of Pages: ______

Signer(s) Other Than Named Above: ______________________________________

Capacity(ies) Claimed by Signer(s)

Signer’s Name:________________________________________________________

□ Corporate Officer – Title(s): ________________________________

□ Partner – □ Limited □ General

□ Individual □ Attorney in Fact

□ Trustee □ Guardian of Conservator

□ Other: ________________________________

Signer is Representing: ________________________________

□ Corporate Officer – Title(s): ________________________________

□ Partner – □ Limited □ General

□ Individual □ Attorney in Fact

□ Trustee □ Guardian of Conservator

□ Other: ________________________________

Signer is Representing: ________________________________

©2017 National Notary Association
11. Except as specifically provided in this Eighth Amendment, all terms and conditions of the Lease shall remain unchanged and in full force and effect.

SA RECYCLING LLC, a Delaware limited liability company

By: [Signature]
Name: Terry S. Adams
Title: Executive Vice President

December 28th, 2018

By: [Signature]
Name: Sandy V. Brooks
Title: VP Finance/Asst. Treasurer

SA RECYCLING

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

By: Mario Cordero
Name: Mario Cordero
Title: Executive Director
Long Beach Harbor Department

The foregoing document is hereby approved as to form.

CHARLES PARKIN, City Attorney

By: David R. Albers, Deputy

December 28th, 2018
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On Dec. 28, 2018 before me, Molly Robison

personally appeared Terry Adams, Sandy Prince

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: ____________________________

Document Date: ____________________________ Number of Pages: ______

Signer(s) Other Than Named Above: ____________________________

Capacity(ies) Claimed by Signer(s)

Signer’s Name: ____________________________

□ Corporate Officer – Title(s): ____________________________

□ Partner – □ Limited □ General

□ Individual □ Attorney in Fact

□ Trustee □ Guardian of Conservator

□ Other: ____________________________

Signer is Representing: ____________________________

□ Corporate Officer – Title(s): ____________________________

□ Partner – □ Limited □ General

□ Individual □ Attorney in Fact

□ Trustee □ Guardian of Conservator

□ Other: ____________________________

Signer is Representing: ____________________________

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The required insurance and the documents provided as evidence thereof shall be in the name of the Lessee. If policies are written with aggregate limits, the aggregate limit shall be at least twice the occurrence limits or as specified below. Insurance coverage that requires the City to tender a claim or suit to its own insurers or to make its own insurance available is not permitted.

**Commercial General Liability:**

Commercial General Liability insurance shall be provided on Insurance Services Office (ISO) CGL Form No. CO 00 01 or the equivalent, including provisions for defense of additional insureds and defense costs in addition to limits. Policy limits shall be no less than five million dollars ($5,000,000) per occurrence for all coverage provided and ten million dollars ($10,000,000) general aggregate. The policy shall not limit coverage for the additional insured to “ongoing operations” or in any way exclude coverage for completed operations. Coverage shall be included on behalf of the insured for claims arising out of the actions of independent contractors. The policy shall contain no provisions or endorsements limiting coverage for contractual liability or third party over action claims, and defense costs shall be excess of limits. If the Lessee utilizes contractors the policy must include work performed “by or on behalf” of the Lessee. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall not exclude contractual liability, restrict coverage to the sole liability of the Lessee or contain any other exclusion contrary to the Lease.

If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Lease with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Lease.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured using ISO Forms CG 20 36 (10 01) or its equivalent. Additional Insured endorsements shall not: 1) be limited to on-going operations, 2) exclude contractual liability, 3) restrict coverage to the sole liability of the Lessee or, or 4) contain any other exclusion contrary to the Lease.

Cancellation: The policy shall not be cancelled or the coverage reduced by endorsement until a thirty (30) day advance written notice of cancellation has been served upon the Executive Director of the Harbor, except ten (10) days advance notice shall be allowed for non-payment of premium.
Business Automobile Insurance:

Automobile Liability Insurance shall be written on ISO Business Auto Coverage Form CA 00 01 or the equivalent, including symbol (1) (any Auto). Limit shall be no less than one million dollars ($1,000,000) combined single limit per accident. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. If Lessee does not own any vehicles, this requirement may be satisfied by a non-owned vehicle endorsement to the general and umbrella liability policies provided that a separate policy limit is provided for this coverage as required by this Lease.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. Additional Insured endorsements shall not: 1) be limited to on-going operations, 2) exclude contractual liability, 3) restrict coverage to the sole liability of the Lessee or, or 4) contain any other exclusion contrary to the Lease.

