

## PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "Agreement") is made and entered into as of the Effective Date (as hereinafter defined) by and between Texaco Downstream Properties Inc., a Delaware corporation, successor-in-interest to Texaco Refining and Marketing Inc., with offices at 6001 Bollinger Canyon Road, San Ramon, California ("Seller") and City of Saint Paul, Minnesota ("Buyer").

### WITNESSETH:

In consideration of the mutual covenants set forth herein, the parties hereto hereby agree as follows:

1. **Sale and Purchase.**

Seller hereby agrees to sell, convey, and assign to Buyer, and Buyer hereby agrees to purchase and accept from Seller, for the Purchase Price (as hereinafter defined), on and subject to the terms and conditions set forth in this Agreement, the premises located in St. Paul, Minnesota and described in Exhibit "A" hereto together with all easements and appurtenances thereto and together with any and all improvements and buildings thereon (the "Property"). The Property does not include any ground water monitoring wells or other environmental equipment now located on the Property or hereinafter installed on the Property by Seller in accordance with the provisions of this Agreement. All of the Property shall be sold, conveyed and assigned to Buyer at the Closing (as hereinafter defined) free and clear of all liens, easements, covenants, rights-of-way, reservations, restrictions, tenancies, mineral interests and any other encumbrances of whatsoever nature (herein collectively called the "Encumbrances") except the Encumbrances appearing in the Title Commitment (as hereinafter defined) and/or the Survey (as hereinafter defined) and/or as described in this Agreement that either are not objected to, or, if objected to, are not cured and that are subsequently waived pursuant to Section 3 hereof (the "Permitted Encumbrances").

2. **Purchase Price and Earnest Money and Independent Consideration.**

a. The purchase price (the "Purchase Price") to be paid by Buyer to Seller for the Property is Forty-Six Thousand and No/100 Dollars (\$46,000.00). The Purchase Price shall be payable in cash or other funds acceptable to Seller at the Closing.

b. On or before Buyer's Deadline (as hereinafter defined), Buyer shall deliver to Seller (1) the original of this Agreement, properly executed by Buyer together with (2) a certified or cashier's check payable to the order of the Title Company (as hereinafter defined) or other means of funding satisfactory to Seller in the amount of Four-Thousand Six-Hundred and No/100 Dollars (\$4,600.00) (the "Earnest Money") and (3) a certified or cashier's check payable to the order of Seller in the amount of the Independent Consideration (as hereinafter defined). On or before Seller's Deadline (as hereinafter defined), Seller shall deliver a copy of this Agreement to the Title Company, properly executed by Buyer and Seller, together with the Earnest Money it received from Buyer, which Earnest Money shall be held in escrow and delivered by the Title Company to the party entitled to the Earnest Money in accordance with the terms of this Agreement. On or before Seller's Deadline, Seller shall also deliver to Buyer, a copy of this Agreement, fully executed by Buyer and Seller. The Earnest Money shall be invested by the Title Company in an interest bearing account or obligations reasonably satisfactory to Buyer (hereafter, all references in this Agreement to Earnest Money shall

include the amount deposited by Buyer with the Title Company pursuant to this Subsection 2b., together with all interest accrued thereon.)

c. Contemporaneously with the execution hereof, Buyer has delivered or shall deliver to Seller the sum of ONE HUNDRED DOLLARS (\$100) (the "Independent Consideration") in addition to and independent of any other consideration provided hereunder. The Independent Consideration is non-refundable and shall be retained by Seller under all circumstances. By execution of this Agreement, Seller acknowledges the receipt of the Independent Consideration to solely support this Agreement, the conditions to performance, if any, set forth in this Agreement, and the remedies under Section 17 hereof.

3. **Title Commitment and Survey.**

a. Within fifteen (15) days after the Effective Date (as hereinafter defined), Seller, at Seller's expense, shall deliver or cause to be delivered to Buyer (i) an Owner's Commitment for Title Insurance (the "Title Commitment") from Stewart Title Company, 1980 Post Oak Blvd., Suite 500, Houston, Texas 77056, Attn: Pat Rodrick, 713-625-8155 (the "Title Company"), which Title Commitment shall set forth the status of title to the Property and shall show all Encumbrances and other matters affecting the Property; and (ii) a true and legible copy of all recorded documents referred to in the Title Commitment.

b. Within fifteen (15) days after the Effective Date, Buyer, at Buyer's expense, shall obtain a land title survey (the "Survey") performed by a licensed surveyor acceptable to Seller. The description of the Property prepared as a part of any such Survey will be used in all of the documents set forth herein that require a description of the Property. Instead of obtaining its own survey pursuant hereto, Buyer may elect to use the URS survey attached hereto as Exhibit "D" for the purposes set forth herein.

c. If the Title Commitment or the Survey fails to show indefeasible fee simple title to the Property to be in Seller, free and clear of all Encumbrances, then Buyer shall give Seller written notice thereof, within ten (10) days after receipt of the Title Commitment and all attendant documents thereto, specifying Buyer's objections (the "Objections"), if any. If Buyer gives such notice of Objections to Seller, Seller may, but is not obligated to, cure the Objections.

d. If Buyer gives such notice of Objections to Seller and Seller either does not cure the Objections and cause the Title Commitment and/or the Survey to be amended to give effect to matters that are cured or are to be cured within the ten (10) day period following receipt of the notice of Objections from Buyer or does not within the same ten (10) day period give notice to Buyer that the Objections will be cured on or before the Closing, Buyer shall have the right to either (i) terminate this Agreement by giving notice thereof to Seller and Title Company at any time within five (5) days after the end of such ten (10) day period, the Earnest Money shall be returned to Buyer, and neither party hereto shall have any further rights or obligations hereunder; or (ii) waive the Objections and consummate the purchase of the Property (without any reduction in the Purchase Price) subject to the Objections which shall be deemed to be Permitted Encumbrances. If Buyer does not give notice of termination to Seller within the five (5) day period, Buyer shall be deemed to have waived the Objections.

4. **Closing.**

- a. The closing (the "Closing") of the sale of the Property by Seller to Buyer shall occur on the fifth (5<sup>th</sup>) day after the expiration of the hereinafter defined Review Period (the "Closing Date"). Time is of the essence with regard to the Closing Date. Unless otherwise agreed to by Buyer and Seller, the Closing shall occur in the offices of the Title Company.
- b. At the Closing, the following shall occur, all of which shall be deemed concurrent conditions:
- (1) Seller, at Seller's expense, shall deliver or cause to be delivered to Buyer, the following:
    - (i) A Special Warranty Deed (the "Deed") prepared by Seller in the form of Exhibit "A" attached hereto, fully executed and acknowledged by Seller, conveying to Buyer indefeasible fee simple title to the Property subject to the Permitted Encumbrances;
    - (ii) The License Agreement (as hereinafter defined), fully executed and acknowledged by Seller; and
    - (iii) Evidence reasonably satisfactory to Buyer and the Title Company that the person executing the closing documents on behalf of Seller has full right, power and authority to do so.
  - (2) Buyer shall deliver or cause to be delivered to Seller the following:
    - (i) A certified or cashier's check or such other means of funding acceptable to Seller, payable to the order of Seller, in an amount equal to the Purchase Price less the Earnest Money.
    - (ii) An assignment to receive payment in the form of Assignment to Receive Payment attached hereto as Exhibit "B", fully executed and acknowledged by Buyer assigning to Seller any rights of Buyer to receive funds under the Minnesota Environmental Protection Agency's (the "MEPA") rules and regulations;
    - (iii) The License Agreement, fully executed and acknowledged by Seller;
    - (iv) Evidence reasonably satisfactory to Seller and the Title Company that the person executing the closing documents on behalf of Buyer has full right, power, and authority to do so.
- c. The Earnest Money shall be applied toward the Purchase Price.
- d. Seller and Buyer shall each pay their respective attorneys' fees and one-half (1/2) of the escrow and recording fees.
- e. All normal and customarily proratable items, including, without limitation, real estate and personal property taxes, standby fees, special assessments, utility bills, and other charges relating to the Property shall be prorated as of the date of the Closing, Buyer being charged and credited for all of the same on and after such date. If the actual amounts to be prorated are not known as of the Closing, the prorations shall be made on the basis of the best evidence then available.

f. Upon completion of the Closing, Seller shall deliver to Buyer possession of the Property free and clear of, except for Permitted Encumbrances, all tenancies of every kind and parties in possession.

