

ORIGINAL

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8 SUPERIOR COURT OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

10 PEOPLE OF THE STATE OF
11 CALIFORNIA, ex rel. KAMALA D.
12 HARRIS, Attorney General of the State of
13 California

13 Plaintiff,

14 v.

15 APM TERMINALS PACIFIC, LTD.;
16 EAGLE MARINE SERVICES, LTD.;
17 INTERNATIONAL TRANSPORTATION
18 SERVICE, INC.; SSA TERMINAL (LONG
19 BEACH) LLC; SSA TERMINALS, LLC;
20 PACIFIC MARITIME SERVICES, L.L.C.;
21 TRAPAC, INC.; WEST BASIN
22 CONTAINER TERMINAL LLC; AND
23 YUSEN TERMINALS, INC.

20 Defendants

Case No. BC 464497

CONSENT JUDGMENT AS TO
DEFENDANTS:
APM TERMINALS PACIFIC, LTD.,
EAGLE MARINE SERVICES, LTD.,
INTERNATIONAL TRANSPORTATION
SERVICE, INC.,
SSA TERMINAL (LONG BEACH), LLC,
SSA TERMINALS, LLC.,
PACIFIC MARITIME SERVICES,
L.L.C.,
TRAPAC, INC.,
WEST BASIN CONTAINER TERMINAL
LLC, and
YUSEN TERMINALS, INC.

25 1. INTRODUCTION

26 1.1 Concurrently with the lodging of this Consent Judgment, the People of the State of
27 California ("People"), by and through the Attorney General ("Attorney General") filed a
28 complaint for civil penalties and injunctive relief for violations of Proposition 65 and unlawful

1 business practices in the Superior Court for the County of Los Angeles. The People's
2 Complaint alleges that the Defendants exposed persons at or near the Ports of Long Beach and
3 Los Angeles to Diesel Engine Exhaust (as defined herein), a chemical listed under the Safe
4 Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6,
5 also known as "Proposition 65," as known to the State of California to cause cancer. (Cal. Code
6 of Regs., tit. 27 § 25805.) The Complaint further alleges that under Proposition 65 entities must
7 provide persons with a "clear and reasonable warning" before exposing individuals to certain
8 levels of these chemicals, and that the Defendants failed to do so. The Complaint also alleges
9 that these acts constitute unlawful acts in violation of the Unfair Competition Law, Business and
10 Professions Code sections 17200 *et seq.* and 17500 *et seq.*

11 1.2 Settling Defendants. The following defendants enter into this Consent Judgment in
12 order to resolve the allegations asserted against them in the Complaint:

- 13 (1) APM Terminals Pacific, Ltd., the lessee/operator of the APM Cargo
14 Terminal at the Port of Los Angeles, Pier 400.
- 15 (2) Eagle Marine Services, Ltd., the lessee and operator of the APL container
16 cargo terminal at the Port of Los Angeles, Berths 302-305.
- 17 (3) International Transportation Service, Inc., the lessee and operator of the ITS
18 Container Cargo terminal at the Port of Long Beach, Pier G.
- 19 (4) SSA Defendants:
 - 20 (a) SSA Terminals (Long Beach), LLC, the lessee and operator of the
21 SSA Terminals Long Beach, Pier A;
 - 22 (b) SSA Terminals, LLC, the lessee operator of SSA Terminals, LLC
23 Pier C-60; and
 - 24 (c) Pacific Maritime Services, L.L.C., the lessee and operator of Pacific
25 Container Terminal.
- 26 (5) TraPac, Inc., the lessee and operator of TraPac, Inc., at the Port of Los
27 Angeles, Berths 136-141.

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1 (6) Yang Ming Marine Transport Corporation, lessee and holder of Permit 787
2 for Berths 121-131 and West Basin Container Terminal LLC, operator of
3 West Basin Container Terminal at the Port of Los Angeles, Berths 100-102,
4 121-131.

5 (7) Yusen Terminals, Inc., the lessee and operator of the Yusen Terminals,
6 Inc., at the Port of Los Angeles, Berths 212-225.

7 1.3 The People have alleged that each Settling Defendant is responsible for exposing
8 persons at and near the Ports of Los Angeles and/or Long Beach to Diesel Engine Exhaust.

9 1.4 For purposes of this Consent Judgment only, the People and the Settling
10 Defendants stipulate that this Court has jurisdiction over the allegations of violations contained
11 in the People's Complaint and personal jurisdiction over Settling Defendants as to the acts
12 alleged in the People's Complaint, that venue is proper in Los Angeles County, and that this
13 Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims
14 that were or could have been raised in the Complaint based on the facts alleged therein. Settling
15 Defendants agree not to challenge or object to entry of this Judgment by the Court unless the
16 Attorney General has notified them in writing that Plaintiff no longer supports entry of this
17 Judgment or that he seeks to modify this Judgment.

18 1.5 The People and Settling Defendants enter into this Consent Judgment as a full and
19 final settlement of all claims relating to violations of Proposition 65 and the Unfair Competition
20 Law resulting from each Settling Defendant's failure to provide warnings regarding exposures
21 to Diesel Engine Exhaust resulting from the operation of its respective terminal(s) as specified
22 in Section 1.2, subparagraphs (1) through (7) above. By execution of this Consent Judgment
23 and agreeing to terms specified herein, Settling Defendants do not admit any violations of
24 Proposition 65 or the Unfair Competition Law or any other law or legal duty. Except as
25 expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive or impair any
26 right, remedy, or defense the Plaintiff and Settling Defendants may have in any other
27 proceedings. However, this Paragraph shall not diminish or otherwise affect the obligations,

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1 responsibilities, and duties of the parties under this Consent Judgment, or the *res judicata*
2 impacts of this Consent Judgment.

3 **2. DEFINITIONS**

4 2.1 “Affiliated Company” shall mean a company or other corporate entity that is
5 affiliated with a Settling Defendant and identified in Exhibit D, including the predecessors,
6 successors or assigns of any such Affiliated Company.

7 2.2 “Diesel Engine Exhaust” shall mean diesel engine exhaust and the constituent
8 listed chemicals that form a part of that exhaust, including the constituent chemicals in such
9 exhaust separately listed now, or in the future, pursuant to Proposition 65.

10 2.3 The “Effective Date” of this Consent Judgment shall be the date on which the
11 Consent Judgment is entered as a judgment by the trial Court.

12 2.4 “Parent Company” shall mean a company or corporate entity that holds an
13 ownership interest in a Settling Defendant, and is identified in Exhibit C, including any
14 predecessor, successor, or assign of such Parent Company.

15 2.5 “Parties” shall mean the Plaintiff and the Settling Defendants.

16 2.6 “Proposition 65” shall mean the Safe Drinking Water and Toxic Enforcement Act
17 of 1986, Health and Safety Code section 25249.5 *et seq.*, as amended, including the regulations
18 promulgated pursuant thereto.

19 2.7 “Settling Defendants” refers, individually and collectively, to the defendants
20 named in Section 1.2, subparagraphs (1) through (7), above.

21 2.8 The “Unfair Competition Law” or “UCL” shall mean Business and Professions
22 Code sections 17200 *et seq.* and 17500 *et seq.*, as amended.

23 **3. INJUNCTIVE RELIEF: WARNINGS**

24 3.1 On October 13, 2008 certain Settling Defendants and other entities implemented a
25 warning program approved by the People to warn residents and other persons living or working
26 at or near the Ports of Los Angeles and Long Beach that they were being exposed to Diesel
27 Engine Exhaust, a chemical known to the State of California to cause cancer. The requirements
28 of this warning program are set forth in Exhibit A. Compliance with the Exhibit A warning

1 program by a Settling Defendant constitutes compliance with Proposition 65 for those matters
2 resolved by this Consent Judgment.

3 3.2 Each Settling Defendant shall continue to provide warnings, in full compliance
4 with the requirements of Exhibit A, until:

5 (a) the Attorney General informs it in writing that the warnings for Diesel
6 Engine Exhaust emissions are no longer necessary, because the criteria for the cessation of
7 warnings set forth in Exhibit B have been fully satisfied; or

8 (b) this Court enters an order, on stipulation of the Parties, or after the
9 conclusion of the dispute resolution proceedings outlined in Section 8 (Dispute
10 Resolution) of this Consent Judgment, that relieves it of the obligation to provide further
11 warnings; or

12 (c) the Settling Defendant ceases all cargo handling operations that emit
13 Diesel Engine Exhaust beyond its terminal boundary line, or the terminal for which the
14 warning is required ceases all cargo handling operations that emit Diesel Engine Exhaust
15 that causes exposures beyond the terminal boundary line. The Settling Defendant shall
16 inform the Attorney General in writing at least sixty (60) days prior to ceasing warnings
17 pursuant to this subparagraph (c).

18 3.3 Settling Defendants' obligation to implement the warning program required by
19 this Section 3 shall be joint and several. Nothing in this Consent Judgment shall bar a person
20 who is not a Settling Defendant or Affiliated Company from participating in the Warning
21 Program identified in Exhibit A.
22

23 **4. INJUNCTIVE RELIEF: SUPPLEMENTAL ENVIRONMENTAL PROJECTS**

24 4.1 Plaintiff has agreed to accept the settlement payments set forth in Section 5 below
25 (Payments) based in part on Settling Defendants' commitment to implement Supplemental
26 Environmental Projects, designed to reduce emissions of Diesel Engine Exhaust and other
27 chemicals that have been listed under Proposition 65.

28 4.2 Specifically, Settling Defendants shall do the following:

- 1 (1) APM Terminals Pacific, Ltd. shall complete its Supplemental
- 2 Environmental Project in compliance with the terms of Exhibit E.
- 3 (2) Eagle Marine Services, Ltd. shall complete its Supplemental Environmental
- 4 Project in compliance with the terms of Exhibit F.
- 5 (3) International Transportation Service, Inc. shall complete its Supplemental
- 6 Environmental Project in compliance with the terms of Exhibit G.
- 7 (4) SSA Terminals (Long Beach), LLC, SSA Terminals, LLC, and
- 8 Pacific Maritime Services, L.L.C. shall complete their Supplemental
- 9 Environmental Project in compliance with the terms of Exhibit H.
- 10 (5) TraPac, Inc. shall complete its Supplemental Environmental Project in
- 11 compliance with the terms of Exhibit I.
- 12 (6) West Basin Container Terminal LLC shall complete its Supplemental
- 13 Environmental Project in compliance with the terms of Exhibit J.
- 14 (7) Yusen Terminals, Inc., shall complete its Supplemental Environmental
- 15 Project in compliance with the terms of Exhibit K.

16 **5. PAYMENTS**

17 5.1 Civil Penalties. Settling Defendants shall pay civil penalties in the following
18 amounts pursuant to California Health & Safety Code §§ 25249.7(b) and 25249.12:

- 19 (1) APM Terminals Pacific, Ltd., shall pay \$ 83,333.00.
- 20 (2) Eagle Marine Services, Ltd. shall pay \$ 83,333.00.
- 21 (3) International Transportation Service, Inc. shall pay \$ 83,333.00.
- 22 (4) SSA Terminals (Long Beach), LLC, SSA Terminals, LLC, and Pacific
- 23 Maritime Services, L.L.C. shall pay \$83,333.00.
- 24 (5) TraPac, Inc. shall pay \$ 40,000.00.
- 25 (6) West Basin Container Terminal, LLC shall pay \$83,334.00.
- 26 (7) Yusen Terminals, Inc. shall pay \$ 83,334.00.

27 These payments shall be made no later than 30 days after the Effective Date. Pursuant to Health
28 and Safety Code section 25249.12, Settling Defendants shall remit 75% of these funds directly

1 to the California Office of Environmental Health Hazard Assessment (“OEHHA”), and shall
2 pay the remaining 25% to the Attorney General.

3 5.2 Cy Pres. Within sixty (60) days of entry of this Judgment, Settling Defendants
4 shall make the following cy pres payments:

5 (1) Clean Trucks Program/Los Angeles. The following Settling Defendants
6 shall make payments in the following amounts to the Clean Trucks Program operated by the
7 Port of Los Angeles:

8 (1) APM Terminals Pacific, Ltd. shall pay \$ 166,667.00.

9 (2) Eagle Marine Services, Ltd. shall pay \$ 166,667.00.

10 (3) TraPac, Inc. shall pay \$ 80,000.00.

11 (4) West Basin Container Terminal, LLC shall pay \$ 166,666.00.

12 (5) Yusen Terminals, Inc. shall pay \$166,666.00.