Cancellation: The policy shall not be cancelled or the coverage reduced by endorsement until a thirty (30) day advance written notice of cancellation has been served upon the Executive Director of the Harbor, except ten (10) days advance notice shall be allowed for non-payment of premium.

Pollution Legal Liability Insurance:

Environmental Impairment Liability insurance shall be provided on an environmental impairment liability policy form or other policy form acceptable to City providing coverage for liability caused by pollution conditions arising out of the operations of Permittee. Coverage shall apply to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically injured; cleanup costs; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. The policy limit shall be no less than one million dollars ($1,000,000) per claim and one million dollars ($1,000,000) general aggregate. All activities contemplated in the Permit shall be specifically scheduled on the policy as “covered operations.” Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using Subcontractors the policy must include work performed “by or on behalf” of the insured. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City.

If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Permit with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Permit.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. The policy limits provided shall be no less than one million dollars ($1,000,000) combined single limit per accident. The policy limits shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Permit with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Permit.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. The policy limits provided shall be no less than one million dollars ($1,000,000) combined single limit per accident. The policy limits shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Permit with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Permit.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. The policy limits provided shall be no less than one million dollars ($1,000,000) combined single limit per accident. The policy limits shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Permit with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Permit.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. The policy limits provided shall be no less than one million dollars ($1,000,000) combined single limit per accident. The policy limits shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Permit with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Permit.
EXHIBIT D

claims arising from the operations and activities performed by or on behalf of the Named Insured. Additional Insured endorsements shall not: 1) be limited to “on-going operations”, 2) exclude “Contractual Liability”, 3) restrict coverage to the sole liability of the Permitee, or 4) contain any other exclusion contrary to the Contract.

Cancellation: The policy shall not be cancelled or the coverage reduced by endorsement until a thirty (30) day advance written notice of cancellation has been served upon the Executive Director of the Harbor, except ten (10) days advance notice shall be allowed for non-payment of premium.

Watercraft Liability:

To include Protection & Indemnity with minimum limits of five million dollars ($5,000,000) each occurrence, and Water Pollution Liability.

Water Pollution Liability shall include coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs with minimum limits of five million dollars ($5,000,000) each loss and five million dollars ($5,000,000) in the aggregate. Coverage shall apply on a Primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City.

If this coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the Contract with the Port and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Contract.

The policy of insurance required above shall be endorsed as follows:

Additional Insured: The City of Long Beach, its Board of Harbor Commissioners, employees and agents shall be added as additional insured with regard to liability and defense of suits or claims arising from the operations and activities performed by or on behalf of the Named Insured. Additional Insured endorsements shall not: 1) be limited to “on-going operations”, 2) exclude “Contractual Liability”, 3) restrict coverage to the sole liability of the contractor, or 4) contain any other exclusion contrary to the Contract.

Cancellation: The policy shall not be cancelled or the coverage reduced by endorsement until a thirty (30) day written notice of cancellation has been served upon the Executive Director of the Harbor, except ten (10) days shall be allowed for non-payment of premium.

Workers’ Compensation:

Workers’ Compensation Insurance, as required by the State of California, and Employer’s Liability Insurance with a limit of not less than one million dollars ($1,000,000) per accident for bodily injury and disease, plus coverage under the U.S. Longshore and Harbor Workers’ Act (USL&H) for employees performing services covered by said Act.

The policy of insurance required above shall be endorsed, as follows:

(HD-5095 Lease SA Recycling 032318rb)
Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its Board of Harbor Commissioners, employees and agents.

Cancellation: The policy shall not be cancelled or the coverage reduced by endorsement until a thirty (30) day advance written notice of cancellation has been served upon the Executive Director of the Harbor, except ten (10) days advance notice shall be allowed for non-payment of premium.

