
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): January 21, 2014

CorEnergy Infrastructure Trust, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction of Incorporation)

1-33292
(Commission File Number)

20-3431375
(IRS Employer Identification No.)

4200 W. 115th Street, Suite 210, Leawood, KS
(Address of Principal Executive Offices)

66211
(Zip Code)

(913) 981-1020
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Introductory Note

CorEnergy Infrastructure Trust, Inc. (the “Company”) previously announced on January 14, 2014 that the Company entered into a Membership Interests Purchase Agreement to acquire LCP Oregon Holdings, LLC (“LCP Oregon”) from Lightfoot Capital Partners, LP and Lightfoot Capital Partners GP LLC (collectively, “Lightfoot”), that would make LCP Oregon a wholly-owned subsidiary of the Company. On October 17, 2013, LCP Oregon, which at the time was a wholly-owned subsidiary of Lightfoot, entered into a Purchase and Sale Agreement (the “Purchase Agreement”) with the current owner of a petroleum products terminal located in Portland, Oregon (the “Portland Terminal Facility”), to acquire the Portland Terminal Facility for a purchase price of \$40 million. The Company announced on January 14, 2014, that, upon and subject to the closing of the acquisition of the Portland Terminal Facility by LCP Oregon, we intend for LCP Oregon to enter into a fifteen-year triple net operating lease agreement (the “Lease”) relating to the use of the Portland Terminal Facility with Arc Terminals Holdings LLC (“Arc Terminals”), an indirect wholly-owned operating subsidiary of Arc Logistics Partners LP (NYSE: ARCX) (“Arc Logistics”), and that Arc Logistics will guaranty the obligations of Arc Terminals under the Lease. The Company also announced that LCP Oregon will sell certain ancillary non-real property assets associated with the Portland Terminal Facility to Arc Terminals for a purchase price of \$116,000 pursuant to an Asset Purchase Agreement (the “Asset Purchase Agreement”) (collectively, the series of transactions described in the preceding paragraph is the “Acquisition”).

The Company also previously announced on January 16, 2014, that we had entered into an underwriting agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the several underwriters named therein (the “Underwriters”) relating to the offer and sale of up to 7,475,000 shares of the Company’s common stock, par value \$0.001 per share (including 975,000 shares of common stock issuable to the Underwriters pursuant to an over-allotment option) at a price to the public of \$6.50 per share (the “Offering”) to finance the Acquisition.

Item 1.01 Entry into a Material Definitive Agreement

Lease

On January 21, 2014, LCP Oregon entered into the Lease with Arc Logistics and all ancillary agreements thereto. The Lease grants Arc Terminals substantially all authority to operate, and imposes on them the responsibility for the operation of, the Portland Terminal Facility. The Lease provides LCP Oregon no control over the operation, maintenance, management, or legal compliance of the Portland Terminal Facility. During the initial term, Arc Terminals will make base monthly rental payments (to be increased on the fifth anniversary by the change in the consumer price index for the prior five years, and every year thereafter by the greater of 2 percent or the change in the consumer price index) and variable rent payments based on the volume of liquid hydrocarbons that flowed through the Portland Terminal Facility in a prior month. The base rent in the initial year of the Lease will be a minimum of approximately \$230,000 per month through July 2014 (prorated for the partial month of January 2014) and approximately \$417,522 for the month of August 2014 and each month thereafter. The base rent is also expected to increase each month starting with the month of August at a rate of one-twelfth of 11.5% of the costs incurred by LCP Oregon at the Portland Terminal Facility for specified construction costs, estimated at \$10 million. Assuming such improvements are completed, the base rent will increase by approximately \$96,000 per month. Variable rent will result from the flow of hydrocarbons through the Portland Terminal Facility in excess of a designated threshold of 12,500 barrels per day of oil equivalent. The base rent is not influenced by the flow of hydrocarbons. Variable rent is capped at 30% of total rent, which would be the equivalent of the Portland Terminal Facility’s expected throughput capacity.

The foregoing summary of the Lease is only a brief description of certain terms thereof, does not purport to be a complete description of the rights and obligations of the parties thereunder, and is qualified in its entirety by the full Lease, a copy of which is incorporated by reference as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Asset Purchase Agreement

On January 21, 2014, LCP Oregon entered into the Asset Purchase Agreement with Arc Logistics and all ancillary agreements thereto. Under the Asset Purchase Agreement, LCP Oregon sold certain ancillary non-real property assets that were acquired under the Purchase Agreement to Arc Logistics for a purchase price of \$116,000.