13 (2) Programs at the Port of Long Beach. The following Settling Defendants
14 shall make payments in the following amounts to the Port of Long Beach:

15 (1) International Transportation Service, Inc. shall pay \$ 166,667.00.

16 (2) SSA Terminals (Long Beach), LLC, SSA Terminals, LLC, and Pacific
17 Maritime Services, L.L.C. shall pay \$166,667.00.

18 The Port of Long Beach shall use these funds as follows: \$212,500 shall be allocated to a
19 demonstration project for zero emission heavy-duty vehicles in cargo handling and short haul
20 drayage operations, including one hydrogen fuel cell/plug-in electric class-8 on-road truck and
21 one hydrogen fuel cell/plug-in electric zero-emission terminal tractor; and \$120,834 shall be
22 allocated to provide funding for the design and installation of a test diesel particulate filter
23 system for a switch locomotive. In the event that the Port of Long Beach finds it necessary to
24 change these allocations, or allocate funds to a different project, it will first obtain the approval
25 of the Attorney General, who will provide a summary of any changes to the Court and the
26 Settling Defendants.

27 5.3 Other Payments. Within 30 days after the Effective Date, Settling Defendants shall
28 also make the following payments:

1 (1) Attorney General. Settling Defendants shall pay the following sums to the
2 Attorney General, to reimburse the fees and costs her office has expended with respect to this
3 matter.

4 (1) APM Terminals Pacific, Ltd. shall pay \$29,320.00.

5 (2) Eagle Marine Services, Ltd. shall pay \$29,320.00.

6 (3) International Transportation Service, Inc. shall pay \$29,320.00.

7 (4) SSA Terminals (Long Beach), LLC, SSA Terminals, LLC, and Pacific
8 Maritime Services, L.L.C. shall pay \$29,320.00.

9 (5) TraPac, Inc. shall pay \$14,080.00.

10 (6) West Basin Container Terminal, LLC shall pay \$29,320.00.

11 (7) Yusen Terminals, Inc. shall pay \$29,320.00.

12 Funds paid pursuant to this paragraph shall be placed in an interest-bearing Special Deposit
13 Fund established by the Attorney General. These funds, including any interest, shall be used by
14 the Attorney General, until all funds are exhausted, for the costs and expenses associated with
15 the enforcement and implementation of Proposition 65, including investigations, enforcement
16 actions, other litigation or activities as determined by the Attorney General to be reasonably
17 necessary to carry out her duties and authority under Proposition 65. Such funding may be used
18 for the costs of the Attorney General's investigation, filing fees and other court costs, payment
19 to expert witnesses and technical consultants, purchase of equipment, travel, purchase of written
20 materials, laboratory testing, sample collection, or any other cost associated with the Attorney
21 General's duties or authority under Proposition 65. Funding placed in the Special Deposit Fund
22 pursuant to this Paragraph, and any interest derived therefrom, shall solely and exclusively
23 augment the budget of the Attorney General's Office and in no manner shall supplant or cause
24 any reduction of any portion of the Attorney General's budget.

25 (2) Rose, Klein and Marias. Pursuant to Health & Safety Code section
26 25249.7(j), Settling Defendants shall make the following payments to the law firm of Rose,
27 Klein and Marias on account of its representation of Alice Bradfield, David Bradfield, Hillary
28 Bradfield, Kristin Bradfield, and Meredith Bradfield (the "Bradfield Plaintiffs"):

- 1 (1) APM Terminals Pacific, Ltd. shall pay \$35,495.00.
- 2 (2) Eagle Marine Services, Ltd. shall pay \$35,495.00.
- 3 (3) International Transportation Service, Inc. shall pay \$35,495.00.
- 4 (4) SSA Terminals (Long Beach), LLC, SSA Terminals, LLC, and Pacific
- 5 Maritime Services, L.L.C. shall pay \$35,495.00.
- 6 (5) TraPac, Inc. shall pay \$17,030.00.
- 7 (6) West Basin Container Terminal, LLC shall pay \$35,495.00.
- 8 (7) Yusen Terminals, Inc. shall pay \$35,495.00.

9 These payments represent full compensation for the fees, costs and other assistance that the
10 Bradfield Plaintiffs have incurred in providing assistance to Plaintiff in this matter with respect
11 to claims against the Settling Defendants. In order to obtain payment pursuant to this Paragraph
12 5.3(2), the law firm of Rose, Klein and Marias must, concurrently the filing of Plaintiff's motion
13 seeking entry of this Judgment, file declarations and, if necessary, supporting evidence which
14 establish that it has incurred at least \$230,000 in fees and costs in its investigation, negotiation
15 and litigation of the Bradfields' Proposition 65 claims against the Settling Defendants,
16 excluding the fees and costs for any negotiations, litigation or appeal regarding the adequacy of
17 the Bradfield Plaintiffs' sixty-day notices

18 5.4 Each payment required by this Consent Judgment shall be made through the
19 delivery of checks payable to the applicable person, as follows:

- 20 (1) Attorney General. Payments due to the Attorney General shall be made
21 payable to the "California Department of Justice," and sent to the attention of Robert Thomas,
22 Legal Analyst, Department of Justice, 1515 Clay Street, 20th Floor, Oakland, CA 94612.
- 23 (2) Office of Environmental Health Hazard Assessment. Payments due to the
24 OEHHA shall be made payable to the Office of Environmental Health Hazard Assessment and
25 sent to: Mike Gyurics, Fiscal Operations Manager, Office of Environmental Health Hazard
26 Assessment, P.O. Box 4010, Sacramento, CA 95812-0410.
- 27 (3) Rose, Klein and Marias. The payment due to Rose, Klein and Marias shall
28 be made payable to Rose, Klein & Marias LLP Client Trust Account, and sent to: David A.

1 Rosen, Rose, Klein & Marias LLP, 801 South Grand Avenue, 11th floor, Los Angeles, CA
2 90017.

3 (4) Clean Trucks Program. Payments to the Clean Trucks Program shall be
4 made payable to "City of Los Angeles, Harbor Department." The payor may note in the
5 "Memo" field of the Check: "For: Clean Truck Program." Each check shall be accompanied
6 by a cover letter stating that the payment is made under this Consent Judgment and that it is for
7 use by the Clean Truck Program. Payments shall be sent to City of Los Angeles, Harbor
8 Department, 425 South Palos Verdes Street, San Pedro, CA 90731, Attention: Joy Crose, Asst.
9 General Counsel, City Attorney's Office.

10 (5) Programs at the Port of Long Beach. Payments to the Port of Long Beach
11 shall be made payable to the "Port of Long Beach." Each check shall be accompanied by a
12 cover letter stating that the payment is made under Paragraph 5.2(2) of this Consent Judgment.
13 Payments shall be sent to Dominic Holzhaus, Principal Deputy City Attorney, Long Beach City
14 Hall, 333 West Ocean Boulevard, Long Beach, California 90802

15 (6) Copies of checks. Settling Defendant will cause copies of each and every
16 check issued pursuant to this Judgment to be sent to: Dennis A. Ragen, Deputy Attorney
17 General, 110 West A. Street, Suite 1100, San Diego, California 92101, and, if a payment is not
18 confirmed, Settling Defendants will provide further verification of such payment upon the
19 request of the Attorney General.

20 **6. MODIFICATION OF CONSENT JUDGMENT**

21 6.1 This Consent Judgment may be modified from time to time by express written
22 agreement of the Parties with the approval of the Court; by an order of this Court on noticed
23 motion from Plaintiff or Settling Defendants in accordance with law; or by the Court in
24 accordance with its inherent authority to modify its own judgments.

25 6.2 Before filing an application with the Court for a modification to this Consent
26 Judgment, the party seeking modification shall meet and confer with the other party or parties to
27 be bound to determine whether the modification may be achieved by consent. If a proposed
28 modification is agreed upon, then the Settling Defendant(s) to be bound and the Attorney

1 General will present the modification to the Court by means of a stipulated modification to the
2 Consent Judgment, after giving notice to all other parties.

3 6.3 If a Settling Defendant sells, leases, sub-leases or terminates its operations at the
4 terminal identified for that Settling Defendant in Section 1.2, and either: (1) that Settling
5 Defendant moves to a new terminal within the Port of Los Angeles or Long Beach and conducts
6 substantially similar operations; or (2) an unrelated party purchases or assumes substantially
7 similar operations as Settling Defendant conducts at the terminal identified for that Settling
8 Defendant in Section 1.2; or (3) a new lessee, sub-lessee or operator commences substantially
9 similar operations as Settling Defendant, its Affiliated Companies or Parent Company conduct
10 at the terminal identified for that Settling Defendant in Section 1.2, then Settling Defendant or
11 such new person may move to modify this Consent Judgment to allow Settling Defendant to
12 remain a Settling Defendant hereunder, but operating at such new terminal, or to allow such new
13 person to become a new Settling Defendant hereunder. The modifications permitted under this
14 Section 6.3 shall not result in new payments by the Settling Defendant or a new person who
15 becomes a Settling Defendant; provided, however, each Settling Defendant as of the Effective
16 Date remains liable for its payments due under Section 5 (Payments), its obligations under
17 Section 4 (Injunctive Relief: Supplemental Projects) and, if still applicable after the
18 modification, the obligations of Section 3 (Injunctive Relief: Warnings).

19 **7. ENFORCEMENT**

20 7.1 Plaintiff may, by motion or application for an order to show cause before this
21 Court, enforce the terms and conditions contained in this Consent Judgment. In any such
22 proceeding, Plaintiff may seek whatever fines, costs, penalties, or remedies are provided by law
23 for failure to comply with the Consent Judgment and where said violations of this Consent
24 Judgment constitute new violations of Proposition 65, or other laws, and are independent of the
25 Consent Judgment and/or those violations alleged in the Complaint, the Plaintiff may seek in
26 another action whatever fines, costs, penalties, or remedies are provided for by law for failure to
27 comply with Proposition 65 or other laws. In any action brought by Plaintiff or another enforcer
28 alleging violations of Proposition 65 or other laws that occur after entry of this Consent

1 Judgment, Settling Defendant(s) may assert any and all defenses that are available, including the
2 *res judicata* or collateral estoppel effect of this Consent Judgment.

3 **8. DISPUTE RESOLUTION**

4 8.1 Any party to this Consent Judgment, may, after meeting and conferring with the
5 other parties, file a motion in this Court, in order to seek resolution of any dispute whatsoever
6 that may arise under this Consent Judgment or its Exhibits. Without limiting the generality of
7 the foregoing, any disputes over the requirements of Exhibits E through K, including, without
8 limitation, the granting of extensions, the calculation of the value of any unimplemented
9 projects, and the adequacy of any additional or alternative SEPs, shall be subject to the
10 provisions of this Section 8.

11 8.2 Before any party files a motion seeking dispute resolution, the moving or enforcing
12 party (Moving Party) shall meet and confer with the other party (Other Party), in the following
13 manner: (1) the Moving Party shall advise the Other Party, in writing, of the dispute and
14 schedule a telephone conference at a time that is mutually convenient to the parties, and which
15 falls no later than thirty (30) days from the date of service of such written notice of the alleged
16 violation or dispute; (2) counsel for the Moving Party and the Other Party shall participate in the
17 scheduled telephone conference in an attempt to resolve the issues presented in the notice, at
18 which time counsel for the Other Party will inform counsel for the Moving Party whether they
19 agree to take the action demanded in the notice; (3) if the Other Party declines to take such
20 action, the Parties will attempt to negotiate a mutually agreeable resolution, consistent with the
21 terms of this Consent Judgment and Proposition 65; and (4) if no mutually agreeable resolution
22 can be reached, then the Moving Party, may file a motion with the Court seeking resolution of
23 the dispute arising under this Judgment. Nothing in this Section 8 shall limit Plaintiff's rights to
24 enforce the terms and conditions contained in this Consent Judgment

25 **9. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

26 9.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized
27 by the party he or she represents to stipulate to this Consent Judgment and to enter into and
28 execute the Consent Judgment on behalf of the party represented and legally to bind that party.

1 **10. CLAIMS COVERED**

2 10.1 Full and Binding Resolution. This Consent Judgment is a full, final, and binding
3 resolution between the People and each Settling Defendant, of any violation of Proposition 65,
4 the UCL or any other statutory or common law claims that have been or could have been
5 asserted in the Complaint against each Settling Defendant for its failure to provide clear and
6 reasonable warnings of exposure to Diesel Engine Exhaust arising from operations, including
7 the handling, transport and movement of goods and products, and the operation, repair,
8 maintenance and fueling of ships, boats, trucks or other vehicles and equipment involved
9 therein, at, and in transit to or from, each Settling Defendant's respective terminal(s) as
10 specified in Section 1.2, subparagraphs (1) through (7) above.