5. **Environmental Review.**

a. As used herein, "Covered Contamination" means environmental contamination in excess of federal, state or local action levels that must be remediated or monitored or for which any other action is required pursuant to applicable federal, state or local laws and regulations in effect and as enforced on the Closing Date and which either (i) is located on the Property on the Closing Date or (ii) is now or hereafter located off the Property but which, in either case, originated from Seller's operations on the Property prior to the Closing Date.

b. Seller shall undertake or has undertaken or caused to be performed, at Seller's expense, one or more environmental assessments and reviews of the Property to determine the presence of Covered Contamination. Other environmental assessments, reviews and studies may have been performed concerning the Property and may be available from governmental agencies or are in the public domain. Seller shall give Buyer a copy of the report or reports of the assessments and reviews of the Property undertaken by Seller or its consultants ("Environmental Reports") within 30 days after entering into this Agreement or, if an environmental assessment and review has not yet been performed, within 30 days after Environmental Reports have been received by Seller. Buyer may, at Buyer's expense, conduct Buyer's own environmental review of the Property, and Seller shall grant to Buyer a license to enter the Property for such purpose. Buyer shall indemnify, defend and hold harmless Seller and Seller's affiliates and its and their directors, employees and agents from and against any claims or damages arising from such entry and performance of such environmental review, including claims or damages connected to indemnitees and indemnitees' property and person and reasonable attorney fees and expenses. **IF "BUYER" CONDUCTS "BUYER'S" OWN ENVIRONMENTAL REVIEW OF THE "PROPERTY," THE PERSON OR ENTITY CONDUCTING SUCH TESTS ON BEHALF OF "BUYER" SHALL BE A CERTIFIED ENVIRONMENTAL ENGINEER OR CONSULTANT THAT IS REASONABLY ACCEPTABLE TO "SELLER," AND PRIOR TO ENTERING THE "PROPERTY" TO CONDUCT ANY SUCH TESTS, "BUYER" SHALL GIVE "SELLER" WRITTEN NOTICE OF ITS INTENTION TO CONDUCT ITS OWN ENVIRONMENTAL REVIEW OF THE "PROPERTY," PROVIDE "SELLER" WITH THE NAME AND CREDENTIALS OF ANY SUCH ENVIRONMENTAL ENGINEER OR CONSULTANT, OBTAIN "SELLER'S" APPROVAL OF SUCH ENGINEER OR CONSULTANT, AND COORDINATE ANY SUCH ENTRY ONTO THE "PROPERTY" FOR SUCH PURPOSES WITH "SELLER" SO THAT "SELLER" MAY HAVE A REPRESENTATIVE PRESENT AT ANY SUCH TESTING. THE DATE AND THE TIME OF ANY SUCH TESTING SHALL BE REASONABLY ACCEPTABLE TO "BUYER" AND "SELLER."** Buyer shall promptly deliver to Seller all data and information, including interpretative reports and conclusions, from any such environmental review undertaken by Buyer ("Buyer's Reports"). If Buyer's Reports indicate that Covered Contamination which is not identified in the Environmental Reports is present, then prior to the Closing Date, Seller shall have the right and option, at its discretion, to extend the Closing Date for 30 days for the purpose of reviewing Buyer's Reports and conducting such further environmental investigations of the Property as it deems necessary or appropriate. In the event Covered Contamination is present, Seller, in its sole discretion, shall elect

within fifteen (15) days after receiving notice thereof by Buyer either (i) to correct or make arrangements for the correction of such Covered Contamination as required by applicable statute, regulation or ordinance with completion of such corrective action being certified in a final report prepared by Seller's licensed consultant, or (ii) to terminate this Agreement by written notice to Buyer, in which event the Earnest Money together with any interest earned thereon shall be returned to Buyer. If Buyer closes the transaction contemplated by this Agreement, Buyer represents to Seller that Buyer has reviewed and is familiar with the contents of the Environmental Reports, and/or has had Buyer's environmental consultant review and explain the contents of the Environmental Reports, and agrees that the Environmental Reports fairly represent the condition of the Property on the Closing Date and that it is rebuttably presumed that the Environmental Reports represent the environmental condition of the Property on the Closing Date.

c. Seller, in accordance with the procedure set forth in Section 5(e) hereof, shall assume responsibility for and shall comply with any government directive to the extent such directive pertains to Covered Contamination. Seller shall indemnify, defend and hold harmless Buyer from and against all claims, expenses (including reasonable attorneys' fees incurred prior to acceptance by Seller of a tender pursuant of Section 5(e)), loss or liability arising from (i) any claims by third parties (other than subsequent owners or occupiers of the Property) to the extent based on Covered Contamination, or (ii) any cleanup costs and related expenses actually and reasonably incurred as a result of any cleanup of Covered Contamination, which may be directed subsequent to the Closing Date by federal, state or local governmental authorities. The indemnity set forth in this Section 5(c) shall also be deemed to run to any bank or other financial institution (and to any purchaser at a foreclosure sale of the Property instituted by such financial institution) to which Buyer may grant a purchase money security interest in the Property to secure a loan used by Buyer to pay all or part of the Purchase Price. Buyer or any bank or other financial institution holding a security interest in the Property, who may claim a right to be indemnified by Seller under this Agreement (or any purchaser at a foreclosure sale of the Property instituted by such financial institution), shall not be entitled to such indemnification as it relates to third party claims and suits unless, after receiving notice of any such third party claim or suit and within such period of time as shall allow Seller the benefit of any defense to the third party claim/suit or allow Seller the opportunity to respond in a timely fashion, such person shall provide Seller with written notice of the third party claim or suit and a demand that Seller honor its obligation under this Section 5(c).

d. Except as expressly provided in this Agreement, Seller shall not be liable to Buyer for (i) any such third party claims described in Seller's indemnity under Section 5(c) which are attributable to or arising from construction on the Property following the Closing Date which involves subsurface excavation, soil movement, and/or special handling, treatment or disposal of groundwater, or (ii) special, incidental or consequential damages including, without limitation, construction delays, loss of business, diminution in the value of the Property, or loss of goodwill by Buyer, or (iii) to the extent Buyer has the obligation to indemnify, defend and hold harmless Seller from and against all claims, expenses, loss or liability relating to Covered Contamination as provided for under the current or any prior Jobber Agreements between Buyer and Seller with regard to the Property.

e. If either party receives from a governmental entity a government directive, order or a request to perform an investigation or remediation of the Property or a notice that a government directive or order will be issued, the following shall apply:

(i) The party receiving such notice shall immediately give notice thereof to the other.

(ii) Seller shall notify Buyer as to whether or not Seller shall assume responsibility for the government directive or order, not later than the earlier of (i) 15 days after Seller's receipt of notice of the government directive or order, or (ii) the date that is four days prior to the date stated in the government directive or order upon which Buyer must initially respond. If Seller fails to notify Buyer within the time period specified above, Seller shall be deemed to have elected not to assume responsibility for the government directive, order or notice that a government entity will issue.

(iii) Seller shall have the right to participate in any government clean up directive or order or third-party claim and Buyer shall cooperate fully with Seller in order to minimize the amount of any award to such third party or the scope of any such cleanup directive or order. Seller shall have the right to challenge any government directive or order hereunder and not assume responsibility therefor if its challenge is based on a good faith belief that the contamination which is the subject of the government directive or order does not meet the definition of Covered Contamination for which Seller would be liable under this Agreement.