The foregoing summary of the terms of the Asset Purchase Agreement is only a brief description of certain terms therein, does not purport to be a complete description of the rights and obligations of the parties thereunder, and is qualified in its entirety by the full Asset Purchase Agreement, a copy of which is incorporated by reference as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets

On January 22, 2014, the Company issued a press release announcing the completion of the Acquisition. The information regarding the Acquisition set forth in the first paragraph of the Introductory Note of this Current Report on Form 8-K is incorporated into this Item 2.01 by reference. We hold a direct investment in Lightfoot Capital Partners, LP (6.6 percent) and Lightfoot Capital Partners GP LLC (1.5 percent). Lightfoot's assets include common units and subordinated units representing an approximately 40 percent aggregate limited partner interest, and a non-economic general partner interest, in Arc Logistics. As previously announced, we acquired LCP Oregon from Lightfoot under the Membership Interests Purchase Agreement for nominal consideration plus reimbursement of approximately \$1 million of amounts paid and expenses incurred by Lightfoot in connection with its due diligence for the acquisition of the Portland Terminal Facility. The purchase price for the ancillary assets sold to Arc Logistics under the Asset Purchase Agreement was determined based on management's estimates of current market values.

Item 7.01. Regulation FD Disclosure.

On January 22, 2014, the Company issued a press release announcing the completion of the Offering. The information regarding the Offering set forth in the first paragraph of the Introductory Note of this Current Report on Form 8-K is incorporated into this Item 7.01 by reference. That press release announcing the completion of the Acquisition and Offering is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Lease, dated January 21, 2014, by and between LCP Oregon Holdings, LLC and Arc Terminals Holdings LLC

10.2 Asset Purchase Agreement, dated January 21, 2014, by and between LCP Oregon Holdings, LLC and Arc Terminals Holdings LLC

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**COREENERGY INFRASTRUCTURE TRUST,
INC.**

Dated: January 22, 2014 By: /s/ Rebecca M. Sandring

Rebecca M. Sandring
Secretary

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	Lease, dated January 21, 2014, by and between LCP Oregon Holdings, LLC and Arc Terminals Holdings LLC
10.2	Asset Purchase Agreement, dated January 21, 2014, by and between LCP Oregon Holdings, LLC and Arc Terminals Holdings LLC
99.1	Press Release dated January 22, 2014

**LEASE
between
Arc Terminals Holdings LLC
as Lessee
and
LCP Oregon Holdings, LLC
as Lessor**

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LEASE

This Lease (as amended, restated, replaced, supplemented, or otherwise modified from time-to-time, this "*Lease*") is dated as of January 21, 2014 (the "*Effective Date*"), and is made by and between:

Lessor: **LCP Oregon Holdings, LLC**, Delaware limited liability company;
and

Lessee: **Arc Terminals Holdings LLC**, a Delaware limited liability company.

In consideration of the rents and the other terms, covenants and conditions set forth in this Lease, Lessor leases to Lessee and Lessee leases from Lessor all of Lessor's rights, title, and interests in and to the Leased Property (defined below) upon the following terms and conditions:

ARTICLE I.

FUNDAMENTAL LEASE PROVISIONS

1.1 **Definitions.** For all purposes of this Lease, except as may be expressly set forth herein or unless the context clearly indicates a contrary intent, the following terms have the following definitions:

"*Actual Daily Volume*" means for any calendar month the actual average daily volume of barrels of oil equivalent received by the Portland Terminal.

"*Additional Rent*" means all amounts, costs, expenses, Losses, liabilities, indemnities and other monetary obligations (including Lessee's obligation to pay any interest at the Default Interest Rate hereunder) which Lessee is required to pay pursuant to the terms of this Lease, other than Base Rent or Variable Rent.

"*Adjustment Date*" means the first day of the month following the month in which the fifth yearly anniversary of the Effective Date occurs, and every yearly anniversary of such first day of the month thereafter during the Term.

"*Affiliate*" has the meaning ascribed to such term in Rule 12b-2 of General Rules and Regulations under the Exchange Act (and, with respect to a Person, includes any subsidiary of that Person).

"*Agreed FMV Rent*" has the meaning given in [Section 25.1\(b\)](#).

"*Applicable Legal Requirements*" mean all statutes, ordinances, regulations and codes of any Governmental Authority having jurisdiction, including, without limitation, Environmental Laws, zoning, health, fire, safety and building codes, applicable or that may become applicable to the Leased Property (or portion thereof at issue).

"*Base Daily Volume*" means a notional average daily volume of barrels of oil equivalent received by the Portland Terminal, equal to 12,500.

"*Base Rent*" means (i) during the Initial Term, the Minimum Rent, and (ii) during any Renewal Term, the amount determined pursuant to [Section 25.1](#) hereof.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed. If the last day of any time period under this Lease, or the last day for performance of any obligation, or for giving any notice, or for taking any other action under this Lease falls on a day that is not a Business Day, then the last day of such time period shall be extended to the first day thereafter that is a Business Day.

“Capital Improvements” means such alterations, additions and replacements to any of the Leased Property as Lessee may from time-to-time desire or be required to make.

“Casualty Date” means the date fire or other casualty damages any portion of the Leased Property.