11 10.2 Claims covered for parents and affiliates. Compliance by a Settling Defendant
12 with the terms of this Consent Judgment resolves any claims that have been or may be asserted
13 under Proposition 65 or the UCL against the following entities, for their failure to provide clear
14 and reasonable warnings of exposure to Diesel Engine Exhaust:

- 15 • Each Parent Company listed in Exhibit C, column 2, solely with respect to its ownership
16 of, or operations at, or in transit to or from, the facility set forth to the right of its name
17 in column 3.
- 18 • Each Affiliated Company listed in Exhibit D, column 2, solely with respect to its
19 operations at, or in transit to or from, the facility set forth to the right of its name in
20 column 3.

21 10.3 Claims not covered. This Consent Judgment does not resolve any claims that
22 Plaintiff may assert with respect to (i) any Settling Defendant's operations at any terminals other
23 than those for which it is identified as a lessee in Section 1.2, subparagraphs (1) through (7),
24 above, (ii) operations of a Parent Company at any terminals other than those for which it is
25 identified as a parent in Exhibit C, (iii) operations of an Affiliated Company at any terminals
26 other than those for which it is identified as an Affiliated Company in Exhibit D, (iv) activities
27 other than the handling, transport and movement of goods and products, and the operation,
28 repair, maintenance and fueling of ships, boats, trucks or other vehicles and equipment involved

1 therein; (v) chemicals other than Diesel Engine Exhaust; (vi) the liability of a Parent Company
2 or Affiliated Company of a Settling Defendant, if that Settling Defendant has failed, after
3 receiving written notice, to comply with the terms of this Consent Judgment; (vii) obstruction of
4 the applicable terms of this Consent Judgment by a Parent Company or Affiliated Company; or
5 (viii) the liability of a Parent Company or Affiliated Company if it assumes the operations of
6 the facility set forth to the right of its name in Exhibits C or D, unless such Parent Company or
7 Affiliate Company agrees to fulfill the terms of this Consent Judgment with respect to that
8 facility.

9 10.4 Further Reservations: Without limiting the rights reserved to Plaintiff in the
10 preceding paragraphs, Plaintiff also reserves the right to move this Court to modify this Consent
11 Judgment to require Settling Defendants to provide new, different or expanded warnings, if new
12 evidence after the Effective Date indicates that (1) emissions of Diesel Engine Exhaust from
13 Settling Defendants' operations at the Ports of Los Angeles or Long Beach are materially
14 greater than the emissions that occurred in 2006, and (2) the warnings required by Section 3 of
15 this Judgment (Injunctive Relief: Warnings) do not adequately provide warnings to persons
16 exposed to Diesel Engine Exhaust. The parties agree, however, that the form of the existing
17 warning program set forth in Exhibit A shall remain unmodified for three (3) years after the
18 Effective Date. In bringing any motion pursuant to this Section 10.4, the People shall bear the
19 responsibility of the moving party, subject to any defenses that Settling Defendants may
20 establish. Prior to making any such motion, the parties shall employ the procedures set forth in
21 Section 8 (Dispute Resolution).

22 **11. PROVISION OF NOTICE**

23 11.1 When any party is entitled to receive any notice under this Consent Judgment, the
24 notice shall be sent by overnight courier service to the person and address set forth in Exhibit L.
25 Any party may modify the person and address to whom the notice is to be sent by sending each
26 other party notice by overnight courier. Said change shall take effect five days after delivery to
27 the party receiving notice of the change.

28 / / /

1 11.2 Written Confirmation. Within 15 days of any completing any action required by
2 this Consent Judgment, and also on Plaintiff's written request, Settling Defendant will provide
3 Plaintiff with written confirmation that the required action has been completed.

4 **12. COURT APPROVAL**

5 12.1 This Consent Judgment shall be submitted to the Court for entry by noticed motion
6 or as otherwise may be required or permitted by the Court. If this Consent Judgment is not
7 approved by the Court, it shall be of no force or effect and may not be used by the Plaintiff or
8 Settling Defendant for any purpose.

9 **13. ENTIRE AGREEMENT**

10 13.1 This Consent Judgment contains the sole and entire agreement and understanding
11 of the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
12 negotiations, commitments and understandings related hereto. No representations, oral or
13 otherwise, express or implied, other than those contained herein have been made by any Party
14 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be
15 deemed to exist or to bind any of the Parties.

16 **14. RETENTION OF JURISDICTION**

17 14.1 This Court shall retain jurisdiction over this matter to implement and enforce the
18 Consent Judgment, and to resolve any disputes that may arise as to the implementation of this
19 Judgment.

20 **15. EXECUTION IN COUNTERPARTS**

21 15.1 The stipulations to this Consent Judgment may be executed in counterparts and by
22 means of facsimile, which taken together shall be deemed to constitute one document.

23 IT IS SO ORDERED and ADJUDGED:

24
25 DATED: _____

8/15/11

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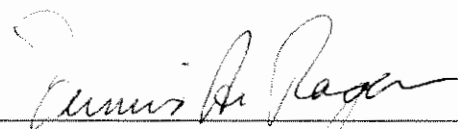
27 JUDGE OF THE SUPERIOR COURT
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DATED: March 22, 2011


IT IS SO STIPULATED:

KAMALA D. HARRIS
Attorney General
J. MATTHEW RODRIQUEZ
Chief Assistant Attorney General
KEN ALEX
Senior Assistant Attorney General
SUSAN DURBIN
Deputy Attorney General

By: 
DENNIS A. RAGEN
Deputy Attorney General
For Plaintiff, People of the State of California

DATED 2/18/11

APM TERMINALS PACIFIC, LTD.

By: 
Its: ALAN MCCORKLE

DATED _____

EAGLE MARINE SERVICES, LTD.

By: _____
Its: _____

DATED _____

INTERNATIONAL TRANSPORTATION
SERVICE, INC.

By: _____
Its: _____

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IT IS SO STIPULATED:

DATED: _____

KAMALA D. HARRIS
Attorney General
J. MATTHEW RODRIQUEZ
Chief Assistant Attorney General
KEN ALEX
Senior Assistant Attorney General
SUSAN DURBIN
Deputy Attorney General

By: _____
DENNIS A. RAGEN
Deputy Attorney General
For Plaintiff, People of the State of California

DATED _____

APM TERMINALS PACIFIC, LTD.

By: _____
Its: _____

DATED Feb. 18 2010

EAGLE MARINE SERVICES, LTD.

By: *Elin R. Swett*
Its: *Assoc. General Counsel*

DATED _____

INTERNATIONAL TRANSPORTATION
SERVICE, INC.

By: _____
Its: _____

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IT IS SO STIPULATED:

DATED: _____

KAMALA D. HARRIS
Attorney General
J. MATTHEW RODRIQUEZ
Chief Assistant Attorney General
KEN ALEX
Senior Assistant Attorney General
SUSAN DURBIN
Deputy Attorney General

By: _____

DENNIS A. RAGEN
Deputy Attorney General
For Plaintiff, People of the State of California

DATED _____

APM TERMINALS PACIFIC, LTD.

By: _____

Its: _____

DATED _____

EAGLE MARINE SERVICES, LTD.

By: _____

Its: _____

DATED 2/22/2011

INTERNATIONAL TRANSPORTATION
SERVICE, INC.


By: Michael Phaul

Its: SENIOR VICE PRESIDENT

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DATED 1/31/2011

SSA TERMINAL (LONG BEACH), LLC
SSA TERMINAL, LLC
PACIFIC MARITIME SERVICES, L.L.C.

By: 
Its: Chief Operating Officer

DATED _____

TRAPAC, INC.

By: _____
Its: _____

DATED _____

WEST BASIN CONTAINER TERMINAL, LLC

By: _____
Its: _____

DATED _____

YUSEN TERMINALS, INC.

By: _____
Its: _____

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DATED _____

SSA TERMINAL (LONG BEACH), LLC
SSA TERMINAL, LLC
PACIFIC MARITIME SERVICES, L.L.C.

By: _____
Its: _____

DATED 2/16/11

TRAPAC, INC.

By: Frank A. Pisano
Its: 2/16/11 Executive Vice Pres.

DATED _____

WEST BASIN CONTAINER TERMINAL, LLC

By: _____
Its: _____

DATED _____

YUSEN TERMINALS, INC.

By: _____
Its: _____

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DATED _____

SSA TERMINAL (LONG BEACH), LLC
SSA TERMINAL, LLC
PACIFIC MARITIME SERVICES, L.L.C.

By: _____

Its: _____

DATED _____

TRAPAC, INC.

By: _____

Its: _____

DATED 2/07/11

WEST BASIN CONTAINER TERMINAL, LLC

By: Mark Wheeler

Its: General Manager

DATED _____

YUSEN TERMINALS, INC.

By: _____

Its: _____

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DATED _____

SSA TERMINAL (LONG BEACH), LLC
SSA TERMINAL, LLC
PACIFIC MARITIME SERVICES, L.L.C.

By: _____

Its: _____

DATED _____

TRAPAC, INC.

By: _____

Its: _____

DATED _____

WEST BASIN CONTAINER TERMINAL, LLC

By: _____

Its: _____

DATED 2/22/2011

YUSEN TERMINALS, INC.

By: Myra B Holt

Its: General Counsel

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EXHIBIT A
Requirements for the Warning Program

On or about October 13, 2008, the Settling Defendants and other entities implemented a Proposition 65 warning program approved by the People. The Settling Defendants shall continue to provide clear and reasonable warnings to specified communities for exposure to diesel exhaust in the following manner:

A. Newspaper notices.

1. Newspaper notices, one-quarter page in size, shall be published in the approximate form and content provided in Appendices A, B, and C. The three versions shall be published in sequence, continuing to repeat over time, in each publication as set forth below.
2. Notices shall be placed in the Los Angeles Times South Bay edition (i.e., Los Angeles Times distributed in the South Bay area), a Long Beach community paper, and the La Opinion, a Los Angeles region Spanish language newspaper. The version placed in the Spanish language newspaper shall appear in Spanish, with the translation agreed on by the parties.
3. Notices shall be published on rotating basis one weekend day four times per year, per year thereafter, with the spacing of such ads to be, generally, once per each quarter.

B. Bus-shelter posters.

1. Posters appearing in bus-stop shelters shall be provided in the form and content provided in Appendices B and C.
2. Two posters shall appear at 10 locations, within the Long Beach and San Pedro city limits, with the greatest concentration in downtown Long Beach.
3. Two posters shall be placed in 10 locations for 4 weeks within the defined area twice a year.

C. Website information.

1. Each newspaper ad and bus shelter poster will refer to <http://www.prop65attheports.com>.
2. The website will include the following language:

About this Warning:

The Ports of Long Beach and Los Angeles are the nation's two largest ports. Not surprisingly, the many operations at the Ports generate diesel engine exhaust. Operations involving the use of diesel fuel include: (i) cargo and cruise ships arriving and docking at the Ports, (ii) trucks and trains moving goods; and (iii) terminal equipment loading and unloading cargo.

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Diesel engines have been in use for many decades. Only recently have alternative fuel blends or modified diesel engines become available. Some operators at the Ports voluntarily have converted to using newly available fuels and engines in place of standard fuels or older engines for some of their operations. In addition, California laws are mandating changes in Port operations which already do, or will, require newer, cleaner burning engines and fuels.

Diesel engines produce smoke as a by-product of the combustion of diesel fuel. The smoke contains gas compounds and fine particles (called "soot" or "particulate matter"). On October 1, 1990 the State of California listed diesel engine exhaust as a chemical known to the State of California to cause cancer pursuant to Proposition 65, also known as "The Safe Drinking Water and Toxic Enforcement Act of 1986". In 1998, the California Environmental Protection Agency's Office of Environmental Health Hazard Assessment ("OEHHA") added diesel engine exhaust to the State's list of toxic air contaminants.

In 2008, pursuant to Proposition 65, the Attorney General of California reached an agreement to provide warnings to the community with the operators at the Ports of Long Beach and Los Angeles listed here. Proposition 65 requires a "clear and reasonable" warning be given for listed chemicals, such as diesel engine exhaust, and the components of that exhaust, that cause cancer or reproductive harm.