Nothing in this Section 5(e) shall be deemed to (i) require Seller to undertake any action with respect to a government directive or order (unless it is the direct result of Covered Contamination), or (ii) expand Seller's liability under this Agreement.

f. Except as expressly set forth in this Section 5, Buyer accepts the Property "**AS IS**" and "**WITH ALL FAULTS**". Except with regard to Covered Contamination for which Seller has agreed to indemnify Buyer pursuant to Section 5(c) above, Buyer hereby releases Seller from, and shall indemnify, defend and hold harmless Seller and its affiliates and its and their directors, employees and agents from and against all claims, expenses (including reasonable attorneys' fees), loss and liability arising from any environmental contamination present on the Property or originating from operations on the Property after the Closing Date or otherwise on account of the condition of the Property.

g. Notwithstanding any provision herein to the contrary, should a material spill, leak or other release of hydrocarbons or other contamination of whatever description or character occur following the Closing Date at the Property while Seller is engaged in corrective work relating to Covered Contamination, and the spill is unrelated to Seller's corrective work and is not due to any negligence or other wrongful conduct by Seller in conducting such work, then after written notice from Seller of such occurrence, it is agreed that any cleanup work required with regard to any such subsequent spill, leak, discharge or other release, whether or not considered material hereunder, shall be the

responsibility solely of Buyer. Buyer shall notify Seller promptly of any known or suspected spill, leak, discharge or other contamination, whether or not considered material hereunder, occurring at the Property after the Closing Date.

h. Seller shall be deemed to have satisfied its obligations hereunder to correct any Covered Contamination at such time as (i) a closure letter, “no further action” letter, or similar evidence of approval of the applicable federal, state or local government or governmental agency is issued, with a copy delivered to Buyer, indicating that corrective action has been completed to the satisfaction of the such government or governmental agency (a “Closure Letter”) or (ii) Seller’s licensed consultant certifies completion of such corrective work at the Property (in satisfaction of all applicable laws and/or regulations) in a final report prepared by Seller’s licensed consultant. Buyer’s right to bring suit under this Section 5 (other than under any of Seller’s indemnities set forth in Section 5) shall expire five (5) years after (i) or (ii) in the preceding sentence has occurred. Any and all of Seller’s indemnities set forth in Section 5 shall terminate seven (7) years after the Closing Date (“Seller’s Indemnities’ Termination Date”), and Buyer’s right to bring suit under any of Seller’s indemnities set forth in Section 5 shall expire two (2) years after Seller’s Indemnities’ Termination Date.

i. Buyer shall cooperate with Seller’s reasonable corrective work, shall grant Seller a license in the form of Exhibit “C” attached hereto (the “License”) as of the Closing Date, to enter the Property for any such work that occurs subsequent to the Closing Date, including but not limited to, access to Seller’s Environmental Equipment (as hereinafter defined) which may exist at the Property on the Closing Date, and shall cease or minimize any operations unreasonably interfering with such work until such work is completed. Seller shall conduct all such work in a manner which minimizes interference with normal operations at the Property.

j. Buyer understands and agrees that Buyer shall be solely responsible, at Buyer’s expense, for performing any due diligence reviews/surveys of the Property that may be necessary, desirable or prudent prior to commencing any construction involving subsurface excavation or soil disturbance. Buyer understands that such reviews/surveys may determine the presence, nature and character of any environmental contamination or petroleum impacted soils and groundwater. If Buyer reconstructs the Improvements or any portion thereof, or performs other construction work on the Property, Buyer shall be responsible for incorporating controls which minimize risks associated with occupancy of building(s) on the Property, including but not limited to the installation of positive pressure ventilation or negative pressure ventilation, as appropriate, and the installation of vapor barriers under foundation structures. Buyer shall also implement such procedures and/or special industrial hygiene precautions as may be encountered during construction. Buyer shall hold Seller harmless and indemnify Seller from and against any and all claims which may arise as a result of Buyer’s failure to take such measures and precautions as are required by this Section 5(j).

k. The Property transferred to Buyer hereunder does not include any ground water monitoring wells or other environmental equipment now located on the Property or

hereafter installed on the Land by Seller (collectively "Seller's Environmental Equipment"). Seller shall at all times retain title to Seller's Environmental Equipment and shall have the right at anytime subsequent to the Closing Date to add new monitoring wells at Seller's expense at the Property at mutually agreeable locations, which new monitoring wells shall automatically be deemed to be a part of Seller's Environmental Equipment, and to remove Seller's Environmental Equipment and/or to abandon Seller's Environmental Equipment in such manner as may be permitted by applicable laws and regulations. Buyer understands that if Buyer undertakes any construction on the Property, Seller's Environmental Equipment may be disturbed. Accordingly, Buyer agrees that prior to any excavation that would potentially disturb Seller's Environmental Equipment, Buyer shall notify Seller in advance and permit Seller the full, timely and reasonable opportunity to change the location of Seller's Environmental Equipment. Seller shall, at Buyer's sole expense, in a timely fashion, close any affected monitoring wells in accordance with the requirements of applicable laws and regulations. New monitoring wells may be installed by Seller, at Buyer's sole expense, at locations on the Property mutually agreeable to the parties. If any of Seller's Environmental Equipment becomes damaged creating a potentially unsafe or nuisance condition, Buyer shall immediately notify Seller of the existence of such condition and Buyer shall compensate Seller for the cost of proper abandonment, relocation and/or repair of the damaged Seller's Environmental Equipment.

l. Buyer agrees that Seller, at its sole discretion, can elect from time to time to participate in either a state administered restoration program or a state reimbursement program or both, if and to the extent such program(s) exist in the state and the Property or the work to be performed hereunder by Seller qualifies under such program(s), and Buyer shall have no recourse against Seller with regard to any such election. Buyer agrees that Seller's participation in or compliance with a state-administered restoration program or state reimbursement program constitutes performance of Seller's obligations hereunder with respect to corrective action of Covered Contamination. Buyer shall, as requested by Seller and at no expense to Buyer, reasonably cooperate with Seller in satisfying requirements of the applicable governmental agency with respect to participation in or compliance with such state administered restoration program or state reimbursement program. Seller shall be entitled to retain all reimbursements received for work performed or caused to be performed hereunder by Seller with respect to Covered Contamination.

**m. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS "AGREEMENT," "SELLER" MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE PHYSICAL CONDITION OF THE "PROPERTY." WITHOUT LIMITATION ON THE FOREGOING, "SELLER" MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW, CONCERNING THE "PROPERTY," TITLE TO THE "PROPERTY" (OTHER THAN THE SPECIAL WARRANTY OF TITLE TO THE "PROPERTY" SET FORTH IN THE "DEED"), THE MAINTENANCE, REPAIR, CONDITION, DESIGN, OR MARKETABILITY OF THE "PROPERTY," THE HABITABILITY OR MERCHANTABILITY OF THE**