“Casualty Proceeds” means the insurance proceeds actually received by or payable to Lessee with respect to a fire or other casualty of the Leased Property, but excluding from such insurance proceeds (a) Lessee’s reasonable third party costs and expenses (including reasonable attorneys’ fees and expenses) incurred in collecting same, (b) as of any date, proceeds previously paid to Lessee and used to repair, restore or replace the Leased Property as a result of such fire or other casualty, and (c) the proceeds of any business interruption or similar insurance with respect to such fire or other casualty.

“Confidential Information” means all information relating to Lessee, the Lessee Guarantor or the operation of the Leased Property by Lessee furnished to Lessor by or on behalf of Lessee, Lessee Guarantor or any of their respective Affiliates prior to, on or after the Effective Date and designated as confidential. Notwithstanding the foregoing, Confidential Information shall not include information that is publicly available other than as a result of actions in violation of Section 26.10 hereof.

“Control” or any derivation thereof has the meaning set forth in Rule 12b-2 under the Exchange Act. **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Corrective Action” means environmental investigation and/or remediation, including Phase II testing, sampling, engineering, consulting, reporting, active remediation, passive remediation, monitoring and risk assessment or any combination of these activities.

“Current Lease Term End” means the end of the then current Term assuming that there will not be a Renewal Term at the end thereof.

“Debtor Relief Law” means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States of America or other applicable jurisdictions from time-to-time in effect and affecting the rights of creditors generally.

“Default Interest Rate” means fifteen percent (15%).

“Discount Rate” means the greater of (a) the interest rate (on the date of termination of this Lease by Lessor pursuant to its remedies under Section 23.2(a)) on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published by the Federal Reserve Bank of New York, plus one half of one percent (0.5%), and (b) the Prime Rate on the date of termination of this Lease by Lessor pursuant to its remedies under Section 23.2(a).

“Due Date for Other Additional Rent” has the meaning given in Section 5.4.

“**ERA**” has the meaning given in [Section 22.6](#).

“**Effective Date**” means the date of this Agreement, which shall be the same date as the date of conveyance of the Terminal System to Lessor pursuant to the PSA.

“**Effective Date Recorded Documents**” means all restrictions and charges created or imposed pursuant to documents and instruments recorded in the Official Public Records against the Leased Property as of the time of conveyance of the Leased Property to Lessor pursuant to the PSA.

“**Environmental Laws**” means all federal, state, and local laws, statutes, rules, regulations, orders, judgments, ordinances, codes, injunctions, decrees, and other legally enforceable requirements relating to (a) pollution or protection of the environment or natural resources, (b) any actual or threatened depositing, spilling, leaking, pumping, pouring, placing, emitting, discarding, abandoning, emptying, discharging, migrating, injecting, escaping, leaching, dumping or disposing into the environment of, or any exposure to, any Hazardous Materials, or (c) the generation, manufacture, processing, distribution, use, treatment, storage, transport, disposal or handling of any Hazardous Materials; including the federal Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendments and Reauthorization Act, the Resource Conservation and Recovery Act, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Oil Pollution Act of 1990, the Federal Hazardous Materials Transportation Law, the Marine Mammal Protection Act, the Endangered Species Act, and the National Environmental Policy Act, each as amended through the Effective Date.

“**Excess Product Volume Factor**” means for any calendar month during the Term from and after the Effective Date, the greater of (a) zero, or (b) 71% of (i) the decimal fraction obtained by dividing the Actual Daily Volume by the Base Daily Volume, minus (ii) one (1) [i.e., ((Actual Daily Volume / Base Daily Volume) - 1) * 71%].

“**Exchange Act**” means the Securities Exchange Act of 1934.

“**Excluded Matters**” has the meaning given in [Section 6.3](#).

“**Fair Market Rent**” means the rent that would be agreed on between a willing lessor and a willing lessee, with neither being required to act, and both having reasonable knowledge of the relevant facts.

“**Fair Market Value**” or “**fair market value**” means the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts.

“**Flow and Volume Information**” means the flow and volume information of the type to be furnished by Lessee pursuant to [Section 26.7\(b\)\(i\)](#).

“**Franchise**” means that certain franchise granted by the City of Portland to Paramount of Oregon, Inc. on August 16, 2006, pursuant to Ordinance No. 180378, to construct, operate, and maintain the Pipeline System, as well as the consent of the City of Portland pursuant to Ordinance 186387 to the assignment of such franchise to Lessor.

“**Force Majeure**” has the meaning given in [Section 26.2](#).

“**GAAP**” means generally accepted accounting principles in effect from time-to-time in the United States of America.

“**Good Condition and Repair**” means a state of condition and repair consistent with the condition and repair that a reasonably prudent operator would maintain for a terminal system of similar size, nature, use, age and location, taking into consideration the condition of the Terminal Facility as of the Effective Date and the Improvements made pursuant to this Lease.

“**Governmental Authority**” means any governmental authority, agency, department, commission, bureau, board, instrumentality, court arbitrator or quasi-governmental authority having jurisdiction or supervisory or regulatory authority over any of the Leased Property, applicable to Lessee (with respect only to Lessee’s (rather than Lessor’s) obligations hereunder regarding compliance or interaction with Governmental Authority), or applicable to Lessor (with respect only to Lessor’s (rather than Lessee’s) obligations hereunder regarding compliance or interaction with Governmental Authority).