Deductible/Self-Insured Retention

Any deductible or self-insured retention must be approved in writing by the Executive Director and shall protect the City, its Board of Harbor Commissioners, agents and employees in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention. Any deductible or self-insured retention must be approved in writing in accordance with City insurance guidelines.

Evidence of Insurance

The Lessee, concurrently with the execution of the Lease, and as a condition precedent to the effectiveness thereof, shall deliver either endorsements on forms approved by the City of Long Beach acting by and through the Board of Harbor Commissioners ("Evidence of Insurance") or certified copies of the required policies containing the terms and conditions required by this Lease to the Executive Director of the Harbor for approval as to sufficiency and to the City Attorney for approval as to form. In the event that endorsements on forms approved by the City of Long Beach are provided by the Lessee, the Port reserves the right to require complete certified copies of policies.

At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance has been renewed or extended shall be filed with the Executive Director. If such coverage is cancelled or reduced, Lessee shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the Executive Director evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

Failure to Maintain Coverage

Lessee agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been approved by the City.

Acceptability of Insurers

Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A-:VII, and authorized to do business in the State of California or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing in accordance with the City insurance guidelines.
Contractual Liability

The coverage provided shall apply to the obligations assumed by the Lessee under the indemnity provisions of this Lease but this insurance provision in no way limits the indemnity provisions and the indemnity provisions in no way limits this insurance provision.
EXHIBIT F

SA Recycling, LLC ("Lessee")
Lease Requirements/Environmental Covenants

1. Stormwater Pollution Prevention Program
Lessee shall comply with all applicable stormwater regulations. As part of compliance, Lessee is responsible for preparing and maintaining a facility specific stormwater pollution prevention plan ("SWPPP") and implementing best management practices ("BMPs") where appropriate.

2. Maintenance Areas
Lessee shall not conduct or permit any maintenance of mobile or portable equipment on the Premises except in full compliance with all applicable laws, rules, regulations, permits and plans.

3. Hazardous Substances, Materials or Wastes
Prior to the termination of the Lease, Lessee, at its cost, shall have the Premises inspected by qualified environmental professionals for any evidence of hazardous substances, materials or wastes relating to or arising out of Lessee's operations, use, and/or occupancy. If any such evidence is found, Lessee, at its cost, shall, at the request of the Executive Director or his designee, (i) initiate chemical and/or physical analyses of the suspected contaminated material; (ii) promptly submit all laboratory or other test results upon receipt thereof to the Executive Director; (iii) develop and submit for approval by the Executive Director or his designee a remediation plan providing for the disposal and/or treatment of the contaminated material; (iv) treat and dispose of or remove such material in accordance with regulations and orders of governmental agencies having jurisdiction; (v) if material is removed, replace all such contaminated material with clean fill material that is structurally suitable and cause the fill material to be compacted; and (vi) promptly submit copies of all waste manifests to the Executive Director.

4. Vessel Low Sulfur Fuel
Per applicable regulations issued by the California Air Resources Board (CARB) and the International Maritime Organization, including but not limited to ocean-going vessel fuel regulations, Lessee shall ensure that all ships calling at the Premises use marine distillate fuel with a maximum sulfur content of 0.1% by weight in the ship's auxiliary power generator motors, auxiliary boilers, and main engines within applicable areas.

5. Vessel Emission Reductions
Lessee shall ensure that all vessels calling at the Premises shall comply with the Vessel Speed Reduction Program (VSRP). The vessel speed shall not exceed 12 knots within 40 nautical miles of Point Fermin (located in San Pedro, California). This requirement may be waived, in particular
instances, where reducing speed to 12 knots on a particular vessel would violate vessel safety requirements, provided that Lessee notifies the City of a specific circumstance requiring the waiver immediately upon failure to comply with this requirement. For purposes of this requirement, vessel safety requirements shall include, without limitation, situations where non-compliance is necessary to preserve crew health or safety. Only third party vessels calling at the Premises will be eligible for any VSRP related monetary incentives sponsored by, or established by, the City that are in effect under Tariff No. 4 on the Commencement Date of this amendment.