**“PROPERTY,” TOPOGRAPHY, WATER, WATER RIGHTS, UTILITIES, PRESENT OR FUTURE ZONING, SOILS, SUBSOIL, DRAINAGE, PROPOSED ROUTES OF ROADS OR EXTENSIONS THEREOF, THE PURPOSES FOR WHICH THE “PROPERTY” IS SUITED, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, OR OPERATIVE OR PROPOSED GOVERNMENTAL LAWS AND REGULATIONS (INCLUDING, BUT NOT LIMITED TO, ENVIRONMENTAL AND LAND USE LAWS AND REGULATIONS) TO WHICH THE “PROPERTY” MAY BE SUBJECT. EXCEPT AS OTHERWISE PROVIDED HEREIN, IT IS THE EXPRESS INTENTION OF “SELLER” AND “BUYER” THAT THE “PROPERTY” BE CONVEYED TO, AND ACCEPTED BY, “BUYER” IN THE “PROPERTY’S” PRESENT CONDITION AND STATE OF REPAIR. “BUYER” ACKNOWLEDGES THAT THE “PROPERTY” IS SUBJECT TO THE AMERICANS WITH DISABILITIES ACT (“ADA”), A FEDERAL LAW CODIFIED AT 42 USC SECTION 12101 ET SEQ. AMONG OTHER REQUIREMENTS OF THE “ADA” THAT COULD APPLY TO THE “PROPERTY,” TITLE III OF THE “ADA” REQUIRES OWNERS AND TENANTS OF “PUBLIC ACCOMMODATIONS” TO REMOVE BARRIERS TO ACCESS BY DISABLED PERSONS AND PROVIDE AUXILIARY AIDS AND SERVICES FOR HEARING, VISION OR SPEECH IMPAIRED PERSONS. THE REGULATIONS UNDER TITLE III OF THE “ADA” ARE CODIFIED AT 28 CFR PART 36. “BUYER” ACKNOWLEDGES THAT “BUYER” HAS ENTERED INTO THIS “AGREEMENT” ON THE BASIS OF “BUYER’S” OWN REVIEW AND INVESTIGATION OF THE APPLICABILITY AND EFFECT OF SUCH LAWS AND REGULATIONS AND “BUYER” ASSUMES THE RISK THAT ADVERSE MATTERS MAY NOT HAVE BEEN REVEALED BY “BUYER’S” INVESTIGATION. NO AGREEMENTS, WARRANTIES OR REPRESENTATIONS NOT EXPRESSLY CONTAINED HEREIN SHALL BIND “SELLER.” “BUYER” EXPRESSLY WAIVES ANY RIGHTS OF RESCISSION AND ALL CLAIMS FOR DAMAGES BY REASON OF ANY STATEMENT, REPRESENTATION, WARRANTY, PROMISE OR AGREEMENT, IF ANY, NOT CONTAINED IN THIS “AGREEMENT,” WHETHER OR NOT “SELLER AND ITS AFFILIATES” ARE, OR ARE CLAIMED TO BE, SOLELY, CONTRIBUTORILY, OR CONCURRENTLY NEGLIGENT OR ARE, OR ARE CLAIMED TO BE, RESPONSIBLE IN WHOLE OR IN PART, OR SOLELY OR JOINTLY, FOR THE PRESENCE OF SUCH COVERED CONTAMINATION.”**

n. Any failure of Buyer to operate the Property in conformity with the obligations and requirements of federal, state or local laws and regulations, which if violated would adversely affect, impact, or otherwise prejudice the Seller's undertakings, duties and obligations or its rights and entitlements hereunder, shall, after delivery of written notice to Buyer and reasonable opportunity for Buyer to respond, without in any way limiting other recourses and remedies to which Seller is entitled under applicable laws and regulations or otherwise, operate to release and relieve Seller from all of its undertakings, duties and obligations set forth in this Section 5, and in such event, (i)

Seller shall have no further responsibility to Buyer, any subsequent owner or occupier of the Property, or any lender taking a purchase money security interest in the Property with regard to Covered Contamination, (ii) any indemnity obligation of Seller with regard to Covered Contamination shall end, and (iii) Buyer (effective as of Seller's election) shall release, indemnify and hold Seller and its Affiliates harmless from and against all claims, necessary expenses, loss, and liability arising from Covered Contamination. Seller shall not be liable or responsible for any penalties imposed by any applicable governmental authority due to Buyer's failure to conform with any federal, state and local laws and regulations. Buyer agrees to indemnify Seller for any expenses (including reasonable attorneys' fees) incurred arising from such penalty.

o. Buyer hereby agrees that, if any governmental agency requires that the Property be restricted so as to prohibit use of the Property for a potable water well for purposes of complying with such governmental agency's rules and regulations for public water systems or for purposes of facilitating the issuance by it or any other such governmental agency a closure letter, a "no further action" letter, or similar evidence of approval from it or other such applicable governmental authority indicating that Covered Contamination has been corrected to the satisfaction of such governmental authority, Buyer shall so restrict the Property. Any such restriction of the use of the Property for a potable water well shall be for the duration required by the applicable governmental agency or that of any other governmental agency, as the case may be, and such restriction shall be recorded in the Official Public Records for Real Property of the county in which the Property is located.

p. The terms and provisions of this Section 5 shall, to the extent applicable, survive Closing.

6. **Inspections.**

Buyer, at Buyer's sole expense and risk, shall have the right to go onto the Property and to make inspections (the "Inspections") of the Property and to conduct surveys, test borings, soil analyses, and other tests and surveys thereon and to review the Property to determine whether or not the Property is suitable for Buyer's needs and uses (taking into consideration such matters as soil conditions, engineering characteristics, utilities, and access); provided that such Inspections shall not unreasonably interfere with Seller's operations at the Property and that the Property is protected from loss or damage. Seller will reasonably cooperate with Buyer in arranging the Inspections. The Inspections do not include the Title Commitment and Survey issues covered by Section 3 hereof. The Inspections shall be conducted within thirty (30) days after the Effective Date (the "Review Period"). During the Review Period, Buyer shall determine whether the Property is suitable for Buyer's intended use and occupancy of the Property and that Buyer's uses will be in conformity with all applicable zoning regulations, if applicable, deed restrictions, if any, and with all other laws, orders, ordinances, rules, regulations, and requirements and with all covenants, conditions, restrictions, and agreements affecting or relating to the operation, use or occupancy of the Property. In the event that Buyer, in its sole discretion, determines that Buyer is not satisfied with the Inspections or that the Property is not suitable for Buyer's needs and uses, Buyer may terminate this Agreement by delivering a written termination notice to Seller within the Review Period. Upon Seller's receipt of such written termination notice, this Agreement will terminate, and the Earnest Money will

be returned to Buyer. If the termination notice has not been delivered within the Review Period, then this Agreement will continue in full force and effect, and Buyer's right to terminate this Agreement under this Section 6 shall be deemed to be waived. If Buyer's Inspections cause any damage to the Property and if the sale of the Property is not consummated pursuant hereto, Buyer shall restore, or cause to be restored, the Property to the same condition thereof existing prior to any entry by Buyer. Buyer shall keep all information Buyer obtains as a result of such access confidential and shall only use the same for the purposes of effectuating the transactions contemplated by this Agreement. If Buyer conducts any Inspection pursuant hereto, Buyer shall indemnify, defend and hold harmless Seller and its affiliates and its and their directors, employees and agents from and against any claims or damages arising from such Inspection, including claims and damages connected to the indemnitees or the indemnitees' property and person and reasonable attorney fees and expenses.

7. **WAIVER OF CONSUMER RIGHTS.**

**BUYER HEREBY WAIVES BUYER'S RIGHTS UNDER ANY STATE STATUTE WHICH GIVES CONSUMERS SPECIAL STATUTORY RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF BUYER'S SELECTION, BUYER VOLUNTARILY CONSENTS TO THIS WAIVER. BUYER REPRESENTS TO SELLER THAT BUYER IS NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT, THAT BUYER IS REPRESENTED BY LEGAL COUNSEL IN SEEKING OR ACQUIRING THE GOODS OR SERVICES HEREUNDER, AND THAT BUYER'S LEGAL COUNSEL WAS NOT DIRECTLY OR INDIRECTLY IDENTIFIED, SUGGESTED, OR SELECTED BY SELLER OR AN AGENT OF SELLER.**

8. **Laws and Regulations.**

Seller makes no representation or warranty whatsoever as to operative or proposed governmental laws and regulations (including, without limitation, zoning, environmental and land use laws and regulations) to which the Property may be subject. Buyer acknowledges that it has entered into this Agreement on the basis of its own review and investigation of the applicability and effect of such laws and regulations, and Buyer assumes the risk that adverse matters may not have been revealed by its investigation.