“**Hazardous Materials**” means (a) any substance that is designated as a hazardous waste, solid waste, hazardous material, pollutant, contaminant or toxic or hazardous substance, as those terms are used in the Environmental Laws, (b) any petroleum, petroleum hydrocarbons, petroleum products, petrochemical products and any components, fractions or derivatives thereof, any oil or gas exploration or production waste, and any natural gas, synthetic gas, and any mixtures thereof, and (c) radioactive materials or polychlorinated biphenyls.

“**Improvements**” means the improvements described in [Exhibit A](#).

“**Indemnified Party**” means a Lessor Indemnified Party or a Lessee Indemnified Party, as applicable.

“**Indemnifying Party**” has the meaning given in [Section 21.3](#).

“**Index**” means the Consumer Price Index which is designated for the applicable month of determination as the United States City Average for All Urban Consumers, All Items, Not Seasonally Adjusted, with a base period equaling 100 in 1982-1984, as published by the United States Department of Labor’s Bureau of Labor Statistics or any successor agency.

“**Index Adjustment**” means the quotient (expressed as a percentage) of:

(a) for the first Adjustment Date, the change, if any, between (i) the average of the Index for the twelve months ended two months prior to such Adjustment Date, and (ii) the average of the Index for the twelve months ended sixty-two months prior such Adjustment Date (the “**Initial Base Index**”), and (b) the Initial Base Index; and

(b) for each subsequent Adjustment Date, the change, if any, between (i) the average of the Index for the twelve months ended two months prior to such Adjustment Date, and (ii) the average of the Index for the twelve months ended fourteen months prior to such Adjustment Date (the “**Base Index**”), and (b) the Base Index.

If the statistics are not available or if publication of the Index is modified or discontinued in its entirety, the Index Adjustment shall be determined on the basis of an index chosen by Lessor as a comparable and recognized index of the purchasing power of the United States consumer dollar published by the United States Department of Labor or other governmental agency. If the Index contemplated herein is not

reported for the months required for the calculation set forth above, the parties agree to use the Index reported for the month(s) nearest preceding the month(s) required for such calculation.

“**Initial Term**” means that period beginning on the Effective Date and ending on the last day of the 180th full calendar month thereafter.

“**Institutional Investor**” means any of the following:

(a) a bank, savings institution, investment bank, financial services company, nationally recognized conduit lender, trust company, commercial bank or national banking association acting for its own account or in a fiduciary capacity, or a real estate investment trust;

(b) a trustee or similar Person in connection with securitization of a mortgage loan or a nationally recognized conduit lender, so long as the trustee or similar Person is an entity that otherwise would be an Institutional Investor under clause (a) of this definition and which, in each case of clauses (a) and (b) of this definition, is regularly engaged in the business of making or owning commercial loans (including commercial real estate loans); or

(c) any other entity approved by Lessor as a Leasehold Mortgagee under the Lease.

“**Involuntary**” and “**Involuntarily**” includes, with respect to a Transfer or Lien, any transaction, proceeding or action by or in which a Person is involuntarily deprived or divested of any right, title or interest in and to its applicable property, rights or interests (including any seizure under levy of attachment or execution, transfer in connection with bankruptcy or other court proceeding to a trustee or receiver or other officer or agency or any transfer to a state or to a public officer or agency pursuant to any statute pertaining to escheat or abandoned property).

“**Land**” means the land underlying, subject to and covered by, the Terminal System.

“**Lease**” has the meaning given in the preamble.

“**Lease Assignment**” means a direct or indirect Transfer of Lessee’s interest under this Lease or its interest in the Leased Property hereunder. For the avoidance of doubt, any change in Control of the Lessee shall constitute a Lease Assignment.

“**Leased Property**” means the Terminal System, the Improvements and the Personal Property.

“**Leasehold**” means the estate for years and leasehold estate and other interests in the Leased Property conveyed to or held by Lessee pursuant to this Lease.

“**Leasehold Mortgage**” means a mortgage, a deed of trust, a deed to secure debt, or other security instrument by which the Leasehold is mortgaged, conveyed, assigned, or otherwise transferred to secure a debt or other obligation.

“**Leasehold Mortgagee**” means the holder of a Leasehold Mortgage.

“**Lessee**” has the meaning given in the preamble.

“**Lessee Condemnation Proceeds**” has the meaning given in Section 16.1.