6. **Vessel IMO Compliance**
Per regulation, the Lessee will require ships calling at the Premises that were constructed on or after January 1, 2000, to meet at a minimum the requirements contained in MARPOL 73/78-Annex VI, Regulation 13, Paragraph (3). The Lessee will require ships calling at the Premises that were constructed on or after January 1, 2011, to meet the Tier 2 requirements identified in the revised MARPOL 73/78 - Annex VI. The Lessee will require ships calling at the Premises that were constructed on or after January 1, 2016, to meet the Tier 3 requirements identified in the revised MARPOL 73/78 -Annex VI within 40nm of Point Fermin (located in San Pedro, California). The term "ships constructed" is also taken from MARPOL 73/78 - Annex VI and is defined to mean "ships the keels of which are laid or which are at a similar stage of construction".

7. **Reporting:**
Consistent with the format provided by the City, Lessee shall submit a semi-annual report to the Director of Environmental Planning, on or before January 10 and July 10 of each year, demonstrating compliance with all vessels requirements. This report shall also include vessel information including fuel type used, hours at berth, and vessel/barge characteristics (e.g., engine model, engine horsepower, etc.). Refer to Exhibit F-2.

Consistent with the format provided by the City, Lessee shall submit a semi-annual report to the Director of Environmental Planning, on or before January 10 and July 10 of each year, demonstrating compliance with off-road and material handling equipment requirements. This report shall include an inventory of all equipment activity, including fuel type used, hours of operation, and equipment characteristics (e.g., engine model, engine horsepower, etc.). Refer to Exhibit F-3.

8. **Self-Propelled Off-road Equipment:**
Any diesel-powered, self-propelled, off-road terminal equipment purchased or acquired for use on the Premises after the commencement date of this amendment, including repowered or retrofitted equipment shall comply with the Environmental Protection Agency's (EPA) Tier 4 Final standards set forth in (1) "Control of Emissions of Air Pollution from Non-
EXHIBIT F

Road Diesel Engines and Fuel," dated June 29, 2004 (the "Off-Road Standards") or (2) "Control of Air Pollution From New Motor Vehicles: Heavy Duty Engine and Vehicle Standards and Highway Diesel Fuel Sulfur Control Requirements" dated January 18, 2001.

9. LEED Requirements:
No buildings on the Premises have been constructed to Leadership in Energy and Environmental Design ("LEED") standards and certified by the United States Green Building Council. If any LEED buildings are constructed on the Premises, Lessee shall maintain all LEED buildings in a manner consistent with preservation of LEED certification. If Lessee constructs or remodels any building in excess of 7,500 square feet, in addition to requirements set forth elsewhere in this Agreement, Lessee shall comply with the City of Long Beach Green Building Policy (Ordinance No. ORD-09-0013) or the successor policy then in effect.

10. Efficiency Improvements and Emission Reductions
The Lessee shall minimize the release of greenhouse gas (GHG) emissions through measures that reduce or avoid electricity consumption on the Premises. Measures to reduce GHG emissions from electricity generation shall include, but are not limited to: the installation of low-energy demand lighting (e.g., fluorescent or light-emitting diode ["LED"]) in office buildings, other facility buildings, and exterior lighting, except where compatible energy efficient lighting is not available or its installation could compromise safety. Within six months of the commencement date of this amendment, the Lessee shall submit to the City a proposed plan and schedule for implementing this measure. Installation of low-energy demand lighting shall be completed within two years from the commencement date of the amendment. Once the installations and replacement have been completed, the Lessee shall prepare a report and submit it to the City which details the number of existing lights replaced and the number of new low-energy demand lighting fixtures installed. The report shall include a quantitative assessment of the amount of GHG emissions reduced from the measures.

11. Indirect GHG Emission Mitigation
Lessee's electricity use produces "indirect" greenhouse gas (GHG) emissions at the point of power generation. The Lessee shall be required to purchase green commodities, such as those available from third-party brokers of verified/certified carbon offsets or renewable energy credits, to offset GHG emissions associated with the annual electricity consumption at the Premises subject to the limitation specified below. Lessee shall be required to seek California-generated credits first such as those available from the Greenhouse Gas Reduction Exchange (GHG Rx) administered by the California Air Pollution Control Officers Association. If no suitable credits exist on that site, Lessee may purchase credits from other brokers,
such as the California Climate Action Registry’s Climate Action Reserve. This measure applies to electricity consumed at the terminal that was generated off-site.