9. **Buyer's Financing.**

The Closing of the purchase and sale of the Property shall **NOT** be conditioned on Buyer's ability to obtain financing for this transaction by the date of the Closing. **SELLER WILL NOT EXECUTE ANY DOCUMENTS REQUIRED TO BE EXECUTED BY THE U.S. SMALL BUSINESS ADMINISTRATION (THE "SBA") IN CONNECTION WITH ANY LOAN GUARANTEED BY THE SBA.**

10. **Alterations or Removal or Damage or Destruction or Taking Prior to Closing.**

Seller shall not materially alter the Property without the prior written consent of Buyer. In the event the Property, or any part thereof, is destroyed or damaged, or becomes subject to a taking by virtue of eminent domain to any extent whatsoever prior

to the Closing, Seller shall elect (i) to repair or replace or make adequate provision for the repair or replacement of such Property prior to Closing; or (ii) to reduce the Purchase Price by an amount determined by Seller to represent the reduction in the value of the Property by reason of the destruction or the damage or the taking; or (iii) to terminate this Agreement, whereupon the Title Company shall return the Earnest Money to Buyer, and neither party hereto shall have any further rights or obligations hereunder. If Seller elects to reduce the Purchase Price by an amount determined by Seller to represent the reduction in the value of the Property by reason of the destruction or damage or taking, and if the reduction in the value of the Property as determined by Seller is not satisfactory or acceptable to Buyer, then Buyer may terminate this Agreement, whereupon the Title Company shall return the Earnest Money to Buyer, and neither party hereto shall have any further rights or obligations hereunder.

11. **Assignment of this Agreement.**

Subject to Seller's right to assign its rights and delegate its duties under this Agreement to effect a tax-deferred exchange under Internal Revenue Code section 1031, neither Seller nor Buyer shall assign any rights or delegate any duties hereunder without the prior written consent of the other, which consent shall not be unreasonably withheld; provided, however, that either Seller or Buyer may assign, in whole or in part, its right to receive title to and transfer of any of the Property to any parent or subsidiary company or to any company under common control with it.

12. **Agents.**

a. Seller and Buyer each hereby represents and warrants to the other that it has not engaged the services of any agent, broker, or similar party in connection with this transaction.

b. Seller shall not pay a commission for any real estate broker's or agent's services in connection with this Agreement nor will Seller pay a commission that has been agreed to between Buyer and any real estate broker or agent. Buyer and Seller each shall indemnify, defend and hold harmless the other from and against any liability arising from the claim of a broker or agent claiming through the indemnifying party for a commission from Seller.

c. Buyer has been and is hereby advised that Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection or that Buyer should be furnished with a policy of title insurance. By Buyer's execution of this Agreement, Buyer acknowledges that Buyer has been so advised.

13. **Notices.**

Any notices or other communications required or permitted to be given hereunder shall be in writing and shall be personally delivered or mailed by certified mail, return receipt requested, postage prepaid. All such notices or communications shall be delivered or mailed (i) if to Buyer, to Buyer's address at City of Saint Paul, Real Estate Department, 25 W. 4<sup>th</sup> St., Rm. 1000, Saint Paul, MN 55102 or as Buyer furnishes Seller in writing, or (ii) if to Seller, to Seller's address at Chevron, 1500 Louisiana, 4653D, Houston, TX 77002, Attn: Armistead Burks as Seller may have furnished Buyer in writing. Any notice or other communication so addressed and mailed shall be deemed to be given when mailed; and any notice or communications so delivered in person shall be deemed to be given when actually received by Buyer or Seller, as the case may be.

14. **Time for Execution; Effective Date.**

If Buyer has not delivered to Seller an original of this Agreement, properly executed by Buyer, together with the Earnest Money, by 5:00 p.m., Central Standard or Daylight time, as the case may be, on August 1, 2013 ("Buyer's Deadline"), then this Agreement shall be null and void. If Seller has not delivered to the Title Company a copy of this Agreement, fully executed by Buyer and Seller, together with the Earnest Money and if Seller has not delivered to Buyer a copy of this Agreement, fully executed by Buyer and Seller, by 5:00 p.m. on the fifteenth (15th) business day following Buyer's Deadline ("Seller's Deadline"), then this Agreement shall be null and void, and Seller or the Title Company, as the case may be, shall return the Earnest Money to Buyer. The date on which this Agreement is executed by Seller shall be the "Effective Date" of this Agreement.

15. **Time is of the Essence.**

Time is of the essence in the execution and performance of this Agreement.

16. **Termination, Default and Remedies.**

a. If Buyer fails or refuses to consummate the purchase of the Property pursuant to this Agreement at the Closing or fails to perform any of Buyer's other obligations hereunder, whether at or prior to the Closing, for any reason other than termination of this Agreement by Buyer pursuant to a right so to terminate expressly set forth in this Agreement or Seller's failure to perform Seller's obligations under this Agreement, then Seller, as Seller's sole and exclusive remedy, shall have the right to terminate this Agreement by giving written notice thereof to Buyer prior to or at the Closing, whereupon neither party hereto shall have any further rights or obligations hereunder, and the Title Company shall deliver the Earnest Money to Seller, which shall constitute liquidated damages hereunder (and not a penalty, it being acknowledged and agreed by Buyer and Seller that the amount of Seller's damages for the Buyer's default under this Agreement would be difficult, inconvenient, uncertain, and impractical to determine and that the Earnest Money is a reasonable estimate of Seller's damages that would be caused by Buyer's default), free from any claims by Buyer or any other person with respect thereto.

b. If Seller fails or refuses to consummate the purchase of the Property pursuant to this Agreement at the Closing or fails to perform any of Seller's other obligations hereunder, whether at or prior to the Closing, for any reason other than the termination of this Agreement by Seller pursuant to a right so to terminate expressly set forth in this Agreement or Buyer's failure to perform Buyer's obligations under this Agreement, then Buyer, as Buyer's sole and exclusive remedy, shall have the right to terminate this Agreement by giving written notice thereof to Seller prior to or at the Closing, whereupon neither party hereto shall have any further rights or obligations hereunder, and the Title Company shall return the Earnest Money to Buyer.

c. In the event either Seller or Buyer becomes entitled to the Earnest Money upon cancellation of this Agreement in accordance with its terms, Buyer and Seller covenant and agree to deliver a letter of instruction to the Title Company directing disbursement of the Earnest Money to the party entitled thereto. In the event either party hereto fails or refuses to sign or deliver such an instruction letter when the other party is entitled to disbursement of the Earnest Money, such party shall pay, upon the final order of a court

with appropriate jurisdiction all reasonable attorneys' fees incurred by the party so entitled to the Earnest Money in connection with the recovery thereof.

17. **Offer to Purchase; Acceptance.**

This Agreement shall constitute an offer to purchase the Property by Buyer and may be withdrawn by Buyer if this Agreement is not accepted by Seller by the act of Seller's executing this Agreement and returning a copy of the fully executed Agreement to Buyer and the Title Company on or before Seller's Deadline. Nothing herein shall be construed as an agreement on the part of Seller to sell the Property unless the offer is so accepted by Seller, notwithstanding the deposit of the Earnest Money with the Title Company and the Title Company's negotiation or deposit of such check. Should the offer be rejected by Seller, this instrument shall be null, void and of no effect and shall create no liability on the part of Seller, and the Earnest Money shall be returned to Buyer.