Take Action:

You can monitor particulate matter levels in your community by checking the South Coast Air Quality Management District website and other locations on this website. The U.S. Environmental Protection Agency and the American Lung Association recommend the following steps:

- If the amount of particulate matter in your local area is high on a given day, keep windows and doors closed and use air conditioners or fans.
- Use vacuums and air purifiers with HEPA filters.
- Reduce indoor sources that create particulate matter, such as propane, wood-burning, or natural gas stoves and ovens, gas logs, candles, and tobacco smoke.
- Individuals with heart or lung disease, the elderly, and children should limit time outdoors and avoid physical exertion when particulate matter levels are high.
- Choose outdoor exercise facilities located away from sources of diesel exhaust or exercise indoors at a shopping mall or a gym.

One purpose of Proposition 65 is to provide information about

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exposures to listed chemicals, such as diesel engine exhaust, to residents of California so that individuals can make more informed choices.

Operators at the Ports are working independently and with the Ports to reduce diesel emissions and provide cleaner, healthier air in the region.

This Proposition 65 warning is proved by the operators at the Ports of Los Angeles and Long Beach listed here.

- 3. The website will operate indefinitely.

PROPOSITION 65

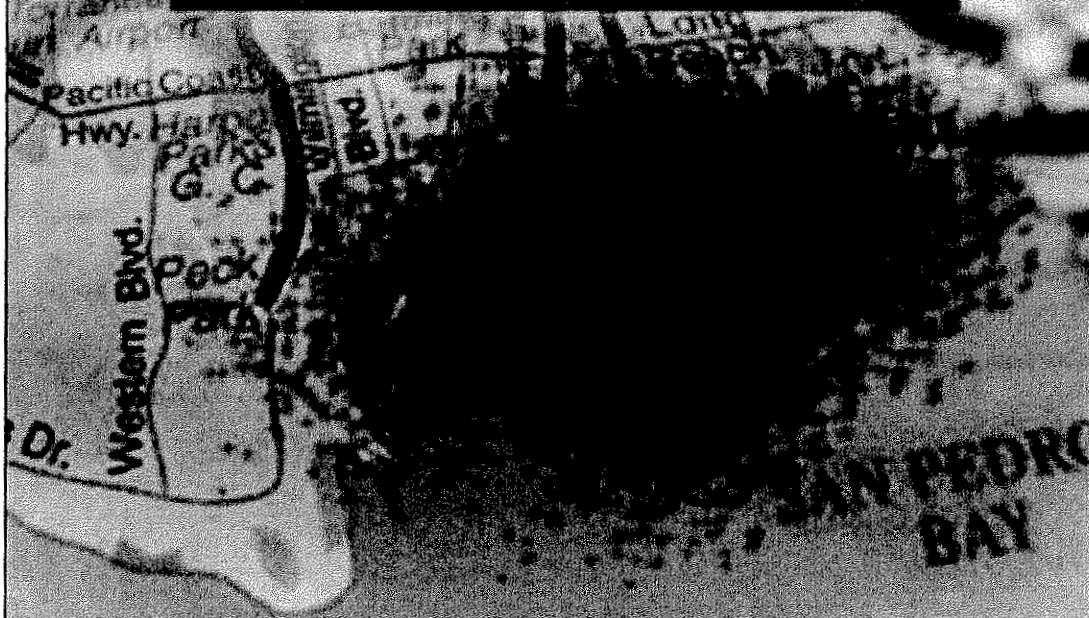
EXHAUST

WARNING

PORT EXHAUST WARNING

Chemicals in diesel exhaust are known by the State of California to cause cancer and birth defects or other reproductive harm. Operations at the ports of Los Angeles and Long Beach are sources of diesel exhaust in the greater Los Angeles area.

This map shows the location of the ports and the area of Los Angeles most directly affected.



ROAD MAP TO CLEANER AIR

The ports and their tenants are working with the State of California in an ambitious plan to reduce diesel exhaust emissions generated in port operations.

Learn about cleaner air for our ports and our port cities:
www.prop65attheports.com

EXHIBIT A -APPENDIX A

CHANGE
IS IN THE AIR.

PROPOSITION 65

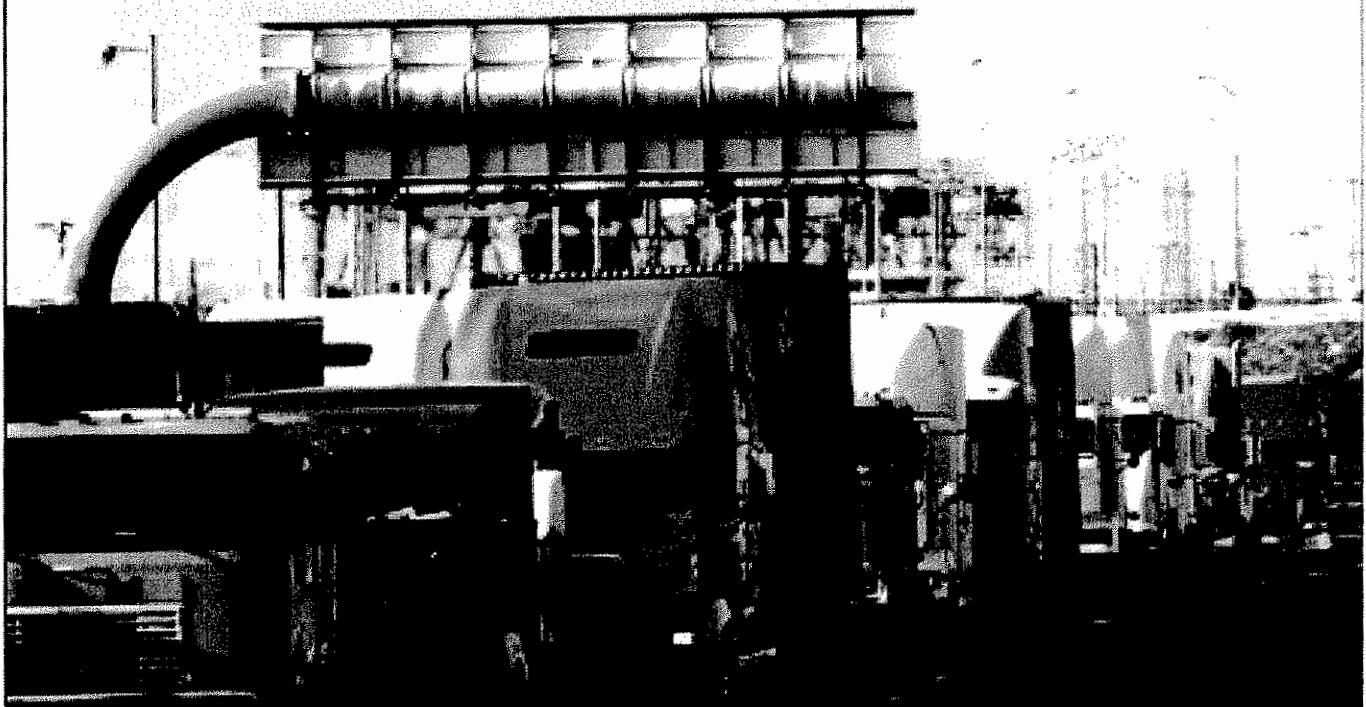
Diesel exhaust from operations at the Ports of Los Angeles and Long Beach can cause cancer and birth defects or other reproductive harm.

The ports and their tenants are working with the State of California to reduce these diesel emissions. Learn about cleaner air for our ports on sites: www.prop65attheports.com

EXHIBIT A - APPENDIX B

PROPOSITION 65 PORT EXHAUST WARNING

Diesel exhaust from operations at the Ports of Los Angeles and Long Beach can cause cancer and birth defects or other reproductive harm.



NEXT STOP: CLEANER AIR

The ports and their tenants are working with the State of California to reduce these diesel emissions. Learn about cleaner air for our ports and our port cities. www.prop65attheports.com

EXHIBIT A - APPENDIX C

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EXHIBIT B
Cessation of Warnings

A Settling Defendant may cease providing warnings pursuant to the provisions of Section 3.2 of the Consent Judgment if it can establish that the Diesel Engine Exhaust emissions from its terminal(s) do not pose a significant risk of cancer, within the meaning of California Code of Regulations, Title 27, Section 25703, subdivision (b), to persons exposed beyond the boundary of the terminal listed for that Settling Defendant in Section 1.2, and are not likely to pose such a risk given reasonably foreseeable variations in the operations at such terminal(s).

In order to cease warnings, the Settling Defendant must submit a written application to the Attorney General.

Upon reviewing the written application, the Attorney General's Office may either: (i) approve the application; (ii) return the application to the Settling Defendant with a request for additional information (including, if one has not already been submitted, a risk assessment prepared by a qualified environmental consultant with experience in conducting quantitative risk assessments for environmental exposures under Proposition 65), and/or new or different analysis; or (iii) deny the application with an explanation of the reasons for the denial.

Any dispute over the Attorney General's denial of an application to cease warnings shall be subject to the Dispute Resolution provisions of Section 8.1.

If it is necessary for the Attorney General to engage a consultant to review the Settling Defendant's application to cease warnings, Settling Defendant shall reimburse the Attorney General's Office for reasonable consultant fees it incurs in reviewing the application.

EXHIBIT C

Parent Companies		
1 Lessee Operator	2 Parent Company	3 Claims are Covered under Section 10.2 with respect to the following facilities only:
SSA Terminals (Long Beach), LLC, a California limited liability company	SSA Terminals LLC, a California Limited Liability Company	Long Beach Pier A, 700 Pier A Plaza, Long Beach, CA
	Terminal Investment Company, a Guernsey Corporation	Long Beach Pier A, 700 Pier A Plaza, Long Beach, CA
SSA Terminals, LLC, a Delaware limited liability company	SSA Ventures, Inc., a Delaware limited Company	Long Beach Pier C-60; 1521 Pier C Street Long Beach, CA
	Matson Ventures, Inc., a Hawaii Corporation	Long Beach Pier C-60; 1521 Pier C Street Long Beach, CA
Pacific Maritime Services, L.L.C., a Delaware limited liability company	SSA Ventures, Inc.	Long Beach Pier J, 1521 Pier J Way, Long Beach CA
	COSCO terminals America, Inc.	Long Beach Pier J, 1521 Pier J Way, Long Beach CA
TraPac, Inc., a California company	Mitsui O.S.K. Lines, Ltd., a Japanese Company	Port of Los Angeles, Berths 136-141
Yusen Terminals Inc., a California company	Nippon Yusen Kaisha, a Japan Company	Port of Los Angeles, Berths 212-223
	NYK Group Americas Inc., a Delaware Company	Port of Los Angeles, Berths 212-223
West Basin Container Terminal, LLC, a Delaware limited liability company	Ports America Group,	Port of Los Angeles, Berths 100-102, 121-131
	Yang Ming Line Holding Co., Limited, a Delaware Company	Port of Los Angeles, Berths 100-102, 121-131
	China Shipping (North America) Holding Co., Ltd., a Delaware Company	Port of Los Angeles, Berths 100-102, 121-131
Eagle Marine Services, Ltd., a Delaware company	American President Lines, Ltd., a Delaware Company	Port of Los Angeles, Berths 302-305
International Transportation Service, Inc., a California company	"K" Line America, Inc., a Michigan corporation	Long Beach Pier G, 1281 Pier G Way, Long Beach, CA
	Kawasaki Kisen Kaisha, Ltd. ("K" Line), a Japanese Corporation	Long Beach Pier G, 1281 Pier G Way, Long Beach, CA
APMT Pacific, Ltd., also known as APMTPL, a California Corporation	APM Terminals North America, Inc., a Delaware Corporation	Port of Los Angeles, Pier 400

