



Mr. James N. Hardwick
C/o Ms. Colleen E. McAvoy
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Shell Oil Products US
Environmental Claims
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Via E-Mail (colleen@mcglashan.com) and U.S. Mail

February 24, 2006

Re: Statement of Environmental Responsibility
4695 Thornton Avenue, Fremont, California

Dear Mr. Hardwick:

This letter shall serve as an agreement between Mr. James N. Hardwick ("Owner") and Shell Oil Products US ("Shell"), collectively "Parties", concerning the site located at 4695 Thornton Avenue, Fremont, California (the "Property"). It is our understanding that the Property is being used for collateral for a loan. Shell formerly operated a gasoline station on the Property and discontinued operations around 1984. Mr. Hardwick operated the station under an open dealer contract between 1984 and 1999. The Property has been vacant since 2004.

Shell has been performing and will continue to perform environmental monitoring activities at the site. Shell will actively pursue all work necessary to obtain closure from the regulatory agency or agency with jurisdiction. Once project closure is granted by the regulatory agency, Shell will properly abandon monitoring wells at the site in accordance with applicable regulatory standards.

Shell will comply with all applicable federal, state, and local laws, regulations and ordinances dealing with contamination on the Property that are attributable to the acts and/or omissions of Shell, its employees and agents. To that end, we will comply fully with governmental requests, notices and consent orders which Shell may execute as appropriate concerning the environment and which may have a direct affect on the Property.

Subject only the conditions and limitations contained in this letter, Shell agrees to hold the Owner and its successors, assigns, and any subsequent title interest holders harmless from both the requirement and reasonable costs of performing the cleanup of contamination at the Property found to be attributable to Shell and for which cleanup is required or ordered by any federal, state or local court, governmental entity, unit, department, or agency. Further, Shell will indemnify the Owners from any and all damages, liabilities, judgments, and reasonable costs of litigation, if any, which the Owners may incur as a result of the contamination attributable to Shell. The term "cleanup" shall

include, but not be limited to, the contamination and/or its removal and all response costs or their equivalents.

The terms "contamination", "soil or groundwater contamination", "cleanup", and "removal and response costs" shall be interpreted to mean that which any court or government order, or regulatory agency with jurisdiction and authority may understand these terms to mean.

Sincerely,
Shell Oil Products US

William E. Platt III by Beth A. Flowers

William E. Platt III, Esq.
Senior Manager, Environmental Claims