

NATIONAL SEMICONDUCTOR
 RICHARD ETHEREGE
 2900 SEMICONDUCTOR DRIVE
 M/S W-120
 SANTA CLARA, CA 95051

REC FEE	15
RMF	13
MICRO	1
RTCF	12
LIEN	
SMPP	
3 PCOR	

11826274
 FILED FOR RECORD
 AT REQUEST OF
GRANTOR
 MAR 22 2 29 PM '93
 OFFICIAL RECORDS
 SANTA CLARA COUNTY
 LAURIE KANE
 RECORDER

COVENANT AND AGREEMENT

TO RESTRICT THE USE OF PROPERTY

H678PAGE0626

This Covenant and Agreement (the "Covenant") is made as of the 29th day of JANUARY, 1992 by NATIONAL SEMICONDUCTOR CORPORATION ("Covenantor") which is the owner of record of certain property situated in the City of Santa Clara, County of Santa Clara, State of California, described in Exhibits A and B attached hereto and incorporated herein by this reference (the "Property") for the benefit of the California Regional Water Quality Control Board, San Francisco Bay Region, as defined in Paragraph 1.8, (the "Regional Board"), with reference to the following facts:

- A. The Property is among the properties that are subject to Regional Board Site Cleanup Requirements Order No. 91-137 issued on September 18, 1991 ("Regional Board Order No. 91-137"). Organic chemicals have been detected in the soils at all or a portion of the properties subject to Regional Board Order No. 91-137. In addition, halogenated and aromatic volatile organic compounds ("VOCs") and phenols have been detected under all or a portion of the properties subject to Order No. 91-137 in shallow ground water aquifers. Regional Board Order No. 91-137 provides for the remediation of soil and groundwater contamination at the properties subject to said Order.
- B. Regional Board Order No. 91-137 requires Covenantor to implement a deed restriction prohibiting the use of the A and B Aquifers as a source of drinking water until ground water cleanup standards have been achieved and contaminant levels have been stabilized in the A and B Aquifers underlying the Property or any portion thereof in accordance with Order No. 91-137. Regional Board Order No. 91-137, Provision C(3)(b).
- C. Covenantor desires and intends that use of the Property shall be subject to the requirements stated herein.

Now, therefore, Covenantor and the Regional Board declare and agree as follows:

ARTICLE I

DEFINITIONS

1.1 A Aquifer: The "A Aquifer" is that zone of ground water beneath the Property which occurs between 5 and 25 feet below ground surface.

1.2 B Aquifer: The "B Aquifer" consists of those zones of ground water beneath the Property which occur between 30 and 45 feet below ground surface (the "B1 Aquifer"), between 50 and 65 feet below ground surface (the "B2 Aquifer"), and between 70 and 90 feet below ground surface (the "B3 Aquifer").

1.3 Ground Water. "Ground Water" shall mean water below the ground surface in a zone of saturation.

1.4 Occupants "Occupants" shall mean those persons entitled by ownership, leasehold, or other legal relationship, to the exclusive right to occupy the Property or any portion thereof.

1.5 Owner. "Owner" shall mean the Covenantor or its successors in interest, including heirs and assigns, who hold fee simple title to the Property or any portion thereof.

1.6 Precluded Production Well(s). "Precluded Production Well(s)" shall mean any well, boring or excavation that allows extraction of Ground Water from the A aquifer or the B aquifer that is intended to be used as drinking water for human consumption.

1.7 Property. The "Property" consists of the real property described in Exhibits A and B which are attached hereto.

1.8 Regional Board. "Regional Board" shall mean the California Regional Water Quality Control Board, San Francisco Bay Region.

ARTICLE II

EFFECT OF COVENANT

2.1 Provisions to Run with the Land. This Covenant sets forth protective covenants and conditions upon and subject to which the Property or portions thereof shall be improved, held, used, occupied, ground leased, sold, hypothecated, encumbered, and/or conveyed. The covenants and conditions are imposed pursuant to California Health and Safety Code Sections 25355.5

and 25356.1, and shall run with the land pursuant to California Health and Safety Code Section 25355.5. The covenants and conditions are enforceable solely by the Regional Board.