EXHIBIT D

Affiliates		
1 Lessee Operator	2 Affiliates	3 Claims are Covered under Section 10.2 with respect to the following facilities only:
SSA Terminals (Long Beach), LLC, a California limited liability company	Mediterranean Shipping Company, S.A., a Swiss Corporation.	Long Beach Pier A, 700 Pier A Plaza, Long Beach, CA
SSA Terminals, LLC, a Delaware limited liability company	Matson Navigation Company, Inc., a Hawaii Corporation	Long Beach Pier C-60; 1521 Pier C Street Long Beach, CA
Pacific Maritime Services, L.L.C., a Delaware limited liability company	COSCO Container Lines Limited, a Chinese Company	Long Beach Pier J, 1521 Pier J Way, Long Beach CA
TraPac, Inc., a California company	International Transportation, Inc., a Delaware Company	Port of Los Angeles, Berths 136-141
	Mitsui O.S.K. (America), Inc., a Delaware Company	Port of Los Angeles, Berths 136-141
Eagle Marine Services, Ltd., a Delaware Company	American President Lines, Ltd., a Delaware Company	Port of Los Angeles, Berths 302-305
	APL Co. Ptd. Ltd., a Singapore Company	Port of Los Angeles, Berths 302-305
	APL Limited, a Delaware Company	Port of Los Angeles, Berths 302-305
	Neptune Orient Lines Limited, a Singapore Company	Port of Los Angeles, Berths 302-305
West Basin Container Terminal, LLC, a Delaware limited liability company	Yang Ming Marine Transport Corporation, a Taiwan Company	Port of Los Angeles, Berths 100-102, 121-131
	Yang Ming (America) Corp., a New York Corporation	Port of Los Angeles, Berths 100-102, 121-131
	China Shipping Group, a Chinese Company	Port of Los Angeles, Berths 100-102, 121-131
	China Shipping Container Lines Co., Ltd., a Chinese Company	Port of Los Angeles, Berths 100-102, 121-131
	China Shipping Container Lines (Hong Kong) Co., Ltd., a Hong Kong Company	Port of Los Angeles, Berths 100-102, 121-131
	China Shipping (North America) Agency Co., Ltd., a Delaware Company	Port of Los Angeles, Berths 100-102, 121-131

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Affiliates		
1 Lessee Operator	2 Affiliates	3 Claims are Covered under Section 10.2 with respect to the following facilities only:
Yusen Terminals Inc., a California Company	NYK Line (North America) Inc., a Delaware Company	Port of Los Angeles, Berths 212-223
APMT Pacific, Ltd., also known as APMTPL, a California Corporation	Maersk Inc., a New York Corporation	Port of Los Angeles, Pier 400
	Maersk Equipment Service Company, a Delaware corporation.	Port of Los Angeles, Pier 400
	Maersk Equipment Service Company, Inc., a Delaware Corporation, dba Direct Chassis Link, Inc., a Delaware Corporation.	Port of Los Angeles, Pier 400
	Maersk Distribution Services Inc. (formerly known as Hudd Distribution Services Inc.), a Delaware Corporation	Port of Los Angeles, Pier 400
	P&O Nedlloyd Logistics LLC, a Delaware Limited Liability Company	Port of Los Angeles, Pier 400
	Maersk Line Limited, a Delaware Limited Liability Company	Port of Los Angeles, Pier 400
	Farrell Lines Incorporated, a Delaware Corporation	Port of Los Angeles, Pier 400
	A.P. Moller-Maersk A/S (trading as Maersk Line), a Danish Corporation	Port of Los Angeles, Pier 400
	Maersk Agency U.S.A., Inc., a Delaware Corporation	Port of Los Angeles, Pier 400
APMT Pacific, Ltd., also known as		

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Affiliates		
1 Lessee Operator	2 Affiliates	3 Claims are Covered under Section 10.2 with respect to the following facilities only:
APMTPL, a California Corporation (continued)	Maersk Agency U.S.A., Inc. as agent for AP Moller-Maersk A/S trading as Maersk Line, a Delaware Corporation	Port of Los Angeles, Pier 400
	Bridge Terminal Transport Inc., a Delaware Corporation	Port of Los Angeles, Pier 400
	Hudd Distribution Services Inc., a California Corporation	Port of Los Angeles, Pier 400
	Damco USA Inc., a Delaware Corporation	Port of Los Angeles, Pier 400
	Safmarine Container Lines NV, a Belgian Corporation	Port of Los Angeles, Pier 400

EXHIBIT E

SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR APM TERMINALS PACIFIC, LTD.

PROJECT DESCRIPTION: APM Terminals ("APMT") is committed to providing a Supplemental Environmental Project that reduces diesel fuel consumption. Reduced fuel consumption can directly be equated to reduced diesel engine emissions. APMT desired to develop a SEP that focused on the container handling equipment operated at our marine terminal located at Los Angeles - Pier 400.

Our thorough review of the various commercially available diesel emission reduction solutions included the following potential projects:

1. Electric UTRs (APMT is already engaged in an evaluation of this technology in partnership with the Port of Los Angeles);
2. "Fuel-saver" rubber tired gantry crane (modifies to existing diesel engine);
3. Hybrid UTRs (small diesel generator charges a large bank of batteries).
4. Electric rubber tired gantry cranes (e-RTGs). These machines offer 100% reduction of diesel emissions when compared to conventional diesel RTGs.

After evaluating these four options, APMT has elected to pursue the e-RTG solution. Conventional RTGs use a diesel engine as the primary source to generate electricity, which is then transferred to electric motors mounted on the axels. The electricity is generated "internally". Utilizing e-RTG technology will allow the machines to use "external" power provided by our local utility company.

Our SEP includes the following key elements:

1. An external power supply (like the 3rd rail for a commuter train) will be permanently installed in our container yard.
2. Conventional RTGs will be converted to e-RTGs. The most significant modification is an external "arm" attached to the e-RTG that extends out to make contact with the 3rd rail mentioned above. This allows for the e-RTG to connect to the external power supply, not requiring any use of the diesel engine. The e-RTG produces zero diesel emissions when operating with external power supply.

The components to convert the machine to an e-RTG are manufactured by Conductix-Wampfler AG.

Conductix-Wampfler AG
Rheinstrasse 27 + 33 79576
Weil am Rhein, Germany
info.de@conductix.com

Pursuant to this SEP, unless the cost to convert one RTG exceeds \$300,000/unit, APMT agrees to convert three (3) units. APMT will also budget approximately \$100,000 to purchase and install the 480 volt transformers that will be required to power the 3rd rail. The total, unreimbursed, SEP value is approximately \$1,000,000. APMT agrees to deploy the purchased units at Pier 400 and to operate them in the ordinary course of business, ordinary wear and tear and maintenance excepted.

IMPLEMENTATION: APMT agrees to place an order for the equipment to convert three (3) RTGs to an e-RTGs, within seventy-five (75) days of the entry of the Consent Judgment.

APMT is advised the lead-time from purchase to delivery is approximately six months. Upon completion of the conversion, APMT will begin to deploy the units after customary inspections for quality, conformance with specifications, and functionality. After commissioning, approximately one week will be required to train our mechanics how to maintain, service and repair the machines. To ensure safety and quality, APMT may initially roll out a single unit, ensure quality and safety, then deploy the remaining units.

COMPLIANCE TIMETABLE/OTHER PROVISIONS:

Within ninety (90) days of the Entry of the Consent Judgment, APMT will provide evidence of the order, and payment, or a deposit or other evidence that the order has been placed, and delivery is expected, for the e-RTG conversion equipment.

APMT will document delivery and deployment at Pier 400 with photographs, including the dates of commencement of use. This documentation shall be provided within 30 days after the successful commencement of use for each e-RTG; if safety, quality or other issues related to performance and deployment arise in connection with any e-RTG deployed, a report will be provided within thirty (30) days of the successful deployment of that UTR after all such issues are resolved.

APMT will deploy at least three (3) of the e-RTGs within one year of the date the order. If APMT cannot meet this deadline due to material delays in the delivery of the e-RTGs, or due to safety, quality or other issues related to performance or deployment, that are beyond its reasonable control, then APMT may make a written request that the Attorney General extend this deadline.

If this Supplemental Environmental Project cannot be fully implemented within 18 months following the entry of the Consent Judgment, then, unless APMT seeks and receives an extension of time from the Attorney General, APMT shall provide the Attorney General with a report containing the following information for his/her review and approval:

- The Portion of this SEP that has not been implemented.
- The monetary value of the portion of this SEP that has not been implemented. (“Unimplemented Value”), together with supporting information, documentation and calculations.

- A proposal for an “Additional SEP” or, at APMT’s option, an offer to pay the Unimplemented Value to the Clean Trucks Program (as defined in the Consent Judgment). The monetary value of the Additional SEP must be greater than the Unimplemented Value. The Additional SEP must provide for reductions in diesel exhaust emissions which: (i) are at least equal to the reductions the unimplemented portion of the SEP would have achieved, and (ii) are not required by any law or regulation or a contractual commitment with the Port of Los Angeles or with a federal, state or local authority.

If APMT receives payments, grants of any kind, or credits for emissions reductions or for compliance with air quality regulations or statutes or for air quality improvement, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, APMT will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then APMT will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

After reviewing the proposal for the Additional SEP, and meeting and conferring with APMT, the Attorney General may approve the proposal, approve it with agreed-upon modifications, or direct that APMT pay the Clean Trucks Program a cash amount equal to the Unimplemented Value. If APMT elects to pay the Unimplemented Value into the Clean Trucks Program, or if the Attorney General orders such payment after the dispute resolution procedure is completed, or APMT otherwise agrees to such a payment, such payment shall be made within forty-five (45) days after (i) APMT elects or agrees to make the payment, or (ii) the conclusion of the dispute resolution procedure, if applicable.

EXHIBIT F
SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR
EAGLE MARINE SERVICES, LTD.

PROJECT DESCRIPTION: Eagle Marine Services, Ltd. (“EMS”) and its affiliate American President Lines, Ltd. (“APL”) are committed to providing a Supplemental Environmental Project (“SEP”) that will reduce diesel fuel consumption and as a result, reduce emissions of diesel particulate matter (“DPM”). EMS and APL hereby agree to retrofit five (5) of APL’s C-11 post-panamax container ships with equipment capable of receiving shore power. This will allow the vessels to use electrical power from shore-side sources in lieu of operating vessel-based diesel powered generators during cargo operations. These vessels are operated for APL by APL Marine Services, Ltd., and operate in a scheduled liner service calling Terminal Island, in San Pedro, California (the “Terminal”).

The cost to retrofit each C-11 averaged \$1,828,740. APL has obtained grants under the Carl Moyer Program that are substantially subsidizing the work on three (3) of these five (5) vessels. However APL is self-funding the retrofitting of the remaining two (2) vessels, at a total cost of \$3,657,480 to APL. In addition, APL will incur costs associated with operating the cold ironing equipment, including the purchase of electricity. These additional costs have not been determined yet. The reasonable, unreimbursed value of this SEP is in excess of \$1,000,000.

The work to retrofit these five (5) vessels has been substantially completed at this time. The vessels, and the dates they were dry-docked to complete this work, are as follows:

1. APL PHILIPPINES –Dec 28 through Jan 26, 2010
2. APL CHINA –Feb 07 through March 09, 2010
3. APL KOREA –March 21 through April 20, 2010
4. APL THAILAND –May 02 through May 30, 2010
5. APL SINGAPORE –June 15 through July 6, 2010

EMS proposes, in coordination with its affiliate APL, to start cold-ironing these five (5) vessels at the Terminal in advance of mandatory cold ironing requirements under California Air Resources Board (“CARB”) regulations. In addition, EMS proposes to undertake to cold-iron all other APL-operated cold-ironing capable vessels calling the Terminal prior to 2014, if any, once power is available at the berth in advance of the CARB mandate. EMS and APL expect to have additional vessels beyond those listed above operating in services calling the Terminal during the course of 2013, but this schedule is not yet set or finalized. This SEP is a voluntary and specific undertaking by EMS intended to respond to the Attorney General’s claims.

In response to inquiries from EMS regarding the cold ironing plan outlined herein, the Port of Los Angeles has represented to EMS that it will have four berths at the Terminal cold iron capable commencing in July 2013. It has also represented that it may be able to supply power to one berth at the Terminal as early as January 2013. Assuming this dockside power supply is available, and to the extent berth space is available, EMS and APL agree to cold iron all cold-ironing capable vessels at berth at the Terminal as early as January 2013 (provided vessels do not have overlapping berthing windows), one year in advance of the January 2014 CARB requirement, and in any event no later than July 2013.

Construction of the power supply infrastructure depends on the final approval of CEQA/NEPA environmental documents currently being prepared by the Port of Los Angeles relating to a terminal expansion project at EMS's terminal.