“**Lessee Environmental Liabilities**” means Losses arising or resulting from (a) the actual presence, use, storage, generation or Release of any Hazardous Materials on, under, from or at the Leased

Property or any portion thereof both before and during the Term for which Lessee or Lessor has any legal obligation, (b) allegations made in writing by a third party not Lessor, another Lessor Party or a Lessor Lender (but only so long as neither Lessor, any Lessor Party nor any Lessor Lender has affirmatively caused such third party to raise such allegation unless such allegation is required to be made by such third party under applicable law) regarding the presence, use, storage, generation or Release of any Hazardous Materials on, under, from or at the Leased Property or any portion thereof both before and during the Term for which Lessee or Lessor has any legal obligation, or (c) any violation of Environmental Laws occurring both before and during the Term at or adversely affecting any portion of the Leased Property for which Lessee or Lessor has any legal obligation. It is further understood and agreed that Lessee Environmental Liabilities shall include any and all such matters or claims arising or occurring prior to the Effective Date.

“**Lessee Event of Default**” has the meaning given in [Section 23.1](#).

“**Lessee Guarantor**” means ARC Logistics Partners LP, a Delaware limited partnership.

“**Lessee Guaranty**” means that certain Guaranty of Lease executed by Arc Logistics Partners LP, a Delaware limited partnership, and dated as of the Effective Date and any subsequent Guaranty of Lease executed after the Effective Date and in substantially the form of Guaranty of Lease attached as [Exhibit B](#).

“**Lessee Indemnified Parties**” means Lessee, Lessee Guarantor and their respective Related Parties (solely in their capacity as such), Leasehold Mortgagee (in its capacity as Lessee) and permitted successors and assigns of any of the foregoing, including any permitted successors by merger, consolidation or acquisition of all or substantially all of the Lessee’s rights under this Lease.

“**Lessee Party**” means Lessee, any direct or indirect owner of Lessee, and their respective officers, employees, agents, servants, invitees, sublessees, licenses or assignees.

“**Lessee Property**” means (a) the Permitted Capital Improvements which Lessor does not purchase and which, accordingly, do not become a part of the Leased Property during the Lease Term as provided in [Section 10.1](#), and (b) the other real and personal property now or hereafter owned or used by Lessee or its Affiliates in connection with operation of the Leased Property upstream or downstream of the Terminal System by Lessee or its Affiliates.

“**Lessor**” has the meaning given in the preamble.

“**Lessor Event of Default**” has the meaning given in [Section 23.3](#).

“**Lessor Indemnified Parties**” means Lessor and its Related Parties (solely in their capacity as such), and permitted successors and assigns.

“**Lessor Interests**” means (a) all or any portion of Lessor’s right, title and interest in and to the Leased Property, and (b) all or any portion of Lessor’s right, title and interest under this Lease.

“**Lessor Lender**” means a lender or other creditor to Lessor or any other Lessor Party.

“**Lessor Party**” means Lessor, any direct or indirect owner of Lessor, and their respective officers, employees, agents, servants, or assignees.

“Lien” means any mortgage lien, deed of trust lien, deed to secure debt, vendor’s lien, security interest, pledge, collateral assignment, mechanic’s or materialman’s lien, or other similar instruments and all restatements, modifications, amendments, consolidations, extensions, renewals or substitutions thereto or thereof.

“Loss” or **“Losses”** means mean any actual losses, costs, expenses (including court costs, reasonable fees and expenses of attorneys, technical experts and expert witnesses and the cost of investigation), liabilities, damages, demands, suits, claims, and sanctions of every kind and character (including civil fines) arising from, related directly or indirectly or reasonably incident to, matters indemnified against, excluding however all of the following:

(d) Consequential and Similar Damages. Any special, consequential, punitive or exemplary damages, except to the extent owed to a third party; and

(e) Excluded Matters. Any such losses, costs, expenses, liabilities, damages, demands, suits, claims and sanctions which constitute an Excluded Matter; and

(f) Section 2.1 Waivers. Any such losses, costs, expenses, liabilities, damages, demands, suits, claims and sanctions with respect to claims and other matters waived in Section 2.1.

“Material Adverse Event” means, for purposes of the definition of “Permitted Liens” herein, any event or circumstance resulting in a material adverse effect on (a) the ability of Lessee to perform the monetary and other material obligations under this Lease, or (b) the ownership, financial condition or operation of the Leased Property taken as a whole.

“Memo of Lease” means the Memorandum of Lease in the form attached to this Agreement as Exhibit C.

“Minimum Rent” means the amounts specified in Schedule 1 of this Lease for the month in which the Effective Date occurs and the sixty (60) full months thereafter, adjusted as provided in Section 10.3; provided that:

(a) on the first Adjustment Date, Minimum Rent shall be adjusted by increasing the Minimum Rent for the month immediately preceding such Adjustment Date by the Index Adjustment, and such adjusted amount shall become the Minimum Rent for the following twelve payments (beginning with the payment due on such Adjustment Date), and the Minimum Rent as so adjusted shall constitute the Minimum Rent hereunder until the next Adjustment Date; and

(b) on each subsequent Adjustment Date, Minimum Rent shall be adjusted by increasing the Minimum Rent for the month immediately preceding such Adjustment Date by the greater of 2.00% or the Index Adjustment, and such adjusted amount shall become the Minimum Rent for the following twelve payments (beginning with the payment due on such Adjustment Date), and the Minimum Rent as so adjusted shall constitute the Minimum Rent hereunder until the next Adjustment Date.

