

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

March Joint Powers Authority
3430 Bundy Avenue
Suite 107, Building 3408
March Air Force Base, California 92518
Attn: Executive Director

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Government Code Section 27383

(Space above for Recorder's Use)

ADDENDUM TO
THE MARCH GLOBALPORT
DISPOSITION AND DEVELOPMENT AGREEMENT

among

THE MARCH JOINT POWERS REDEVELOPMENT AGENCY
a California redevelopment agency,

THE MARCH JOINT POWERS AUTHORITY,
a California joint powers agency,

and

MARCH INTERNATIONAL LOGISTICS CENTER, LLC,
a California limited liability company

[Dated as of April 17, 2002]

ADDENDUM TO THE MARCH GLOBALPORT
DISPOSITION AND DEVELOPMENT AGREEMENT

This ADDENDUM TO THE MARCH GLOBALPORT DISPOSITION AND DEVELOPMENT AGREEMENT (the "Addendum") is made and entered into as of the 17th day of April, 2002, by and among The March Joint Powers Redevelopment Agency, a California redevelopment agency (the "Authority"), The March Joint Powers Authority, a California joint powers agency (the "Agency") and March International Logistics Center, LLC (the "Developer").

RECITALS

A. On or about July 18, 2001 Authority, and the Agency, approved The March Globalport Disposition and Development Agreement (the "Agreement") for the purpose of facilitating the redevelopment of the Site (as defined in the Agreement) and alleviating economic and physical blight within the Project Area (as defined in the Agreement).

B. The parties hereto desire to execute this Addendum in order to: (i) substitute certain Exhibits thereto; (ii) correct and clarify certain of the provisions thereof; and (iii) resolve any existing disputes among them relating to the negotiation of the Agreement and this Addendum.

OPERATIVE PROVISIONS

NOW THEREFORE, in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Substitution of Exhibits.

1.1 The parties: (a) acknowledge that Exhibit "A-1" to the Agreement entitled "Legal Description of the Property" has not been attached thereto; and (b) agree that, within ninety (90) days after this Addendum is executed by all parties hereto, Developer shall submit a proposed legal description for the Property to Agency for its review and approval. Such proposed legal description shall be consistent with Exhibit "A-2" to this Addendum. After Agency has approved such proposed legal description, the Parties agree that the same will be the legal description of the Property and deemed substituted as Exhibit "A-1" to the Agreement.

1.2 Exhibit A-2 of the Agreement, entitled "Site Map of Property and Surrounding Area", is hereby: (i) redesignated as the "Map of Site and Surrounding Area"; and (ii) amended and restated to be, in form and substance, identical to Exhibit "A-2" to this Addendum.

1.3 Section 2.4.18 of the Agreement, entitled "Property", is amended to read in full as follows:

"2.4.18 "Property" means the Site."

1.4 Section 2.4.22 of the Agreement, entitled "Site", is amended to read in full as follows:

"2.4.22 "Site" means that portion of the Project Area: (a) legally described on Exhibit "A-1"; and (b) depicted on Exhibit "A-2"."

1.5 The Form of Development Ground Lease, which is attached as Exhibit "C" to the Agreement is hereby amended and restated to be, in form and substance, identical to Exhibit "C" to this Addendum.

1.6 The Use Permit Of The March Inland Port Airport Authority to Global Port Fueling Services, LLC For Fixed Base Operation Services at March Inland Port (the "FBO Agreement"), which is attached as Exhibit "E" to the Agreement, is hereby amended and restated to be, in form and substance, identical to Exhibit "E" to this Addendum. Agency agrees to cause the FBO Agreement to be executed by the March Inland Port Airport Authority and delivered to Developer. Developer agrees to cause the FBO Agreement to be executed by Global Port Fueling Services, LLC and delivered to Agency.

2. Corrections to and Clarifications of Agreement.

2.1 Section 2.4.16 of the Agreement is amended to read in full as follows:

"2.4.16 "Permitted Use" means any use of a portion of the Property which meets all of the following criteria: (i) it is consistent with the Base Reuse Plan, the Air Cargo Port Development Plan, the Public Benefit Conveyance, the General Plan, and the Redevelopment Plan; (ii) it is a Direct Aviation Use, an Aviation-Related Use, or other use approved by the Agency in its sole and absolute discretion and set forth in a Development Ground Lease executed by the Agency and the Developer; (iii) it is consistent with the Master Lease and all other Government requirements applicable to the Authority's and Agency's rights to hold and use the

Property; and (iv) it has received land use entitlements and site plan approval from the Authority.”

2.2 The last full paragraph of Section 6.4 of the Third Amendment To The Exclusive Right to Negotiate Agreement (a copy of which is attached as Exhibit “D” to the Agreement) is amended to read in full as follows:

“Any applicable Release Fee shall be paid: (a) one-half (1/2) on the date of commencement of construction (defined as the pouring of foundations); and (b) one-half (1/2) on the earlier of: (i) a certificate of occupancy is issued for the Agency Project; or (ii) one (1) year from the date of payment of the first one-half (1/2) of the Release Fee.”