CARB regulations require cold ironing ships, with a phase-in period commencing in 2014 and stretching to 2020. EMS and APL would deploy and use the cold-ironing capable vessels in advance of these dates, and exceed minimum fleet percentage requirements in the regulations during the phase-in period.¹

PROJECT ALTERNATIVE: In the event the Port of Los Angeles advises EMS on or before June 1, 2011 that cold ironing infrastructure will not be installed in time to permit EMS to meet the proposed cold ironing schedule set forth in this SEP, EMS proposes as an alternative to promptly purchase two (2) container top-handlers. Such equipment would be promptly deployed at the Terminal upon purchase and receipt. The purchase price of a new top-handler is \$650,000, for a total unreimbursed cost for purposes of this SEP in excess of \$1,000,000. This equipment would have the latest emission technology available in early 2011, and will comply with or exceed new CARB emissions-related requirements for cargo handling equipment (tier 4 off-road or level 3 VDECS) that go into effect December 31, 2015. This equipment would therefore be in place more than four (4) years before mandatory CARB requirements. EMS is informed and believes that early deployment of these top-handlers will substantially reduce diesel emissions related to top-handler use at the Terminal.

IMPLEMENTATION: EMS and APL will begin operation of APL's retrofitted vessels by July 2013, earlier if possible, and will continue operations indefinitely. On May 10, 2011, EMS will submit an inquiry to the Port as to whether cold ironing infrastructure will be available in a timely fashion to permit EMS to meet its undertakings under this SEP. If it becomes apparent by June 1, 2011 that the Port will not be able to provide cold ironing infrastructure in a timely fashion to permit EMS to meet its undertakings under this SEP, then EMS will proceed with its alternative project to purchase and operate two (2) tophandlers.

¹ Compliance with the Port's and the Port of Los Angeles Clean Air Action Plan ("CAAP") plan may be required by the Port as a condition for environmental permits related to an EMS terminal expansion project currently undergoing CEQA review. The Port and EMS have not agreed on mitigation measures or amendments to the EMS terminal lease at this time.

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: If EMS and APL cannot meet this deadline due to material delays, safety, quality or other issues related to the lack of suitable power at the Terminal which is beyond its reasonable control, EMS and APL will make a written request that the Attorney General extend this deadline. If EMS and APL are unable to meet the deadline as it may be reasonably extended, EMS will proceed with its alternative project, as described herein.

If EMS or APL receive payments, grants or credits from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above (other than as described in this Exhibit), EMS and APL will promptly disclose such grants or credits to the Attorney General. If such grants or credits cause the unreimbursed value of the SEPs described herein to fall below \$1 million, then EMS and APL will propose additional projects as necessary to ensure that the unreimbursed value of the SEPs exceeds \$1 million.

The Attorney General will approve the proposed alternative or additional project(s) if they (i) provide significant reductions in diesel emissions, and (ii) are not required by any law or regulation or a contractual commitment with the Port of Los Angeles or with a federal, state or local authority. EMS and APL will submit a declaration verifying the completion and expense of the measures described herein, for submission to the Court together with the Attorney General's motion for entry of the Consent Judgment. EMS and APL will also submit a declaration verifying the completion of this SEP within sixty (60) days of the date vessels begin to utilize electrical power from shore-side sources in Terminal Island. The Attorney General's office shall have reasonable audit rights to EMS' records regarding the operation of the cold ironing equipment, subject to appropriate confidentiality protections.

EXHIBIT G
**SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR INTERNATIONAL
TRANSPORTATION SERVICES, INC.**

PROJECT DESCRIPTION: International Transportation Services, Inc. ("ITS") has committed to providing Supplemental Environmental Projects (SEPs) that have significantly reduced diesel fuel emissions/consumption and will continue to do so hereinafter. ITS undertook significant measures in 2009 and 2010 to reduce diesel particulate matter ("DPM"). The SEPs described below have a value well in excess of \$ 1 million.

1. ADDITIONAL VESSEL. By December 31, 2010, ITS, a subsidiary of K-Line, hereby agrees to plug into the electric grid one (1) additional K-Line vessel, which will require prior conversion to Alternative Maritime Power ("AMP") a.k.a Cold Ironing at a cost of \$550,000.

2. ONGOING COMMITMENT TO AMP: ITS has increased the use of AMP at its terminal at considerable expense to ITS and K-Line. As recently as June 2010, ITS and K-Line phased in two (2) additional vessels retrofitted with Cold Ironing capability, 4.54 years prior to the 2014 compliance date. K-Line spent approximately \$1,110,000 in unreimbursed costs to retrofit these two (2) vessels. (See Appendix 1.)

3. CARGO HANDLING EQUIPMENT: In 2009 and 2010, ITS incurred unreimbursed, out-of-pocket expenses of approximately \$2,905,214 to replace Cargo Handling Equipment ("CHE") and other equipment powered by diesel engines. In December 2009, ITS replaced forty-six (46) yard tractors ("UTRs") prior to the date mandated by the California Air Resources Board ("CARB"): six (6) of the UTRs were replaced 2.03 years before compliance was required; seventeen (17) of the UTRs were replaced 3.02 years before mandated; and twenty-three (23) of the UTRs were replaced 4.02 years in advance of the compliance date.

4. LIGHT TOWERS. Similarly, ITS purchased two (2) mobile light towers in February 2010 powered by small diesel engines costing ITS approximately \$12,000. ITS was not obligated to replace the light towers; the action was voluntary.

Based on depreciation calculations, ITS' costs incurred in replacement of CHE and the purchase of mobile light towers exceeds \$1,644,263.95 (See Appendix 1).

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: As noted above (item 1) , ITS will plug into the electric grid one (1) additional K-Line vessel retrofitted with AMP technology by December 31, 2010. If ITS cannot meet this deadline due to material delays, safety, quality or other issues related to the performance or deployment of the retrofitted vessel that are beyond its reasonable control, then ITS will make a written request to the Attorney General to extend this deadline. If ITS is unable to meet the deadline as it may be reasonably extended, it will propose an alternative project of comparable value, not to exceed \$ 1 million.

If ITS or K-Line receive grants of any kind, or payments or credits for emissions reductions or air quality improvement or for compliance with air quality regulations or statutes, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, ITS will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then ITS and K-Line will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

The Attorney General will approve the proposed additional or alternative project(s) if they (i) provide significant reductions in diesel emissions, and (ii) are not required by any law or regulation or a contractual commitment with the Port of Long Beach or with a federal, state or local authority.

ITS will submit a declaration verifying the cost, and where applicable, the completion dates, of the measures described herein, for submission to the Court together with the Attorney General's motion for entry of the Consent Judgment. ITS will also submit a supplemental declaration verifying completion of the K-Line vessel conversion sixty (60) days following its completion.

ITS Appendix 1

Name/ Vehicle ID	Description	Vendor	Delivered/ Installed	ITS/KL Paid Vendor	Subsidy %	Grant Award Costs	Reimb App Submitted	Grant Check Received	Reimbursed Amount \$	Compliance Year	Above and Beyond Days	Above and Beyond Years	Deprec Yr 1	Deprec Yr 2	Deprec Yr 3	Deprec Yr 4	Deprec Yr 5	Deprec Yr 6	Deprec Yr 7	Deprec Yr 8	Deprec Yr 9	Qualified Costs = ITS Out of Pocket	Qualified Credit		
T154 - T159	Purchase & Transportation of 6 UTRs	Cal Lift	12/21/2009	\$ 503,167.50	25%	\$ 125,791.88	12/16/09	2/2/10	\$ 125,791.88	12/31/2011	740	2.03	22.22%	17.28%									\$ 377,375.83	\$ 149,063.37	
T147-T153 & T168-T177	Purchase & Transportation of 17 UTRs	Cal Lift	12/23/2009	\$ 1,425,641.25	25%	\$ 356,410.31	12/16/09	2/2/10	\$ 356,410.31	12/31/2012	1104	3.02	22.22%	17.28%	13.44%									\$ 1,069,230.94	\$ 566,050.86
T178-T200	Purchase & Transportation of 23 UTRs	Cal Lift	12/24/2009	\$ 1,928,808.75	25%	\$ 482,202.19	12/16/09	2/2/10	\$ 482,202.19	12/31/2013	1468	4.02	22.22%	17.28%	13.44%	10.46%								\$ 1,446,606.56	\$ 917,148.56
	Purchase of 2 Light Towers	Power Trip	February '10	\$ 16,001.55	25%	\$ 4,000.39	3/15/10	3/25/10	\$ 4,000.39	N/A	N/A	N/A	22.22%	17.28%	13.44%	10.46%	8.13%	7.12%	7.12%	7.12%	7.12%		\$ 12,001.16	\$ 12,001.16	
KL - 6 Brooklyn Bridge	Vessel Infrastructure Owned		6/17/10	\$ 550,000.00						12/31/2014	1658	4.54	6.67%	6.67%	6.67%	6.67%							\$ 550,000.00	\$ 171,318.95	
KL - 7 Bay Bridge	Vessel Infrastructure Chartered		6/24/10	\$ 550,000.00						12/31/2014													\$ 550,000.00	\$ 550,000.00	
KL - 8 Bangkok Bridge	Vessel Infrastructure Chartered		12/31/10	\$ 550,000.00						12/31/2014													\$ 550,000.00	\$ 550,000.00	
																							\$ 4,858,214.29	\$ 2,915,582.90	

EXHIBIT H
SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR THE
SSA ENTITIES

PROJECT DESCRIPTION: SSA Terminals (Long Beach), LLC, SSA Terminals, LLC and Pacific Maritime Services, L.L.C. (hereinafter the "SSA Entities") are committed to providing a Supplemental Environmental Project ("SEP") that will significantly reduce diesel fuel consumption and in turn reduce diesel particulate matter ("DPM"). The SSA Entities will commit to implement a SEP with an aggregate financial commitment of \$1,000,000 through a combination of purchasing newly designed gasoline powered yard tractors and installing exhaust retrofits in advance of mandated compliance dates.

CARGO HANDLING EQUIPMENT: The SSA Entities herein agree to implement their SEP by replacing diesel powered yard tractors with newly designed, gasoline powered yard tractors. Pursuant to California Air Resource Board (CARB) Regulation, the SSA Entities are obligated to replace their older diesel powered yard tractors on a fixed schedule with lower emission equipment. The SSA Entities voluntarily researched and designed a gasoline powered yard tractor which will result in a 100% reduction in diesel fuel consumption and emission of DPM.

The SSA Entities have successfully designed a gasoline powered yard tractor, and have hired a manufacturer to produce these tractors. This is an innovative project and the SSA Entities are taking considerable risk in the production of these tractors as there are no data regarding the performance or maintenance of these vehicles. The SSA Entities will replace existing diesel powered yard tractors on a schedule which will result in early compliance with the existing CARB regulations.

The SSA Entities depreciate their diesel powered yard tractors on a sixty (60) month schedule. Consequently, the SSA Entities will be given "credit" for purposes of valuing the SEP by an amount equal to (x) the number of months that the acquisition of equipment is accelerated in advance of CARB requirements (y) divided by 60 months, (z) with that fraction then multiplied by the cost of the replacement gasoline powered yard tractors. For purposes of the example, if an acquisition is made 12 months in advance of CARB requirements, and with the gasoline powered equipment priced at \$60,000, the SEP credit for that piece of equipment would be (x) 12, (y) divided by 60, (which equals .20), (z) multiplied by \$60,000, resulting in \$12,000 SEP credit.

The CARB regulations require the SSA Entities to enter into contracts by June 30 of each year to take future delivery of a specified number of diesel powered yard tractors. The SSA Entities are required to enter into orders for replacement yard tractors on the following schedule: June 2009: 51 units (already ordered); June 2010: 13 units (already ordered); June 2011: 32 units; June 2012: 51 units; June 2013: 41 units; and June 2014: 37 units.¹ The CARB regulations do not actually specify the date on which the ordered

¹ The useful life of the diesel powered equipment that will be replaced in advance of CARB requirements will not have been fully exhausted, so the SSA Entities will lose the benefit of the remaining useful life of the replaced equipment.

equipment must be installed at the SSA Entities' facilities (and compliance with the CARB regulations is measured only by the act of placing the order), but it is a reasonable expectation that the ordered equipment should be delivered and put in service at some point during the calendar year following the year in which that equipment is required to be ordered. Consequently, for purposes of measuring the SEP credit for a particular replacement yard tractor, the SSA Entities will get SEP credit for the number of months that the replacement yard tractor was installed in advance of June 30 of the year after which it was required to be ordered.

DOC-DPF EXHAUST RETROFITS: This SSA Entities further agree to implement their SEP by installing DOC-DPF Exhaust Retrofits on existing yard equipment in advance of the dates regulated by CARB. The SSA Entities are obligated to install DOC-DPF Exhaust Retrofits on their existing yard equipment on a fixed schedule. Diesel emissions will be reduced for each exhaust retrofit installed. Specifically, the retrofit devices reduce DPM by approximately 99%.