“Non-Consent Matters” means a change of direct or indirect ownership of Lessee as a result of a merger, consolidation, reorganization, sale, distribution, contribution or other transfer of assets or equity interests, joint venture, public offering of common stock or other equity interests, foreclosure or deed in lieu of foreclosure, or the sale by a purchaser after a foreclosure; provided that the primary purpose of the transaction which results in a change in ownership of Lessee is not to circumvent or avoid Lessor’s approval rights with respect to a Lease Assignment or Sublease.

“*Non-Removable Addition*” has the meaning given in [Section 10.1\(b\)](#).

“*Official Public Records*” means the applicable Official Public Records of Multnomah County, Oregon.

“*Other Recorded Document*” means any easement agreement, restrictive covenant, declaration, right-of-way or any other similar agreement or document affecting, benefiting or burdening all or any portion of the Terminal System or the Land.

“*Parts*” has the meaning given in [Section 10.2](#).

“*Permitted Capital Improvements*” means Capital Improvements which (a) will not materially and adversely affect the structural integrity of the then existing Improvements, (b) will not materially and adversely affect the use or functionality of the Leased Property, and (c) will not adversely affect the value of the Leased Property in any material respect.

“*Permitted Lease Assignment*” has the meaning given in [Section 17.1\(a\)](#).

“*Permitted Lessee Contest*” means any contest made in accordance with [Section 26.12](#).

“*Permitted Lessee Transferee*” means either: (i) any Person approved by Lessor and the Lessor Lender, or (ii) an Affiliate to which a transfer occurs in a Non-Consent Matter, (iii) any Leasehold Mortgagee, or (iv) any purchaser under foreclosure or deed in lieu of foreclosure, in any case so long as Lessee Guarantor is not released from liability hereunder.

“*Permitted Lessor Contest*” has the meaning given in [Section 27.1](#).

“*Permitted Liens*” means, for purposes of [Sections 3.1](#) and [3.2\(a\)\(v\)](#) and the definition of the term “Material Adverse Event”, (a) liens imposed by law for taxes, assessments, or similar charges, incurred in the ordinary course of business that are not yet due and payable, (b) liens of mechanics, materialmen, warehousemen, carriers, landlords or other like Liens, securing obligations incurred in the ordinary course of business that are not yet due and payable, (c) covenants, zoning restrictions, rights, easements, governmental environmental permitting and operation restrictions, the exercise by governmental bodies or third parties of eminent domain or condemnation rights, or any other restrictions on the use of real property in effect on the Effective Date, or, that are imposed after the Effective Date, provided that any of the foregoing that are imposed after the Effective Date would not individually or in the aggregate result in a Material Adverse Event, (d) any Lien securing indebtedness of the Lessor, subject to compliance with Section 20.1, (e) the following, if the validity or amount thereof is being contested in good faith by appropriate and lawful proceedings and with respect to which adequate reserves are set aside on its books, and so long as they would not, individually or in the aggregate, result in a Material Adverse Event: (1) claims or liens for taxes, assessments, or charges due and payable and subject to interest or penalty, (2) claims, liens upon, and defects of title to, real or personal property, including any attachment of personal or real property or other legal process prior to adjudication of a dispute on the merits, (3) claims or liens of mechanics, materialmen, warehousemen, carriers, or other like liens, and (4) adverse judgments on appeal, and (f) inchoate liens in respect of royalty owners.

“*Permitted Sublease*” has the meaning given in [Section 17.1\(b\)](#).

“*Person*” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, governmental authority or any other entity of any kind.

“Personal Property” means (a) the monitoring equipment located in or on the Terminal System, (b) the computer hardware located for each portion of the Terminal System to which such monitoring equipment connects, (c) the wires and other connectors for such monitoring equipment between such computer hardware and such monitoring equipment, (d) all office furniture in, and (e) the Records, all as of the Effective Date and as such personal property may be modified or replaced as permitted or required by this Lease.

“Pipeline System” means a pipeline system in or below the public streets in the City of Portland, as defined with greater particularity in the Franchise.

“Pipeline System Lease” means that certain Pipeline System Lease, dated as of the Effective Date, between Lessor and Lessee, pursuant to which Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, the Pipeline System.

“Prime Rate” means the prime rate of interest as reported in The Wall Street Journal or, if The Wall Street Journal is no longer published or no longer reports such prime rate, the prime rate of interest as reported in other authoritative publication or news retrieval service.

“Project Costs” means the “Project Costs” as defined in the Project Management Agreement.

“Project Improvements” means the “Project,” as defined in the Project Management Agreement.

“Project Management Agreement” means the Project Management Agreement entered into between Lessor and Lessee on the Effective Date, pursuant to which Lessor with contract for and pay for the design and construction of the Project Improvements and Lessee will provide project management services in the coordination and management of the design, construction, equipment procurement and installation, commissioning, start-up, and testing of the Project Improvements.