2.2 Concurrence of Owners Presumed. All purchasers, ground lessees, or possessors of the Property or any portions thereof shall be deemed by their purchase, leasing, or possession of all or portions of the Property, to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assigns, and the agents, employees, and ground lessees of such owners, heirs, successors, and assigns, that the covenants and conditions herein established shall be adhered to for the benefit of the Regional Board and that their interest in the Property shall be subject to the covenants and conditions contained herein.

2.3 Incorporation into Deeds and Leases. Covenantor agrees and covenants that the restriction in Paragraph 3.1 will be incorporated by reference in any deeds and ground leases conveying an interest in the Property or any portion thereof until the covenants and conditions are terminated as to the relevant portion(s) under Paragraph 4.2 of this Covenant. In addition to any express provisions required to incorporate the covenants and conditions in accordance with Sections 1468, 1469, and 1470 of the California Civil Code, the following statement shall appear on or be attached to deeds and leases subject to this Covenant.

This grant of interest in real property is expressly made subject to the Covenant and Agreement dated ~~JANUARY 21, 1992~~, and recorded on ~~MARCH 23, 1992~~, 1992, in the Official Records of the County of Santa Clara, State of California, as document No. ~~1836274~~, which Covenant and Agreement is intended to place controls on activities at the Property that might otherwise endanger the public health, the environment, or water quality. Accordingly, the Covenant and Agreement imposes certain covenants and conditions on usage of certain ground water aquifers underlying the real property described herein as sources of drinking water. The provisions of the Covenant and Agreement are incorporated herein and made a part hereof as if set forth in full. The only entity which shall have the right to enforce the Covenant is the California Regional Water Quality Control Board, San Francisco Bay Region.

2.4 Statement Regarding Hazard. Nothing in this Covenant shall be construed as a statement, admission or declaration that any existing or potential health, environmental, or other hazard exists or will exist on or beneath the Property or any portion thereof.

ARTICLE III

DEVELOPMENT, USE AND CONVEYANCE OF THE PROPERTY

3.1 Restrictions on Use. Covenantor agrees to restrict the use of the Property and any portion thereof as follows:

No Precluded Production Wells may be drilled, installed, or used on the Property or any portion thereof, except pursuant to (1) the express prior written approval of the Regional Board, or (2) a variance or termination obtained in accordance with Paragraphs 4.1 and 4.2 of this Covenant. Wells not subject to this restriction include but are not limited to wells installed for purposes of monitoring and testing (such as borings for the purpose of testing soils, wells for monitoring the quality of ground water, and borings to define geology), production wells associated with remediation activities, wells for construction dewatering, and excavations for foundations, utilities or similar purposes.

3.2 Notice of Installation of Wells Other than Precluded Production Wells. The Owner of the Property shall provide a written notice to the Regional Board at least thirty (30) days before the Owner installs a well, boring, or excavation which (a) is not a Precluded Production Well, and (b) extends to a depth of twenty (20) feet or more below ground surface. The Regional Board will be deemed to have received notice in accordance with this Paragraph 3.2 for all wells, borings or excavations that are installed or will be installed in compliance with the terms and conditions of Regional Board Order No. 91-137 and any amendments thereto.

3.3 Conveyance of Property. Within thirty (30) days after the closing of any sale, lease, or other conveyance of the Property or any portion of the Property, any person acquiring ownership of the Property or any portion thereof, or entering

into a ground lease as lessee of the Property or any portion thereof, shall provide written notice of the conveyance to the Regional Board and to Covenantor at the addresses specified in Paragraph 5.2. Except as otherwise provided by law, or by regulation, the Regional Board shall not by reason of this Covenant have authority to approve or disapprove or otherwise affect any sale, lease, or other conveyance of the Property or of any portion of the Property. Notice is required under this Paragraph 3.3 only for the purpose of maintaining a current record of the Owners and ground lessees of the Property.

3.4 Enforcement. Failure of the Owner or Occupant to comply with Paragraph 3.1 of this Covenant shall be grounds for the Regional Board, by reason of this Covenant, to require that the Owner cease operation of and close all Precluded Production Wells installed in violation of that Paragraph. Failure to observe the restrictions set forth in Paragraph 3.1 or the notice requirements set forth in Paragraph 3.2 and 3.3 shall be grounds for the Regional Board to pursue any remedy provided by law to enforce the provisions of Paragraphs 3.1, 3.2 or 3.3. This Covenant shall not create any private right of action against Covenantor or any Owner or Occupant of the Property or any portion thereof.