The SSA Entities depreciate their yard equipment on a range of depreciation schedules depending on the projected life of the equipment. The SSA Entities will be given "credit" for purposes of valuing the SEP by an amount equal to (x) the number of months that the installation of the exhaust retrofit is accelerated in advance of CARB requirements (y) divided by the remaining depreciation life of the yard equipment on which it is installed, (z) with that fraction then multiplied by the cost of the exhaust retrofit. For purposes of the example, if an installation is made 12 months in advance of CARB requirements, with the DOC-DPF Exhaust Retrofit kit priced at \$20,000, and with the remaining depreciation life of the yard equipment on which the retrofit is installed being 60 months, the SEP credit for that piece of equipment would be (x) 12, (y) divided by 60, (which equals .20), (z) multiplied by \$20,000, resulting in \$4,000 SEP credit.

If the SSA Entities receive grants of any kind, or payments or credits for emissions reductions or air quality improvement or for compliance with air quality regulations or statutes, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, the SSA Entities will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then the SSA Entities will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

IMPLEMENTATION: The Cargo Handling Equipment and Exhaust Retrofit SEP will be implemented during calendar years 2011, 2012, 2013 and 2014.

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: The SSA Entities may seek grants to finance the entire purchase price of any new or replacement equipment. If the SSA Entities are awarded any grants that finance the entire purchase price of any gasoline powered yard equipment or DOC-DPF Exhaust Retrofit, that item will not qualify for SEP credit. Similarly, if grants are awarded that finance a portion of the purchase price

of any gasoline powered yard equipment or DOC-DPF Exhaust Retrofit, the SEP credit to be received will be reduced proportionately.

The SSA Entities will submit an annual declaration, in the form of Appendix 1 attached hereto, identifying each gasoline powered yard tractor purchased and/or each piece of equipment on which DOC-DPF Exhaust Retrofits have been installed during such year. The declaration will also verify the SEP credit for each piece of equipment based on the formulas described herein. The Attorney General's office shall have audit rights to confirm the accuracy of the representation.

APPENDIX 1

SUPPLEMENT ENVIRONMENTAL PROJECT
ANNUAL DECLARATION

Reference is made to the Supplement Environmental Project for the SSA Entities approved in the Consent Judgment dated as of _____, 2010 (the "SSA SEP"). The undersigned, in his/her capacity as [Insert name of Office _____] of SSA Marine, Inc., acting on behalf of SSA Terminals, LLC, SSA Terminals (Long Beach), LLC, and Pacific Maritime Services, L.L.C. (collectively, the "SSA Entities"), hereby certifies to the Attorney General of the State of California, that the information set forth in Exhibits A and B attached hereto correctly calculate the credit to be given to the SSA Entities under the SSA SEP for the calendar year _____.

Dated: _____, __, 201__.

SSA MARINE, INC.

By: _____

Title: _____

EXHIBIT A

GASOLINE POWERED YARD TRACTOR

ANNUAL REPORT

	<u>Equipment Serial No.</u>	<u>CARB Requires Order by</u>	<u>To be Placed In Service by</u>	<u>Ordered Prior to</u>	<u>Actual Time Placed in Service</u>	<u>Cost</u>	<u>Grant (if any)</u>	<u>Depreciable Life</u>	<u>Months Early</u>	<u>SEP Credit</u>
EXAMPLES										
[1.	123456789	6/30/2012	6/30/2013	6/30/2011	3/18/2012	\$60,000	\$10,000	60 Mo.	15 Mo.	\$12,500
[Note: Calculation – Cost (\$60,000) less Grant (\$10,000) equals \$50,000; Time placed in service (3/18/2012) was 15 months earlier than the time required to be placed in service (6/30/2013); Months placed in service early (15), divided by depreciable life (60), equals .25; SEP Credit (\$12,500) equals \$50,000 multiplied by .25.]										
2.	2345678910	6/30/2013	6/30/2014	6/30/2011	9/15/2012	\$60,000	None	60 Mo.	21 Mo.	\$21,000
[Note: Calculation – Cost (\$60,000) less Grant (\$0) equals \$60,000; Time placed in service (9/15/2012) was 21 months earlier than the time required to be placed in service (6/30/2014); Months placed in service early (21), divided by depreciable life (60), equals .35; SEP Credit (\$21,000) equals \$60,000 multiplied by .35.]										

EXHIBIT B

EXHAUST RETROFIT

ANNUAL REPORT

<u>Equipment Serial No.</u>	<u>Required To be Placed In Service by</u>	<u>Actual Time Placed in Service</u>	<u>Cost</u>	<u>Grant (if any)</u>	<u>Remaining Depreciable Life</u>	<u>Months Early</u>	<u>SEP Credit</u>
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EXAMPLES

[1.	123456789	12/31/2013	9/30/2012	\$25,000	\$10,000	75 Mo.	15 Mo.	\$3,000
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[Note: Calculation – Cost (\$25,000) less Grant (\$10,000) equals \$15,000; Time placed in service (9/30/2012) was 15 months earlier than the time required to be placed in service (12/31/2013); Months placed in service early (15), divided by remaining depreciable life of equipment on which the retrofit muffler was installed (75), equals .2; SEP Credit (\$3,000) equals \$15,000 multiplied by .2.]

2.	2345678910	12/31/2013	3/31/2011	\$12,000	None	63 Mo.	21 Mo.	\$4,000
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[Note: Calculation – Cost (\$12,000) less Grant (\$0) equals \$12,000; Time placed in service (3/31/2011) was 21 months earlier than the time required to be placed in service (12/31/2013); Months placed in service early (21), divided by remaining depreciable life on which the retrofit muffler was installed (63), equals .3333; SEP Credit (\$4,000) equals \$12,000 multiplied by .3333.]

EXHIBIT I
SUPPLEMENTAL ENVIRONMENTAL PROJECT
FOR TRAPAC, INC.

PROJECT DESCRIPTION: TraPac, Inc. ("TraPac") is committed to providing an innovative Supplemental Environmental Project ("SEP") that will significantly reduce diesel fuel consumption and as a result, reduce diesel particulate matter ("DPM"). TraPac has developed a SEP that focuses on a Barge Mounted Stack Exhaust Recovery and Treatment System (referred to herein as the "Barge Mounted Crane"). The Barge Mounted Crane is designed to capture exhaust from a container vessel's stack while at berth. The exhaust stream is then sent to a treatment system located on the barge which treats the diesel exhaust from the ship's generator for SO_x, NO_x, and PM. TraPac is working with Clean Air Engineering, Inc., to develop the system. (See rendering attached hereto as TraPac Appendix 1). TraPac expects the Barge Mounted Crane will significantly reduce emissions.

TraPac's lease with Port of Los Angeles requires TraPac to utilize Alternative Maritime Power (AMP) or electricity at berth. This SEP will expand AMP equivalent mitigation to an entire fleet of older charter vessels that would not otherwise be AMP compliant and would therefore simply call at ports outside of California.

TraPac is currently applying for various grants to defray costs for this SEP. The Port of Los Angeles has agreed to contribute \$1,500,000 of the ten (10) to twelve (12) million dollars estimated to complete the SEP. Regardless of any contribution awards, TraPac will invest, at a minimum, one (1) million dollars in technology, development and operational fees. The value of this SEP is therefore well in excess of one (1) million dollars.

IMPLEMENTATION: TraPac will deploy the Barge Mounted Crane by December 31, 2011.

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: If TraPac cannot meet this deadline due to material delays, safety, quality or other issues related to the performance or deployment of the Barge Mounted Crane that are beyond its reasonable control, then TraPac will make a written request that the Attorney General extend this deadline.

The Barge Mounted Crane is an innovative design which relies on new technology. Should the new technology fail and the crane is not operational, TraPac will agree to employ the proposal for an additional SEP as described herein below as "Alternative SEP". The Alternative SEP will be required only in the event that the Barge Mounted Crane is not operational. To the extent the Barge Mounted Crane becomes operational by or before December 31, 2011, the Alternative SEP referenced herein will be null and void.

ALTERNATIVE SEP: Provided that the Barge Mounted Crane's technology is not functional and the Crane is not performing, TraPac agrees to implement an alternative SEP. Specifically, TraPac agrees to accelerate the purchase of new equipment which utilizes the latest diesel technology in the amount of \$350,000. Alternatively, TraPac may spend the same amount of money to convert diesel powered vehicles and/or equipment to electric power. If the Alternative SEP is required to be implemented due to the failure of the Barge Mounted Crane technology, TraPac will submit a proposal to the Attorney General identifying which vehicles and/or equipment will be purchased or converted and the timeframe for such action.

If TraPac grants of any kind (excepting the \$1,500,000 contribution from the Port of Los Angeles, described above), or payments or credits for emissions reductions or air quality improvement or for compliance with air quality regulations or statutes, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, TraPac will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then TraPac will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

The Attorney General will approve the proposed additional project(s) if they (i) provide significant reductions in diesel emissions, and (ii) are not required by any law or regulation or a contractual commitment with the Port of Los Angeles or with a federal, state or local authority.

TraPac will submit a declaration summarizing the estimated costs and implementation dates of the this SEP, for filing with the Court together with the Attorney General's motion for entry of the Consent Judgment. TraPac will also submit a declaration verifying the completion of this SEP within sixty (60) days of completion.

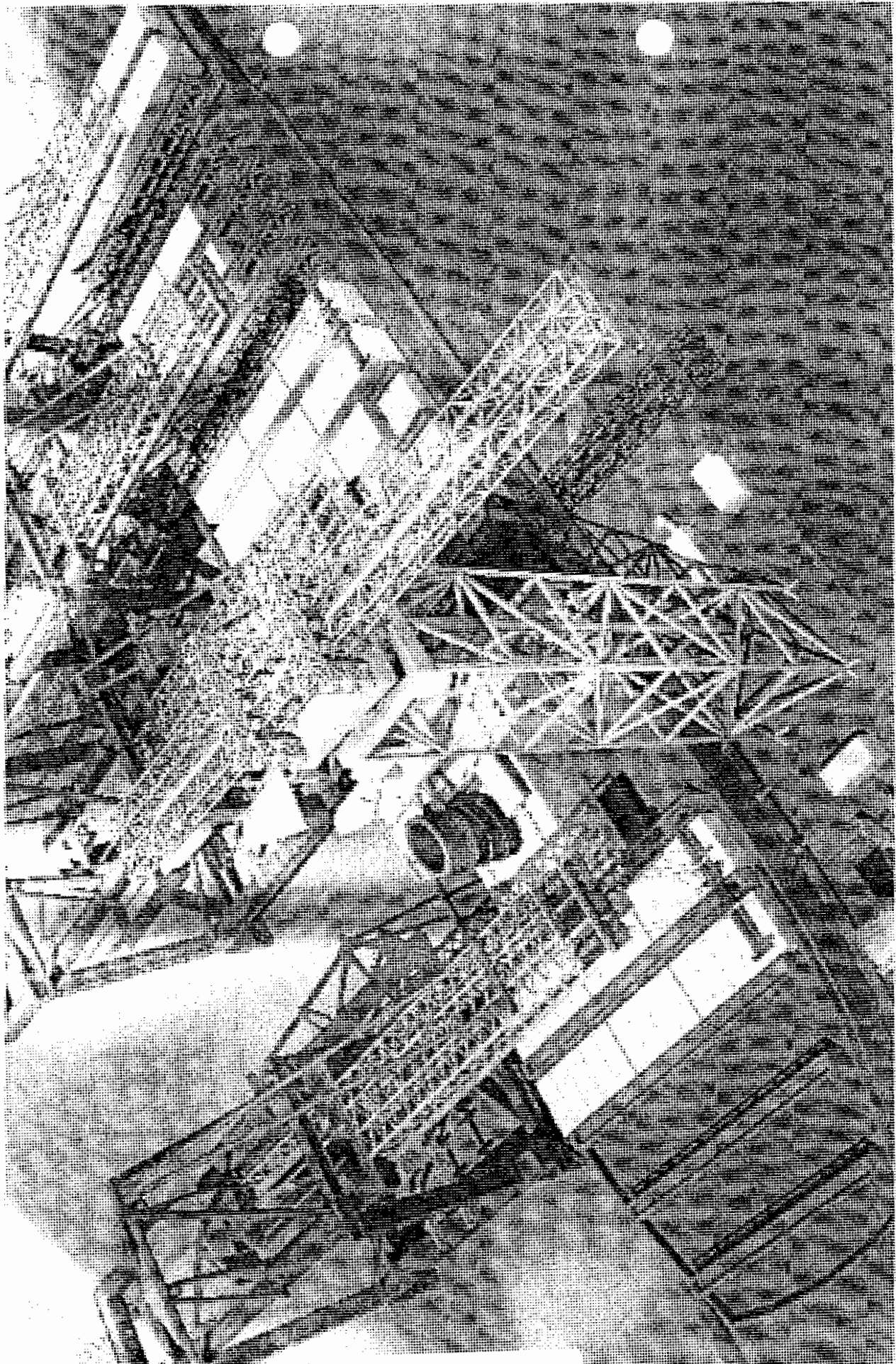


EXHIBIT 1 - APPENDIX 1

EXHIBIT J
SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR
WEST BASIN CONTAINER TERMINAL, LLC

PROJECT DESCRIPTION: West Basin Container Terminal, LLC ("WBCT") is committed to providing Supplemental Environmental Projects ("SEPs") that will significantly reduce diesel fuel consumption and in turn reduce diesel particulate matter ("DPM"). WBCT has been engaged in activities to reduce diesel emissions at the Port of Los Angeles and will implement the commitments described herein.