2.3 Article 6 of the Agreement is amended to add Section 6.8 thereto which shall read in full as follows:

“6.8 Right to Lease Ramp Area.

Developer shall have the right, as and when needed in connection with its lease of Optioned Parcels, to lease portions of the existing concrete Ramp as depicted on Exhibit “A-2” (the “Ramp Area”) which are required by Developer in order to fully utilize the Optioned Parcels for their intended use by providing dedicated parking positions for large airlines or integrated carriers (collectively, the “Leased Ramp Area”). The Leased Ramp Area shall be leased to Developer on terms and conditions which are identical to those contained in the Lease to which the Leased Ramp Area relates. Such Lease shall be amended to: (a) include the Leased Ramp Area as part of the Land subject thereto; and (b) increase the Base Rent to take into account the expansion of such Land subject thereto by the land area which constitutes the Leased Ramp Area.”

2.4 The Agreement is hereby amended to delete Sections 2.4.21 and 7.4 therefrom in its entirety.

2.5 The reference, in Section 2.5 of the Agreement to “Exhibit A-2 – Site Map of Property and Surrounding Area” is hereby amended to read in full as follows: “Exhibit A-2 – Map of Site and Surrounding Area”.

2.6 Section 6.1.1 of the Agreement is hereby amended and restated in full to read as follows:

“6.1.1 Agency grants to Developer the option (the “Option”) to enter into one or more Development Ground Leases upon the terms and conditions substantially the same as those contained in the form of document entitled “Development Ground Lease” attached hereto as Exhibit “C” (the “Lease”); provided however that: (a) the Initial Basic Rent, for purposes of Section 5.1 of the Development Ground Lease, shall be the Base Rental Rate (as such term is hereinafter defined) times the gross square footage of the Land less those portions thereof lying within streets or other public rights-of-way; and (b) the portion of the Property subject to the Lease shall be the real property specified in the Exercise Notice (as defined below). As used herein the term “Base Rental Rate” shall mean and refer to the Initial Base Rent as specified in Section 5.1 of the Lease and be determined as follows: (a) for the Land subject to an Exercise Notice (as such term is defined below) given by Developer during the first five (5) years of the term hereof, six cents (6¢) per square foot; (b) for the Land subject to an Exercise Notice given by Developer during the second five (5) years of the term hereof, seven cents (7¢) per square foot; and (c) for the Land subject to an Exercise Notice given by Developer during the third five (5) years of the term hereof, eight cents (8¢) per square foot.

2.7 The second paragraph of Section 6.3 of the Agreement is amended to add as the last sentence thereof the following: “The parties acknowledge that execution of the Lease by the Agency shall require a public hearing and formal action by the Agency approving such Lease.”

2.8 Article 8 of the Agreement is amended to add thereto Section 8.2.2, entitled Confidentiality, which shall read in full as follows:

“8.2.2 Confidentiality. Subject to the Agency’s and Authority’s limitations under state law, for the purpose of avoiding the dissemination of market information that would be detrimental to the maximization of the benefits of the Project to Agency, Developer and Authority, the parties will establish an appropriate procedure to maintain the confidentiality of documents, financial statements, reports or other information, including, without limitation, strategies and development concepts, and Developer’s proprietary information, provided to, or generated for or relating to the Property and the Project and not otherwise publicly available, and deemed “confidential” by a party (the “Designated Confidential Information”). All Designated Confidential Information shall be clearly marked as confidential by the party desiring to maintain its confidentiality and Agency, Developer and Authority will keep confidential all Designated Confidential Information in accordance with such procedures, and will not disclose any such information to

any person other than: (a) those employed by Agency, Developer or Authority for use in the course of their work on Property matters or the Project; (b) those who are actively and directly participating in the evaluation of the Property and the negotiation and execution of this Agreement or the lease of the Property; and (c) governmental, administrative, regulatory or judicial authorities, including, without limitation, Authority in its capacity of regulating the Project, in the investigation of the compliance of the Property with applicable legal requirements. Notwithstanding the above, disclosure shall be permitted when: (x) required by order of a court of competent jurisdiction; (y) in the reasonable opinion of Agency's legal counsel, following notice to Developer and opportunity to object such disclosure is required by relevant provisions of state or federal law; or (z) subject to public disclosure requirements during the course of litigation between Agency and Developer. The provisions of this Section will survive the termination of this Agreement."

3. Mutual Releases.

3.1 The parties hereto: (a) acknowledge that, in the negotiation of the Agreement and this Addendum, certain disputes have arisen among them; and (b) agree that, by execution and delivery of the Agreement, as amended by this Addendum, they now intend to resolve all of such disputes.