18. **Internal Revenue Code Section 1031.**

a. In the event Seller so elects, Buyer agrees to accommodate Seller in effecting a tax-deferred exchange under Internal Revenue Code section 1031 of the Property. If Seller so elects to effect a tax-deferred exchange, Buyer agrees to execute such escrow instructions, documents, agreements or instruments to effect an exchange as Seller may reasonably request, it being understood that Buyer shall not be required to incur any additional costs, expenses, fees or liabilities, not reimbursed or indemnified by Seller, as a result of or connected with an exchange.

b. Seller may assign its rights and delegate its duties under this Agreement in whole or in part to a third party in order to effect such an exchange; provided that Seller shall remain responsible to Buyer for the full and prompt performance of any delegated duties. Seller shall indemnify and hold Buyer and its affiliates harmless from and against all claims, expenses (including reasonable attorneys' fees), loss and liability resulting from Buyer's participation in any exchange undertaken pursuant to this Section 18.

19. **Survival.**

The terms and conditions of this Agreement which by their terms require or may require performance after the Closing shall survive, and shall not be merged into the Deed or any other document executed in connection with the transaction contemplated hereby.

20. **Entire Agreement.**

This Agreement embodies the entire agreement and understanding between Buyer and Seller and supersedes any prior agreements and understandings between such parties relating to the subject matter hereof.

21. **Successors and Assigns.**

This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective legal representatives, successors and permitted assigns.

22. **Amendment and Waiver.**

Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by Buyer and Seller.

23. **Governing Law.**

**THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF MINNESOTA.**

24. **Buyer's and Seller's Employer Identification Number(s) and/or Social Security Number.**

For all purposes hereunder, Seller represents that Seller's Employer Identification Number is 76-0688339, and Buyer represents that Buyer's Employer Identification Number is \_\_\_\_\_. **THIS INSTRUMENT WILL NOT BE FILED FOR RECORD IN THE PUBLIC RECORDS.**

25. **Corporate Policy Clauses.**

(a) No Conflicts of Interest. Conflicts of interest relating to this Agreement are strictly prohibited. Except as otherwise expressly provided herein, neither Buyer, nor any director, employee or agent of Buyer, shall give to or receive from any director, employee or agent of Seller, any gift, entertainment or other favor of significant value, or any commission, fee or rebate. Likewise, neither Buyer, nor any director, employee or agent of Buyer, shall enter into any business relationship with any director, employee or agent of Seller (or any affiliate of Seller), unless such person is acting for and on behalf of Seller, without prior written consent of Seller. Buyer shall promptly notify Seller of any violation of this Section, and any consideration received as a result of such violation shall be paid over to or credited to Seller. Additionally, in the event of any violation occurring prior to the Effective Date of this Agreement that results directly or indirectly in Seller's consent to enter into this Agreement, then Seller may, at Seller's sole option, terminate this Agreement. Seller shall have the right to audit any and all records of Buyer for the sole purpose of determining whether there has been compliance with this Section.

(b) No Improper Influence.

- i. Prohibition – No member of Buyer may make any payment or give anything of value to any official of any government or Public International Organization (including any officer or employee of any governmental department, agency, company or other instrumentality) to influence the official's or organization's decision or to gain any other advantage for Buyer or Seller or any of them arising out of this Agreement.
- ii. Reporting Violations and Reimbursement – Buyer shall immediately notify Seller of any violation of this Section or of the occurrence of any event prior to the Effective Date which, if it had occurred after the Effective Date, would constitute a violation of this Section, and pay Seller an amount equal to the amount of the

payment, or the value of the gift paid or given in that violation or event.

- iii. Termination – Seller may, at its sole option, terminate this Agreement with immediate effect for any violation of this Section. If Seller terminates this Agreement for violation of this Section, Seller is not obligated to pay compensation or reimbursement to Buyer, but Buyer shall be entitled to return of the Earnest Money.

(c) Data Privacy. Buyer and Seller agree that it is not anticipated that any personal data of employees of Seller will be processed by Buyer on behalf of Seller under or as a result of this Agreement. If Buyer begins to process such personal data on behalf of Seller, Buyer will immediately notify Seller, and the parties will incorporate appropriate data protection provisions into this Agreement.

(d) Controls, Records and Inspection.

- i. Controls – Buyer shall maintain all controls necessary and appropriate in accordance with good management practice and consistent with its obligations under this Agreement.

- ii. Records – Buyer shall maintain all records necessary and appropriate in accordance with good management practice to record accurately all of the following:

The performance by Buyer of its obligations under this Agreement;

The amounts payable by Seller to Buyer under this Agreement;

Compliance with Sections 25(a), 25(b) and 25(c).

- iii. Retention of Records – Buyer shall maintain all records until at least two years from the end of the calendar year in which this Agreement is completed or terminated.

- iv. Inspection of Records – Seller may, on reasonable prior notice and during normal business hours, and at its own cost, inspect all records pertaining to Sections 25(a), 25(b) and 25(c) until at least six (6) months from the end of the calendar year in which this Agreement is completed or terminated. The inspection shall take place following reasonable notice at the premises of Buyer, during normal business hours.

(e) Prohibited Parties and Transactions. Seller is a United States company with a policy requiring it to comply with all applicable laws, including economic sanctions and trade restrictions imposed by the United States government. Seller has undertaken to provide its parent organization with any information relevant to its potential involvement with any party that may be the target of such sanctions



and restrictions. Accordingly, Buyer shall provide Seller with notice of the names and addresses of any member of Buyer which may be any of the following:

- a. The target of, or owned or subject to control by any country, institution, organization, entity or person that is the target of economic sanctions and trade restrictions imposed by the United States government;
- b. Debarred or otherwise excluded or declared ineligible to participate in United States government contracts or contracts, grants or other programs financed in whole or in part by the United States government;
- c. Listed by the United States Departments of Commerce or State as an entity with which United States persons may not engage in export or re-export related transactions.

**[SIGNATURE PAGE FOLLOWS]**

*IN WITNESS WHEREOF*, this Agreement is hereby executed as of the Effective Date.

**SELLER:  
TEXACO DOWNSTREAM PROPERTIES  
INC.**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date Executed:** \_\_\_\_\_

**BUYER:**

**CITY OF SAINT PAUL, MINNESOTA**

**By:** \_\_\_\_\_  
Its Mayor or Deputy Mayor

**By:** \_\_\_\_\_  
Its Director of Financial Services

**By:** \_\_\_\_\_  
Its City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

**EXHIBIT "A"**  
**TO PURCHASE AND SALE AGREEMENT**  
**(Real Property Description and Permitted Encumbrances)**

STATE OF TENNESSEE    §  
     §  
 COUNTY OF SHELBY     §

SPECIAL WARRANTY DEED AND BILL OF SALE

**TEXACO DOWNSTREAM PROPERTIES INC.**, a Delaware corporation (“Grantor”), with offices at 6001 Bollinger Canyon Road, San Ramon, California 94583, for and in consideration of the sum of Ten and No/100 Dollars (\$10) and other good and valuable consideration in hand paid by St. Paul (“Grantee”), with an address of City of Saint Paul, Real Estate Department, 25 W. 4<sup>th</sup> St., Rm. 1000, Saint Paul, MN 55102, the receipt and sufficiency of which are hereby acknowledged by Grantee, has **GRANTED, BARGAINED, SOLD, and CONVEYED** and by these presents does hereby **GRANT, BARGAIN, SELL, and CONVEY**, subject to the matters set forth herein below, all that certain tract or parcel of land located in St. Paul, Minnesota and that is described in Schedule “1” hereto, together with all buildings, structures, fixtures, improvements located thereon (the “Property”).