1. RUBBER TIRE GANTRY CRANES: The California Air Resources Board ("CARB") imposes emission requirements that require modification of Rubber Tired Gantry ("RTG") Cranes to reduce diesel particulate matter emission ("DPM"). Pursuant to the mandated compliance dates, WBCT is required, among other things, to install Verified Diesel Exhaust Controls (VDECs) on six (6) RTGs by December 31, 2012 and VDECs on five (5) RTGs by December 31, 2013. WBCT hereby agrees to advance installation of these VDECs to December 31, 2011.

The VDEC installation cost for the RTGs is not precisely known at this time. It is estimated at \$35,000 per RTG for a total of \$210,000 for the six (6) units scheduled for 2012 and \$175,000 for the five (5) units scheduled for 2013. The installation for each RTG will cost an estimated \$35,000 and WBCT estimates that the units will be scheduled for depreciation over five (5) years. WBCT shall receive credit for 1/5 of the installation cost for the acceleration of the units scheduled for 2012, and 2/5 of the cost of the units scheduled for 2013 for a total credit of \$112,000.

2. CONVERSION OF RTG ENGINES: Beginning in 2009, WBCT undertook to convert two (2) RTG Cranes from diesel engine to electric engine power. The total cost of this project was \$1,451,818, \$1,200,000 of which was funded by a grant from the Port of Los Angeles. The remaining \$251,818 was paid by WBCT on October 31, 2009.

The conversion of the RTGs to electric power has not been completed due to permitting and relating issues. The units are expected to go into operation by the fourth quarter of 2010. The electric engines reduce DPM emissions to zero.

WBCT shall receive credit for its contribution of \$251,818.

3. PROPANE POWERED YARD TRACTORS: Beginning in 2007, WBCT began replacing seventy-four (74) diesel yard tractors with propane-fueled units. An additional twenty-eight (28) propane units were also purchased. The total number of UTRs purchased for the WBCT terminal was one hundred and two (102).¹

¹ The first 46 propane units were delivered to the terminal between July 12, 2007 and December 21, 2007, as per WBCT Appendix 1 attached hereto. The other 56 propane units were delivered between February 25, 2008, and July 21, 2008, as shown in WBCT Appendix 1. The benefit of reduced DPM emissions began to accrue at the time of acquisition shown in the WBCT Appendix.

These propane powered units significantly reduce diesel fuel emissions because they emit zero DPM. There is no CARB regulation, lease or contract that requires WBCT to use propane-fueled units or to reduce emissions of yard tractors to zero. Instead, CARB regulations required WBCT to replace 50% of its yard tractor fleet with compliant units (.02g/KW-h of DPM emissions) by December 31, 2008, and the remaining 50% by December 31, 2009. The cost of the propane units is approximately \$12-15,000 more than the diesel units that CARB has required. The propane units reduce DPM emissions to zero.

The purchase of the propane units was financed according to the payment schedule attached hereto as WBCT Appendix 1. The monthly payments for the financed purchase will continue through 2015 or 2016, depending on the date of acquisition. (See e.g. WBCT Appendix 1.) The purchase price was \$91,608 for twenty (20) of the units, \$93,650 for nineteen (19) of the units, \$94,544 for nineteen (19) of the units, and \$94,623 for forty-four (44) of the units as per WBCT Appendix 1. This is approximately \$12-15,000 more than the purchase price of diesel tractors that satisfy the new CARB standards (an aggregate incremental cost of \$1.2 to \$1.5 million.)

The value of this SEP is in excess of \$ 1 million, which represents incremental costs of purchasing propane yard trucks above the cost of CARB mandated vehicles in the amount of \$12,000 for twenty (20) units; \$14,000 for nineteen (19) units and \$15,000 for sixty-three (63 units).

Maintenance/Fuel. In addition, the estimated incremental cost of maintenance (labor and parts) and fuel for the units is \$261,120 per year in excess of the cost of diesel tractors based on a calculated differential of \$1.60 per operating hour for the one hundred and two (102) propane units at 1600 hours per year as set forth in the attached spreadsheet. WBCT has received no subsidies for these purchases. WBCT's costs of maintenance and fuel for the propane units for five (5) years exceed \$1,305,600.

IMPLEMENTATION: WBCT hereby agrees to advance installation of VDECS on eleven (11) RTG cranes by December 31, 2011. WBCT further agrees to complete the conversion of two (2) RTGs to electric power and begin operating the electric powered RTGs by December 31, 2010. Finally, WBCT agrees to the continued use of propane operated tractors. WBCT commits to ongoing and continued use of the propane units until CARB reduces the emissions allowed to less than generated by these units or cost effective alternatives that reduce emissions further become available, whichever comes first.

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: If WBCT cannot meet the aforementioned deadlines due to material delays, safety, quality or other issues that are beyond its reasonable control, WBCT will make a written request that the Attorney General extend this deadline. If WBCT is unable to meet a deadline as it may be reasonably extended, it will propose an alternative project of comparable value to the project for which the deadline was not met, not to exceed \$ 1 million.

If WBCT receives grants of any kind (excepting those specified above), or payments or credits for emissions reductions or air quality improvement or for compliance with air quality regulations or statutes, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, WBCT will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then WBCT will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

The Attorney General will approve the proposed additional or alternative project(s) if they (i) provide significant reductions in diesel emissions, and (ii) are not required by any law or regulation or a contractual commitment with the Port of Los Angeles or with a federal, state or local authority.

WBCT will submit a declaration summarizing the estimated costs and implementation dates of the this SEP, for filing with the Court together with the Attorney General's motion for entry of the Consent Judgment. WBCT will also submit an annual declaration verifying the completion and expense of each measure that has been completed in the calendar year.

EXHIBIT K
SUPPLEMENTAL ENVIRONMENTAL PROJECT FOR
YUSEN TERMINALS, INC.

PROJECT DESCRIPTION: Yusen Terminals, Inc. (“Yusen”) and NYK Line (North America) Inc. (“NYK”) agree to provide Supplemental Environmental Projects (“SEP”) that will reduce diesel fuel consumption and as a result, reduce diesel particulate matter (“DPM”). Yusen and NYK have been engaged in activities to reduce diesel emissions at the Port of Los Angeles and they will fulfill the commitments described below, which have an aggregate value well in excess of \$ 1 million.

Commitment to Convert Two Vessels to AMP: Yusen will enhance and increase the use of Alternative Maritime Power (“AMP”) at its terminal through the early conversion of NYK vessels. NYK vessels need to be retrofitted to permit the vessels to plug into shoreside electric power and shut down auxiliary diesel engines, thereby reducing diesel fuel consumption at the Port. Pursuant to the California Air Resources Board (“CARB”) Shorepower Compliance Options in July 2009, carriers were required to select an option of either complying with the CARB “Equivalent Emission Reduction Pathway” beginning in 2010 or the CARB “Onboard Power Generation” beginning in 2014. NYK was one of only two carriers who volunteered to comply with the CARB “Equivalent Emission Reduction Pathway” with compliance beginning in 2010.¹ Through its voluntary commitment to this program and its dedication to employ AMP generally, Yusen and NYK have reduced fuel usage by 276 tons from 2007 to March 2010 resulting in a .6 ton reduction in diesel particulate matter (DPM.)

In 2009, NYK converted one (1) NYK vessel. NYK will hereby agree to convert one (1) additional NYK vessel by December 2011. Conversions of container vessels are specifically done for Yusen’s terminal at the Port of Los Angeles (“POLA”) as the POLA is the only location in the world where NYK container vessels can utilize their AMP capabilities.

The vessel conversions cost NYK 750,000 dollars per vessel. Accordingly, NYK expended \$750,000 in 2009 to convert one vessel and hereby commits to spend an additional \$750,000 in 2011 to convert another vessel prior to December 31, 2011. NYK has not been reimbursed for these costs from any other source.

COMMITMENT TO IMPLEMENT ADDITIONAL VOLUNTARY MEASURES:

Yusen further commits to additional voluntary emission reduction actions. Yusen recently participated in a Solar Pilot Project which commenced in 2010. The purpose of the project was to test the applicability of solar panels in a salt water environment. This is the first and only port solar project completed by a port tenant. The Solar Pilot Project cost Yusen \$150,000.

¹ . NYK completed its first generation AMP vessel in 2004. Yusen completed the port shorepower infrastructure in 2007 permitting its first connection in September 2007.

Further, Yusen is voluntarily implementing a compulsory appointment system in 2010. This compulsory appointment system will require trucks to make appointments to pick up or deliver containers. The appointment system is designed to provide only the maximum number of appointments per hour that can be efficiently handled by the terminal. The appointment system will spread out the flow of trucks throughout each shift, significantly reducing queue times that are a result of the current irregular free flow of trucks arriving at the terminal. This will reduce the consumption of diesel fuel by reducing the time that trucks are idling and restarting their engines, both outside and inside the terminal, and it will assist the trucks in complying with the applicable idling time regulations. The development costs for the compulsory appointment system were approximately \$50,000 to \$100,000.

Similarly, in 2009, Yusen voluntarily retired three (3) Tophandlers six (6) months before compliance was expected. Yusen replaced the Tophandlers with 2008 Tier 3 Tophandlers. The cost of early voluntary early compliance was \$199,600, based on standard depreciation schedules. Yusen also voluntarily installed, in May 2009, a second generation Vycon, flywheel regeneration system, at the cost of approximately \$13,000. As a result of the additional voluntary emissions described herein, Yusen reduced .1 tons of DPM.

The unreimbursed value of these additional voluntary measures (namely, the the Solar Pilot Project; the Mandatory Appointment System, the early retirement of three (3) Tophandlers; and the installation of the second generation Vycon) is \$412,600.
IMPLEMENTATION: Yusen will complete the NYK vessel conversion by December 31, 2011.

COMPLIANCE, TIMETABLE & OTHER PROVISIONS: If Yusen and NYK cannot meet this deadline due to material delays, safety, quality or other issues related to the performance or deployment of the retrofitted vessel that are beyond its reasonable control, then Yusen and NYK will make a written request that the Attorney General extend this deadline. If Yusen and NYK are unable to retrofit the additional vessel prior to the December 31, 2011 deadline, as it may be reasonably extended, they will propose an alternative project of comparable value, not to exceed \$ 1 million.

If Yusen or NYK receive grants of any kind, or payments or credits for emissions reductions or air quality improvement or for compliance with air quality regulations or statutes, from any governmental agency or third party to fund, or otherwise defray the costs of, any portion of the projects described above, Yusen and NYK will promptly disclose such payments, grants or credits to the Attorney General. If such payments, grants or credits cause the unreimbursed value of the SEP described herein to fall below \$1 million, then Yusen and NYK will propose additional projects as necessary to ensure that the unreimbursed value of their SEP exceeds \$1 million.

The Attorney General will approve the proposed alternative or additional project(s) if they (i) provide significant reductions in diesel emissions, and (ii) are not required by any

law or regulation or a contractual commitment with the Port of Los Angeles or with a federal, state or local authority

Yusen will submit a declaration verifying the completion and expense of each measure described herein, for submission to the Court together with the Attorney General's motion for entry of the Consent Judgment. Yusen will submit a supplemental declaration verifying completion of the NYK vessel conversion within sixty (60) days of completion.

EXHIBIT L

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