The Premises-related GHG emissions from off-site electricity consumption will be calculated each year based on the local utility’s carbon dioxide-equivalent (CO2e) factor for that year, as recognized by the State of California. The City will provide, on an annual basis, a CO2e calculator with the adjusted CO2e factor for the previous year upon availability from the local utility, but no more than one year after December 31 of the previous year. The calculator will contain instructions for use and possible sources for purchase of the carbon offsets. Once the calculator is received, the Lessee will have 6 months to purchase the carbon offsets or renewable energy credits and report the purchase to the City as instructed in the CO2e calculator. The City is limiting the potential cost of this measure. The maximum expenditure for purchased offsets required under this measure shall not exceed 15 percent of the Lessee’s off-site electricity costs for the Premises (not including taxes, fees, or other bill adjustments for any given year).

12. Emission Reduction Controls/Clean Technology Demonstrations
Lessee shall provide cooperation and assistance to City in testing at-berth emission control technologies for vessels that call at the Premises. Such assistance shall include Lessee, in response to requests by City from time to time, making available at no cost to City a vessel for a demonstration of the technology’s emission reduction capability. Lessee’s duty to make available a vessel is limited to three vessels.

13. Terminal Equipment Idling Reduction
Lessee shall prepare a plan to reduce or eliminate unnecessary idling of equipment. This plan shall include specific strategies and implementation actions to reduce idling. The first plan should be submitted to the City within six months of the effective date of this amendment with implementation immediately following submittal to the City. Lessee shall provide annual updates on compliance.

14. Cleanup of Submerged Land
Prior to the termination of the Lease, Lessee, at its cost, shall ensure the Premises is clear of rubbish and debris, including clearing the submerged land underlying the water berthing area at the Premises of debris from the wharf and from vessels, and cargo loading and unloading operations of vessels berth at the Premises in connection with Lessee’s operations.

4/11/2018
| Vessel Type | Company | Vessel Name | Free Roll | Bollard | Sign Date | Vessel Length | Vessel Width | Vessel Height | Vessel Draft | Builder | Location | Berth | Vessel Speed | Reduction Compliance (yes or no) | Main Engine Fuel Use | Sulfur Content | Auxiliary Engine Fuel Use | Sulfur Content | Auxiliary Boiler Fuel Use | Sulfur Content | Number of Auxiliary Engines | Auxiliary Engine Make (Sulzer, MAN B&W) | Auxiliary Engine Model | Auxiliary Engine Power | Units (kW or hp) | Auxiliary Engine Load at sea (%) | Number of auxiliary engines on at sea | Auxiliary Engine Load at berth (%) | Main Engine Make (Sulzer, MAN B&W) | Main Engine Model | Main Engine Power | Boiler fuel use @ sea (MT/day) | Exhibit B-3 |
| Equipment Type/Identification | Equipment ID | Equipment Vin | Equipment Manufacturer/Make | Equipment Model | Equipment Model Year | Engine Make | Engine Model | Engine Year | Engine Fuel Use | Engine Rated Power (kilowatts) | Engine Rated Power (horsepower) | Annual Hours of Operation | Engine Emission Control Devices Installed? | If yes, indicate type of device and name of product, date | Fuel Type (diesel, LNG, emulsified fuel, ULSD) | Annual Fuel Consumed (gallons) | DOC Installed (y or n) | DOC Manufacturer and Model | Date DOC Installed |
|-------------------------------|--------------|---------------|-------------------------------|----------------|----------------------|-------------|-------------|-------------|----------------|-------------------------------|--------------------------------|--------------------------|-----------------------------------------------|-----------------------------------------------|--------------------------|---------------------|----------------------|----------------------|
|                               |              |               |                               |                |                      |             |             |             |                |                               |                                |                         |                                  |                                |                         |                     |                      |                     |