“PSA” means that certain Purchase and Sale Agreement, dated October 17, 2013, between Lessor and Paramount of Oregon, LLC.

“Real Property” means the Terminal System, other than any personal property (under applicable Oregon law) included in such definition.

“Record Agreements” shall mean the agreements constituting (a) the Effective Date Recorded Documents, (b) any Other Recorded Document executed by Lessee after the Effective Date other than in violation of this Lease, and (c) any Other Recorded Document executed by Lessor other than in violation of this Lease. In no event shall any Lien constitute a “Record Agreement.”

“Records” means the following information, to the extent acquired by Lessor (a) from Lessee, (b) pursuant to the PSA, or (c) in connection with construction of Permitted Capital Improvements paid for by Lessor and constructed by Lessee for Lessor hereunder: all engineering drawings or plans and specifications of or covering the Terminal System or any component thereof, site assessments and environmental reports regarding or covering the Terminal System or any component thereof, manuals relating to the operation of the Leased Property, and “as-built” surveys and drawings of the Terminal System.

“Related Parties” of a Person means its Affiliates and its and their respective directors, officers, employees, managers, members, partners, agents, trustees, administrators, advisors, accountants, attorneys and representatives.

“**Release**” means any leaking, spilling, pouring, pumping, emitting, injecting, escaping, leeching, dumping, discharging, depositing or disposing of any Hazardous Materials into the environment (including the air, soil, groundwater or surface water) in sufficient quantity or concentration such that notification to a Governmental Authority is required under Environmental Laws.

“**Renewal Notice Date**” has the meaning given in [Section 25.1\(b\)](#).

“**Renewal Option**” has the meaning given in [Section 25.1\(a\)](#).

“**Renewal Term**” has the meaning given in [Section 25.1\(a\)](#).

“**Services Agreement**” means the Services Agreement in the form attached hereto as [Exhibit D](#).

“**Sublease**” means a Transfer by Lessee of a portion or less than all of Lessee’s rights under this Lease or in the Leased Property hereunder.

“**Subsidiaries**” means, with respect to any Person (the “**parent**”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

“**Taking**” means acquisition of all or any portion of the Leased Property for any public or quasi-public use through taking by condemnation, eminent domain or any like proceeding, or purchase in lieu thereof.

“**Taking Proceeds**” means damages and proceeds accruing and paid by or on behalf of the applicable Governmental Authority on account of any Taking of the Leased Property, save and except (a) the reasonable third party costs and expenses (including reasonable attorneys’ fees and expenses) incurred by Lessee in connection with the collection of same, (b) the amount incurred by Lessee prior to the date of payment of such Taking Proceeds to repair or restore the Leased Property, and (c) any Lessee Condemnation Proceeds.

“**Tax**” means any fee (including, without limitation, any documentation, license or registration fee), any tax (including, without limitation, any income tax, capital gains tax, value-added tax, gross receipts tax, sales tax, use tax, employment tax, withholding tax, property tax (including personal and real, tangible and intangible), gift tax, estate tax or stamp tax), levy, impost, duty, charge, assessment, or withholding of any nature whatsoever, together with any penalty, fine, addition to tax or interest on any of the foregoing.

“**Tax Challenge**” has the meaning given in [Section 6.6](#).

“**Term**” means the Initial Term, as it may be extended by Lessee’s exercise of the extension and renewal rights set forth in [Section 25.1](#), or as it may be sooner terminated as provided in this Lease.

“**Terminal System**” means generally, the facilities depicted on the map attached as Exhibit E as they exist as of the Effective Date and as they may be subsequently modified as permitted by this Lease. Further, the Terminal System shall include the Land, which is legally described on Exhibit F, the pipelines and all agreements granting rights to Lessor to use and operate the Terminal System. However, the Terminal System shall not include the Pipeline System or the Franchise.

“**Transfer**” means with respect to any property or rights, the direct or indirect sale, conveyance, transfer, exchange, gift, contribution or assignment, in whole or in part, of any right, title or interest in and to such property or rights, whether voluntary or Involuntary, by operation of law or otherwise.

“**Variable Rent**” means, for August 2014 and each calendar month thereafter during the Term, the product of (a) Base Rent for such month times (b) the Excess Product Volume Factor for such month; provided, however, that Variable Rent shall not, for any month, exceed the difference, if any, between (x) the quotient obtained by dividing (i) Base Rent by (ii) one (1) minus 30%, less (y) Base Rent [i.e., $(\text{Base Rent} / (1 - 30\%)) - \text{Base Rent}$].