3.5 Extent of Covenantor's Obligations. Upon conveyance of all or any portion of the Property by deed, ground lease or other appropriate instrument, which conveyancing instrument contains the provisions set forth in Paragraph 2.3, Covenantor shall be released from any and all obligations under this Covenant as to that portion of the Property which has been conveyed. Covenantor shall have no obligation to police or to enforce the observance of the covenants and conditions contained herein by other Owners or Occupants of the Property or any portion thereof.

ARTICLE IV

VARIANCE AND TERMINATION

4.1 Variance. Any Owner, or with the Owner's written consent, which shall not unreasonably be withheld, any Occupant, of the Property or any portion thereof, may apply to the Regional Board for a written variance from the provisions of this Covenant as it applies to all or any portion of the Property owned or occupied by the applicant.

4.2 Termination. Any Owner, or with the Owner's written consent, which shall not unreasonably be withheld, any Occupant, of the Property or any portion thereof, may apply to the Regional Board for an amendment or termination of the Covenant as it applies to all or any portion of the Property owned or occupied by the applicant. The Regional Board shall grant a release from the covenants and conditions of the Covenant as to the Property or the portion of the Property that is the subject of the application when ground water cleanup standards have been achieved and pollutant levels have been stabilized in the A Aquifer and the B Aquifer underlying the Property or the portion of the property that is the subject of the application in accordance with Regional Board Order No. 91-137 and any amendment thereto that is in effect at the time such application is submitted to the Regional Board. Any release from the provisions of the Covenant granted by the Regional Board under this Paragraph shall be effective when recorded by the Owner of the Property or relevant portion thereof in the County of Santa Clara. Any such release shall be effective without the concurrence of any other Owner of any other portion of the Property, or any adjacent property.

4.3 Term. Unless terminated in accordance with Paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V

MISCELLANEOUS

5.1 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property or any portion thereof to the general public or for any purposes whatsoever.

5.2 Notices. Whenever any person shall desire to give or serve any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (i) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served or official of a government agency being served, or (ii) five (5) days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, to Covenantor and the Regional Board at the following addresses or at such other addresses as Covenantor or the Regional Board may designate in a written notice which shall be addressed and delivered personally or by certified mail to each of the then Owners and Occupants of the Property.

M 6 7 8 PAGE 0 6 3 2

To: National Semiconductor Corporation

National Semiconductor Corporation
Environmental Affairs Manager
M/S 16160
P.O. Box 58090
Santa Clara, California 95052

With a copy to:

National Semiconductor Corporation
Legal Department
P.O. Box 58090
Santa Clara, California 95052

To: California Regional Water Quality Control Board

c/o Executive Officer
California Regional Water Quality
Control Board
San Francisco Bay Region
2101 Webster St., Suite 500
Oakland, CA 94612

With a copy to:

Legal Counsel
California Regional Water Quality
Control Board
San Francisco Bay Region
2101 Webster St., Suite 500
Oakland, CA 94612

5.3 Partial Invalidity. If any portion of this Covenant is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion has not been included herein.

5.4 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not intended to aid in the meaning or interpretation of any part of the Covenant.

5.5 Recordation. This instrument shall be executed by Covenantor and by the Executive Officer of the Regional Board. This instrument shall be recorded by Covenantor in the County of Santa Clara within ten (10) days after the date of full execution.

5.6 References. All references to Code sections refer to successor provisions.

5.7 Statement of Compliance. Within sixty (60) calendar days of receipt of a written request from any Owner or Occupant of the Property or any portion thereof, the Regional Board shall provide to such Owner or Occupant a written statement, substantially in the form attached hereto as Exhibit C, indicating whether to the Regional Board's knowledge such Owner or Occupant is operating in compliance with the provisions of this Covenant. If any Owner or Occupant fails to receive such confirmation within said 60-day period, any interested party may presume that the Regional Board has no knowledge of any failure of Owner or Occupant to comply with the provision of this Covenant.

IN WITNESS WHEREOF, the parties execute this Covenant as of the set forth above.