Except for those representations or warranties expressly made in this Deed or in the Purchase and Sale Agreement dated \_\_\_\_\_, 2013, between Grantor and Grantee for the Property (the “Agreement”), the Property is conveyed "**AS IS**" and "**WITH ALL FAULTS**" AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED ON THE PART OF “GRANTOR”, INCLUDING THOSE IMPLIED BY THE TERMS “SELL” OR “ASSIGN” OR THOSE IMPLIED BY ANY OTHER TERM HEREIN (OTHER THAN THE WARRANTY OF TITLE SET FORTH IN THIS DEED), OR ARISING BY OPERATION OF LAW WITH RESPECT TO THE MAINTENANCE, REPAIR, CONDITION, DESIGN, OR MARKETABILITY OF THE “PROPERTY” INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO ANY MODELS OR SPECIFICATIONS, OR ANY WARRANTIES IN THE MINNESOTA PROPERTY CODE, IT BEING THE EXPRESS INTENTION OF “GRANTOR” AND “GRANTEE” THAT THE “PROPERTY” BE CONVEYED TO, AND ACCEPTED BY, “GRANTEE” IN THE “PROPERTY’S” PRESENT CONDITION AND STATE OF REPAIR.

This conveyance is made subject to (a) liens for property taxes and assessments that are not due and payable as of the date of execution of this instrument, and (b) all matters that are listed and described on Schedule 2 hereto. (Items (a) and (b) hereinafter are referred to collectively as the “Permitted Encumbrances”).

**TO HAVE AND TO HOLD** the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, subject to the Permitted Encumbrances, unto

Grantee and Grantee's successors and assigns, forever; and Grantor and Grantor's successors and assigns are hereby bound to warrant and forever defend, all and singular, the Property, subject to the Permitted Encumbrances, unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through and under Grantor, but not otherwise.

This instrument may be executed in two counterparts, and it shall not be necessary that the signatures of both parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, and both such counterparts shall constitute one and the same instrument.

Grantee, by Grantee's acceptance hereof, does hereby assume and agree to pay any and all ad valorem standby fees, taxes, and assessments pertaining to the Property for the calendar year 2013 and subsequent years, there having been a proper proration of ad valorem taxes for the current calendar year 2013 between Grantor and Grantee. Grantee, by Grantee's acceptance hereof, does further assume and agree to pay any and all ad valorem taxes relating to a subsequent change in the usage or ownership of the Property, whether by reason of this conveyance or hereafter.

IN WITNESS WHEREOF, Grantor and Grantee have caused the execution of this instrument as of \_\_\_\_\_, 2013.

[SIGNATURE PAGES FOLLOW]

GRANTOR:  
TEXACO DOWNSTREAM PROPERTIES INC.

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

STATE OF CALIFORNIA       §  
  §  
COUNTY OF CONTRA COSTA   §

This instrument was acknowledged before me on \_\_\_\_\_, 2013 by  
\_\_\_\_\_, Assistant Secretary of TEXACO  
DOWNSTREAM PROPERTIES INC., a Delaware corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the  
State of California

\_\_\_\_\_  
Notary's Printed Name

My Commission Expires: \_\_\_\_\_

GRANTEE:

**CITY OF SAINT PAUL, MINNESOTA**

By: \_\_\_\_\_  
Its Mayor or Deputy Mayor

By: \_\_\_\_\_  
Its Director of Financial Services

By: \_\_\_\_\_  
Its City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

STATE OF MINNESOTA    )  
                                      ) ss.  
COUNTY OF RAMSEY    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, Mayor or Deputy Mayor, \_\_\_\_\_, Director, Office of Financial Services and \_\_\_\_\_, City Clerk of the City of Saint Paul, a Minnesota municipal corporation under the laws of the State of Minnesota.

\_\_\_\_\_  
Notary Public

## **SCHEDULE 2 TO SPECIAL WARRANTY DEED**

### **PERMITTED EXCEPTIONS**

To be augmented after review of title and survey

The conveyance contemplated by this Agreement shall be subject to the following exceptions and restrictions:

1. Taxes for the year in which the deed is delivered to Buyer.
2. All easements, reservations, exceptions and restrictions of record that either are not objected to, or, if objected to, are not cured and that are subsequently waived pursuant to Section 3 of the Agreement, provided that the reference to said matters herein shall not reimpose same.
3. Zoning and building regulations applicable to the Property.
4. Any state of facts that might be shown by the accurate survey of the Property.
5. Any and all roads or ways over and across the Property, as shown on the Survey.
6. The Property may not be used for residential, educational or hospital purpose.
7. Use of groundwater beneath the Property shall not be allowed except for monitoring purposes or for other purposes as required by law.
8. Use of Property shall be restricted to park and open space uses only.

**EXHIBIT "B"**  
**TO PURCHASE AND SALE AGREEMENT**  
**(Form of Assignment to Receive Payment)**

**ASSIGNMENT TO RECEIVE PAYMENT**

**TO THE MINNESOTA COMMISSION ON ENVIRONMENTAL QUALITY:**

City of St. Paul is the owner/operator of property under or from which a release of petroleum products has occurred or may occur (the "Owner"). The property is located at:

1700 Stewart Avenue  
Minneapolis, MN

The Owner hereby assigns the Owner's right to payment for the expenses of corrective action performed in response to the release incident(s) described below to Texaco Downstream Properties Inc., a Delaware corporation, ("Assignee") whose address is as follows:

CHEVRON U.S.A. INC.  
Attention: P.J. Poland  
1400 Smith Street, 5<sup>th</sup> Floor  
Houston, Texas 77002

The Owner hereby authorizes Assignee, at Assignee's election, to:

1. perform corrective action in response to the release from a petroleum storage tank for the incident(s) designated below;
2. enter upon the premises where any tank was located and enter upon any adjoining or nearby property over which the Owner has access for the limited purposes of performing corrective action and to allow Assignee's agents and licensees to enter these properties for the same limited purposes;
3. make application for reimbursement for the expenses of corrective action at this site for the incident designated below that are performed by or at the request and on behalf of Assignee; and
4. receive all payments made by the Minnesota Commission on Environmental Quality (the "MCEQ") for reimbursement at this site for the incident designated below.

This Assignment covers any corrective action performed in response to the release incident designated as Leaking Petroleum Storage Tank (LPST) ID Number 525 or any other release incident in connection with any of the underground petroleum storage tanks that were at any time located on or under the above-described property for which Assignee performs corrective action therefor. Assignee hereby agrees not to make application to the MCEQ for reimbursement from the MCEQ for corrective action at the above-described property that has not been performed by or at the request of or on behalf of Assignee.



In consideration of the MCEQ's acceptance of this Assignment as a directive to pay funds to which the Owner is entitled under the MCEQ's rules, and in accordance with the MCEQ's rules for assignment of payment:

1. The Owner understands that by making this Assignment to Assignee, the Owner is directing the MCEQ to pay Assignee and no one else.
2. The Owner agrees that the Owner may not change this designation or add to the list of people to be paid without the written consent of the MCEQ.
3. The Owner agrees that the MCEQ will not be held responsible if Assignee fails to pay other parties who are owed for corrective action expenses at this site. The Owner waives any cause of action against the MCEQ or any right of the Owner to make a claim against the MCEQ for failure to pay monies to any person for the expenses of corrective action performed in response to the release of petroleum products covered by this Assignment, except for Assignee, whom the Owner designated herein to receive payment.
4. The Owner agrees that this Assignment does not relieve the Owner of any duty to ensure that all investigation and remediation work is performed in accordance with the rules of the MCEQ.
5. The Owner certifies that Assignee has made certain covenants and has granted certain indemnities in favor of the Owner, in that certain Purchase and Sale Agreement dated \_\_\_\_\_, 2013, by and between the Owner, as "Buyer," and Assignee, as "Seller," relating to pollution liability resulting from the tanks described in this Assignment.

This instrument may be executed in two counterparts, and it shall not be necessary that the signatures of both parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, and both such counterparts shall constitute one and the same instrument.