3.2 Accordingly, by execution hereof, each of the parties hereto (each a "Releasor") hereby releases, discharges and forever acquits the other parties hereto and all of such other parties affiliates, employees, agents, and independent contractors and the successor of each and every one of them (collectively, the "Releasees") from any and all causes of action, claims, damages, liabilities costs and expenses arising out of the negotiation of the Agreement and this Addendum. As part of the provisions of this Section 3.2, but not as a limitation thereon, each Releasor hereby agrees, represents, and warrants that the matters released herein are not limited to matters which are known or disclosed, and each Releasor hereby waives any and all rights and benefits which it now has, or in the future may have conferred upon it, with respect to the matters released above, by virtue of the provisions of federal, state, or local law, rules, or regulations, including without limitation, Section 1542 of the Civil Code of the State of California, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE FRELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR"

3.3 To the extent permitted by law, each Releasor hereby agrees, warrants, and represents that it realizes and acknowledges that factual matters now unknown to it may have given, or may hereafter give, rise to causes of actions, claims, demands, debts, controversies, damages, costs, losses, and expenses which are presently unknown, unanticipated and unsuspected, and it further agrees, represents, and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization that it nevertheless hereby intends to release, discharge and acquit Releasees from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses which might in any way be included in the waivers and matters released in Section 3.2.

3.4 The terms and provisions of this Section 3 shall survive the termination of the Agreement as amended by this Addendum.

4. Effectiveness of Agreement.

Except as set forth in this Addendum, all of the provisions of the Agreement shall remain unchanged and in full force and effect.

5. Restated Agreement.

The Agency, Authority and Developer shall, within one hundred twenty (120) days from the Effective Date of this Addendum, prepare a composite Restated Disposition and Development Agreement (“Restated DDA”) setting forth the terms of the Agreement, as modified and clarified by this Addendum, in a single document. The Agency’s/Authority’s Chairperson or Executive Director may execute the Restated DDA on behalf of the Agency and Authority without need of formal consideration or action by the Agency or Authority’s governing bodies. The Restated DDA or a memorandum thereof shall be recorded against the Site within thirty (30) days after execution.

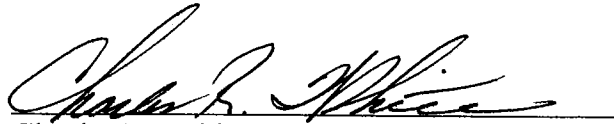
[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE TO
ADDENDUM TO THE MARCH GLOBALPORT
DISPOSITION AND DEVELOPMENT AGREEMENT

AGENCY:

MARCH JOINT POWERS REDEVELOPMENT
AGENCY, a California public agency

By:




Charles R. White, Chairman
March Joint Powers Redevelopment Agency

ATTEST:


Stephen Albright
Interim Executive Director

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP

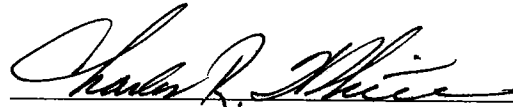
By: 
John E. Brown, Esq.
Agency Counsel

SIGNATURE PAGE TO
ADDENDUM TO THE MARCH GLOBALPORT
DISPOSITION AND DEVELOPMENT AGREEMENT

AUTHORITY:


MARCH JOINT POWERS AUTHORITY
a California joint powers authority

By:



Charles R. White, Chairman
March Joint Powers Authority

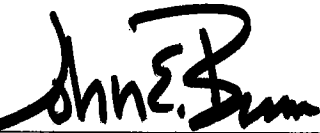
ATTEST:


Stephen Albright
Interim Executive Director

APPROVED AS TO LEGAL FORM:


BEST BEST & KRIEGER LLP

By:


John E. Brown, Esq.
Authority Counsel


SIGNATURE PAGE TO
ADDENDUM TO THE MARCH GLOBALPORT
DISPOSITION AND DEVELOPMENT AGREEMENT

MARCH INTERNATIONAL LOGISTICS
CENTER, LLC, a California limited liability
company

By: 
Gregory A. Diodati
Its: Manager

APPROVED AS TO LEGAL FORM:

CARNEY & DELANY, LLP

By: 
Frank J. Delany, Esq.
Counsel for Developer

STATE OF CALIFORNIA)
)
) :SS
)
COUNTY OF RIVERSIDE)

On April 23, 2002, before me, the undersigned notary public, personally appeared Gregory A. Diudati ✓ personally know to me ~~OR~~ ~~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.

WITNESS my hand and official seal.

Lori M. Stone
Signature of Notary Public



STATE OF CALIFORNIA)
)
) :SS
)
COUNTY OF RIVERSIDE)

On April 26, 2002, before me, the undersigned notary public, personally appeared Charles R. White, personally know to me ~~OR~~ ~~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.

WITNESS my hand and official seal.

Lori M. Stone
Signature of Notary Public