COVENANTOR

National Semiconductor Corporation

By: *Kenneth Knutsen*

Kenneth Knutsen
Vice President,
Construction, Real
Estate, and Facilities

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD, SAN
FRANCISCO BAY REGION

By: *Stephen Ritchie*

Stephen Ritchie
Executive Officer

APN's 205-38-012, 013, 016 & 017

Order No. SP 34274-12

Recorder's Last No. _____

RECORDING REQUESTED BY
Santa Clara Land Title Company

When Recorded Mail To:
NATIONAL SEMICONDUCTOR CORPORATION
2900 Semiconductor Drive
SOLARIS 10100
Santa Clara, CA 95051

Attention: Real Estate Dept.
MAIL TAX STATEMENTS TO:

Same as above

REC FEE	4
IMP	2
RECORD	1
LINK FEE	
SNFF	10
PIOR	

9995055

RECORDED AT THE REQUEST OF
SANTA CLARA LAND TITLE COMPANY

JAN 31 1989 1:30 PM

LAURE KANE, RECORDER
SANTA CLARA COUNTY, OFFICIAL RECORDS
K836 PAGE 118

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CITY CONVEYANCE DOCUMENTARY TRANSFER TAX \$ 3,575.00

Tax: n/a Computed on the consideration or value of property conveyed
OR
City: Santa Clara Computed on the consideration or value less liens or encumbrances remaining at time of sale.

[Signature]
Signature of Declarant or Agent determining tax - Firm Name
Santa Clara Land Title Company

INSURED

CORPORATION GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

RENNETT & HANDLEY EMPLOYEE'S INVESTMENT CO., a California corporation

hereby GRANT(S) to

NATIONAL SEMICONDUCTOR CORPORATION, a Delaware corporation

the real property in the City of Santa Clara
County of Santa Clara

State of California, described as

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

ARBS 206-63-11, 12, 13, 14

Dated January 30, 1989

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA ss.
ON Jan 30, 1989 before me, the undersigned, a Notary Public in and for said State, personally appeared LESTER A. WALLER known to me to be the President, and NANCY COLLINS known to me to be the Secretary of the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal this 30th day of January, 1989.

Signature *[Signature]*
MARY LOUISE TORREZ
Name (Typed or Printed)

RENNETT & HANDLEY EMPLOYEE'S INVESTMENT CO.
a California corporation
By *[Signature]*
Secretary




(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California
 County of Santa Clara
 On March 17, 1993 before me, Candy Thompson, personally appeared Kenneth Knudsen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.
 Signature Candy Thompson (Seal)



CANDY THOMPSON
 COMM. # 951368
 NOTARY PUBLIC - CALIFORNIA
 COUNTY OF SANTA CLARA
 Comm. Exp. Dec. 29, 1995

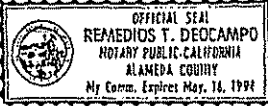
H 678 PAGE 0634

ALL-PURPOSE ACKNOWLEDGMENT

State of CALIFORNIA
 County of ALAMEDA
 On 01-29-93 before me, Remedios T. Deocampo
DATE NAME, TITLE OF OFFICER - E.G. "JANE DOE, NOTARY PUBLIC"
 personally appeared Steven Ritchie
NAME(S) OF SIGNER(S)

personally known to me • OR • proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.
Remedios T. Deocampo
SIGNATURE OF NOTARY



OFFICIAL SEAL
 REMEDIOS T. DEOCAMPO
 NOTARY PUBLIC - CALIFORNIA
 ALAMEDA COUNTY
 My Comm. Expires May 18, 1994

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER
Though statute does not require Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

INDIVIDUAL
 CORPORATE OFFICER(S)
EXECUTIVE OFFICER
TITLE(S)
 PARTNER(S) LIMITED GENERAL
 ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

OPTIONAL SECTION

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:
Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

Title or Type of Document COVENANT AND AGREEMENT
 Number of Pages 12 Date of Document 01-29-93
 Signer(s) Other than Named Above KENNETH KNUDSEN



Exhibit B

K 836 PAGE 119

LEGAL DESCRIPTION:

All that certain real property situate in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

LOTS 1, 2, 3, 4, 5 & 6, as shown on that certain Map entitled, "Tract No. 1786 San Ysidro Tract", which Map was filed for record in the office of the Recorder of the County of Santa Clara, State of California on October 22, 1956 in Book 73 of Maps, at page 25.