**[SIGNATURE PAGES FOLLOW]**

**OWNER:**

**CITY OF SAINT PAUL, MINNESOTA**

By: \_\_\_\_\_  
Its Mayor or Deputy Mayor

By: \_\_\_\_\_  
Its Director of Financial Services

By: \_\_\_\_\_  
Its City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF RAMSEY    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, Mayor or Deputy Mayor, \_\_\_\_\_, Director, Office of Financial Services and \_\_\_\_\_, City Clerk of the City of Saint Paul, a Minnesota municipal corporation under the laws of the State of Minnesota.

\_\_\_\_\_  
Notary Public

**ASSIGNEE:**

**TEXACO DOWNSTREAM  
PROPERTIES INC.**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**STATE OF CALIFORNIA       §  
  §  
COUNTY OF CONTRA COSTA §**

This instrument was acknowledged before me on \_\_\_\_\_, 2013, by  
\_\_\_\_\_, Assistant Secretary, of TEXACO  
DOWNSTREAM PROPERTIES INC., a Delaware corporation, on behalf of said corporation.

\_\_\_\_\_  
**Notary Public, State of California**

**Printed Name of Notary:**

\_\_\_\_\_  
**My Commission Expires:** \_\_\_\_\_

**EXHIBIT "C" TO**  
**PURCHASE AND SALE AGREEMENT**  
**(Form of License Agreement)**

**LICENSE AGREEMENT**

City of St. Paul, for itself and any future owners of the Property and each of their respective heirs, personal representatives, successors, assigns and transferees, (collectively "Grantor") does hereby grant to **TEXACO DOWNSTREAM PROPERTIES INC.**, a Delaware corporation, and any of its affiliates, successors or assigns and its and their respective employees, agents, servants, contractors and subcontractors (collectively "Grantee") an irrevocable license across the real property known as 1700 Stewart Aveune situated in St. Paul, Minnesota, and more particularly described on Schedule "1" attached hereto (the "Property") for the following purposes only (this "License"):

1. Maintenance, inspection, operation and removal of monitoring wells existing on the Property on the date hereof;
2. Construction, installation, maintenance, inspection, operation, and removal of additional monitoring wells on or at the Property subsequent to the date hereof;
3. Construction, installation, maintenance, inspection, operation, and removal of a hydrocarbon contamination recovery system on or at the Property;
4. Access to the existing wells, additional wells, and the recovery system on or at the Property;
5. Cleanup operations or corrective work as Grantee deems appropriate in accordance with the terms and provisions of the Agreement (as hereinafter defined);

Grantee has simultaneously herewith conveyed the Property to Grantor. This License is granted pursuant to that certain Purchase and Sale Agreement, dated \_\_\_\_\_, 2013, between Grantee and Grantor (the "Agreement;" which Agreement is incorporated herein by reference for all purposes). The cleanup operations or the corrective work to be performed by Grantee hereunder are to be in accordance with and subject to the terms and conditions of the Agreement, to the extent applicable, and the following terms and conditions of this License:

- A. In the event Grantee elects, as it has a right to do under the Agreement, to participate in a state administered restoration program, if available relative to the Property, this License shall serve to give the applicable governmental authority and its employees, agents, servants, contractors and subcontractors the same right of access to the Property as herein granted to Grantee, and, further in which event, Grantee shall have the right to transfer to such applicable governmental authority, in whole or in part, its ownership in any wells and equipment and other personal property which have been installed at or placed on the Property under the terms of the Agreement and this License.
- B. Upon determination, as set forth in the Agreement, that the cleanup operations or corrective work hereunder have been completed, this License shall automatically terminate. Upon termination of this License, Grantor and the then-owner of the Property shall use reasonable efforts to cooperate to ensure that a writing

memorializing such termination of this License is recorded in the Official Public Records of Real Property for St. Paul, Minnesota.

- C. This License shall run with the land and shall be binding on and shall inure to the benefit of the parties, their respective heirs, successors, and assigns.
- D. Grantor recognizes and agrees that neither this License nor the undertaking by Grantee under the Agreement, or hereunder shall constitute an admission by Grantee of any liability or responsibility for the condition of the Property.
- E. **THIS LICENSE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF MINNESOTA.**
- F. If Grantor is a corporation of any kind including, without limitation, a limited liability company, then by its execution the officer or attorney-in-fact signing hereby certifies that such officer or attorney-in-fact executing this License has the authority to execute this License on behalf of Grantor and further acknowledges Grantee's reliance on this certification. If Grantor is a general or limited or limited liability or other partnership or joint venture, then by its execution those partners signing hereby certify that he/she/they are the sole general partners of Grantor, that they have the authority to bind Grantor, and that they acknowledge Grantee's reliance on this certification.
- G. This License is subject to the terms and conditions of the Agreement, as applicable, which Agreement contains certain rights and obligations on the part of Grantor and Grantee that affect the use of the Property and the terms and conditions of this License. A copy of the Agreement may be obtained by any prospective purchaser of the Property by requesting a copy from Grantee through Grantee's agent for service of process in the State of Minnesota. Any such request shall be accompanied by a fully executed purchase and sale agreement for the purchase of the Property by the requesting party. **Grantor is not using the Property for purposes of service station operations thereon, and Grantor hereby agrees, on behalf of Grantor and Grantor's successors and assigns that if the Property is used for purposes of service station operations at any time within ten (10) years after the Closing Date (as defined in the Agreement), (i) Grantee shall have no further responsibility to Grantor, any subsequent owner or occupier of the Property, or any lender taking a purchase money security interest in the Property with regard to Covered Contamination (as defined in the Agreement), (ii) any indemnity obligation of Grantee with regard to Covered Contamination shall end, and (iii) Grantor (effective as of the date of commencement of any such service station operations on the Property) shall release, indemnify and hold Grantee and its Affiliates (as defined in the Agreement) harmless from and against all claims, necessary expenses, loss, and liability arising from Covered Contamination regardless of whether Grantee and its Affiliates are, or are claimed to be, solely, contributorily, or concurrently negligent or are, or are claimed to be, responsible in whole or in part, or solely or jointly, for the presence of such Covered Contamination. This provision shall run with the Property for a period of ten (10) years after the Closing Date.**
- H. This instrument may be executed in two counterparts, and it shall not be necessary that the signatures of both parties hereto be contained on any one counterpart hereof;

each counterpart shall be deemed an original, and both such counterparts shall constitute one and the same instrument.

**[SIGNATURE PAGES FOLLOW]**

EXECUTED by Grantor on \_\_\_\_\_, 2013, but to be effective as of \_\_\_\_\_, 2013 (the "Effective Date").

**GRANTOR:**

**CITY OF SAINT PAUL, MINNESOTA**

By: \_\_\_\_\_  
 Its Mayor or Deputy Mayor

By: \_\_\_\_\_  
 Its Director of Financial Services

By: \_\_\_\_\_  
 Its City Clerk

Approved as to form:

\_\_\_\_\_  
 Assistant City Attorney

STATE OF MINNESOTA    )  
   ) ss.  
 COUNTY OF RAMSEY     )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, Mayor or Deputy Mayor, \_\_\_\_\_, Director, Office of Financial Services and \_\_\_\_\_, City Clerk of the City of Saint Paul, a Minnesota municipal corporation under the laws of the State of Minnesota.

\_\_\_\_\_  
 Notary Public

EXECUTED by Grantee on \_\_\_\_\_, 2013, but to be effective as of the Effective Date.

**GRANTEE:**  
TEXACO DOWNSTREAM PROPERTIES INC.

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

STATE OF CALIFORNIA        }  
  }  
COUNTY OF CONTRA COSTA }

This instrument was acknowledged before me on \_\_\_\_\_, 2013, by \_\_\_\_\_, Assistant Secretary of **TEXACO DOWNSTREAM PROPERTIES INC.**, a Delaware corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the State of California

Notary's Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



**EXHIBIT "D" TO**  
**PURCHASE AND SALE AGREEMENT**  
**(URS survey)**

See attached