EXCEPTING THEREFROM those portions of lots 5 and 6, deeded to the City of Santa Clara, a municipal corporation, by Deed recorded April 28, 1982 in Book 6752 of Official Records, page 391, and more particularly described as follows:

BEGINNING at the intersection of the Westerly line of Tract No. 1786 with the Southerly line of Taboe Way as said lines are shown upon that Map of said Tract filed for record October 22, 1956 in Book 73 of Maps, at page 25, Santa Clara County Records; thence from said Point of Beginning along said Southerly line, North 89° 31' 00" East, 315.66 feet; thence Southeasterly along a tangent curve, concave to the Southwest, having a radius of 40 feet, through a central angle of 90° 29' 00" an arc length of 63.17 feet, to the Westerly line of San Ysidro Way; thence, along said Westerly line, South 3.00 feet; thence Northeasterly from a tangent bearing North, along the arc of a circular curve, concave to the Southwest, having a radius of 40 feet, through a central angle of 90° 29' 00" an arc length of 63.17 feet, to a line parallel with and 3 feet Southerly of, measured at right angle to, said Southerly line of Taboe Way; thence along said parallel line, South 89° 31' 00" West 266.08 feet; thence along a tangent curve concave to the Southeast, having a radius of 30 feet, through a central angle of 89° 31' 00" an arc length of 78.12 feet, to tangency with first said Westerly line; thence along first said Westerly line, North 32.38 feet to the Point of Beginning.

ALSO EXCEPTING THEREFROM:

That portion of Lot 3 deeded to the City of Santa Clara, a municipal corporation, by Deed recorded December 14, 1979 in Book 7019 of Official Records, page 632, more particularly described as follows:

BEGINNING at the Southwesterly corner of Lot 3 of that Tract No. 1786, a map of which was filed for record October 22, 1956 in Book 73 of Maps, at page 25, Santa Clara County Records; thence along Westerly line of said Lot 3, North 0° 00' 30" West 13.16 feet; thence leaving said Westerly line of Lot 3, North 89° 59' 30" East 3.00 feet; thence from a tangent line bearing South 0° 00' 30" East, Southerly along the arc of a circular curve, concave to the Northeast, having a radius of 16.00 feet, through a central angle of 54° 48' 50" an arc length of 13.71 feet to a point on the Southerly line of said Lot 3; thence along said Southerly line of Lot 3, South 89° 31' West 9.75 feet to the Place of Beginning.

Brian Kangas Foulk

December 2, 1992

Job No. 920206.50

LEGAL DESCRIPTION

EXHIBIT "B"

Consulting Engineers
540 Price Avenue
Redwood City, CA 94063
415/385-0912
FAX 415/385-1260

Exhibit C

All that certain real property situate in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

All of Parcel 2 as shown on that certain Map of The Lands of National Semiconductor filed for record in the Office of the Recorder of the County of Santa Clara, State of California, on February 26, 1987 in Book 571 of Maps, at Pages 32 through 34.

This description was prepared by:

Rex A. Betz, P.L.S. 5251
License Expires 12/31/95

Signed: Rex A. Betz

Dated: Dec. 2, 1992

CM:p



Professional Services Since 1915

EXHIBIT C

FORM LETTER FOR REGIONAL BOARD RESPONSES
TO REQUESTS FOR COMPLIANCE STATUS

"Dear _____:

This is to notify [Owner or Occupant requesting this letter] in response to a request dated _____ made pursuant to that certain Covenant and Agreement to Restrict the Use of Property dated _____, 1992 (the "Covenant") and recorded in the Official Records of Santa Clara County at Page _____ of Book _____ that the California Regional Water Quality Control Board, San Francisco Bay Region (the "Regional Board"), has no knowledge of any failure of [Owner or Occupant] to comply with the provisions of the Covenant. [Or, the Regional Board has knowledge of following facts: _____.]

In providing this statement, the Regional Board has relied upon a review of its official records, has made no other inquiries, and has made no inspection of the property owned [Or, occupied] by [Owner or Occupant].

CALIFORNIA REGIONAL WATER QUALITY
CONTROL BOARD, SAN FRANCISCO BAY
REGION

BY: _____