1.2 Certain Interpretive Provisions.

As used in this Lease: (a) the word “or” is not exclusive and the word “including” is not limiting, (b) references to a law include any rule or regulation issued under the law and any amendment to the law, rule or regulation, (c) whenever the words “include,” “includes,” or “including” appear, they shall be deemed to be followed by the words “without limitation,” (d) personal pronouns shall be deemed to include the other genders and the singular shall include the plural and vice versa, and (e) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to his Lease as a whole and not to any particular Article, Section or other subdivision. Wherever a period of time is stated in this Lease as commencing or ending on specified dates, such period of time shall be deemed (i) inclusive of such stated commencement and ending dates, and (ii) to commence at 12:00 A.M. Central Time on such stated commencement date and to end at 11:59 P.M. Central Time on such stated ending date. Unless the context otherwise requires, (A) any definition or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time-to-time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (B) subject to the restrictions on Transfers, Liens and assignments in this Lease, any reference herein to any Person shall be construed to include such Person’s successor and assigns, and (C) any reference to any law shall include all statutory and regulation provisions consolidating, amending, replacing or interpreting such law and reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time-to-time. Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other document executed in connection herewith.

ARTICLE II. LEASE CHARACTERIZATION

2.1 Lease Characterization.

(a) **True Lease.** Lessor and Lessee intend that this Lease is a “true lease” for federal tax purposes and not a financing lease, capital lease, mortgage, equitable mortgage, deed of trust, trust agreement, security agreement or other financing or trust arrangement, and the economic realities of this Lease are those of a true lease. Notwithstanding anything herein to the contrary, Lessee agrees that neither it nor any Affiliate of Lessee will take, or will be permitted to take, at any time any action that will cause this Lease not to be treated as a “true lease” for Federal income tax purposes including, without

limitation, the filing of any return or statement inconsistent with this lease being treated as a “true lease”. Lessor and Lessee intend that the business relationship created by this Lease and any related documents is solely that of a long-term commercial lease between Lessor and Lessee. Further, Lessor and Lessee intend that this Lease be an operating lease for GAAP purposes.

(b) **Waivers and Stipulations.** Each of the parties (i) waives any claim or defense based upon the characterization of this Lease as anything other than a “true lease” or an “operating lease” or that asserts that this Lease is anything other than a “true lease” or an “operating lease,” (ii) waives any claim or defense based upon the characterization of all or any portion of the Leased Property as real or personal property, (iii) stipulates and agrees not to challenge the validity, enforceability or characterization of the lease of the Leased Property as a “true lease” or “operating lease,” (iv) stipulates and agrees that nothing contained in this Lease creates or is intended to create a joint venture, partnership (either de jure or de facto), equitable mortgage, trust, financing device or arrangement, security interest or the like, and (v) shall support, at such party’s sole cost and expense, the intent of the parties that the lease of the Leased Property pursuant to this Lease is a true lease and does not create a joint venture, partnership (either de jure or de facto), equitable mortgage, trust, financing device or arrangement, security interest or the like, if, and to the extent that, any challenge occurs.

(c) **Material Inducement.** The expressions of intent, the waivers, the representations and warranties, the covenants, the agreements and the stipulations set forth in this Section are a material inducement to each of Lessor and Lessee in entering into this Lease.

(d) **Lease Continuation.** Except as limited in and otherwise provided in this Lease (and including, without limitation, Lessee’s rights under Articles XXIII and XXV), this Lease shall not terminate and Lessee shall not have any right to terminate this Lease during the Term. Except as limited in and otherwise provided in this Lease (and including, without limitation, Lessee’s rights under Articles XXI, XXII, XXIII and XXV): (1) this is a triple net lease and Lessee shall not be entitled to any setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction or defense of or to Base Rent, Variable Rent or Additional Rent, and (2) the obligations of Lessee under this Lease shall not be affected by any circumstance or event, or for any reason, including but not limited to the following: (i) any damage to or destruction of any of the Leased Property by any cause whatsoever, (ii) any Taking, (iii) the prohibition, limitation or restriction of, or interference with, Lessee’s use of any of the Leased Property, (iv) any eviction by paramount title or otherwise, (v) Lessee’s acquisition of ownership of any of the Leased Property other than pursuant to an express provision of this Lease, (vi) any default on the part of Lessor under this Lease or under any other agreement related thereto, (vii) any default of any representation or warranty on the part of Lessor under any other agreement to which Lessee is a party related thereto, (viii) any latent or other defect in, or any theft or loss of, any of the Leased Property, (ix) the breach of any warranty of any seller or manufacturer of any of the Improvements or Personal Property or Lessee Property, or (x) any other cause, whether similar or dissimilar to the foregoing, any present or future Applicable Legal Requirement to the contrary notwithstanding. It is the intention of the parties hereto that except as limited in and otherwise provided in this Lease (and including, without limitation, Lessee’s rights under Articles XXIII and XXV): (A) the obligations of Lessee under this Lease shall be separate and independent covenants and agreements, (B) Base Rent, Variable Rent and Additional Rent shall continue to be payable in all events (or, in lieu thereof, Lessee shall pay amounts equal thereto), and (C) the obligations of Lessee under this Lease shall continue unaffected, unless this Lease shall have been terminated pursuant to an express provision of this Lease.

ARTICLE III.
LEASED PROPERTY

3.1 Lease of Leased Property. Lessor leases to Lessee and Lessee leases from Lessor the Leased Property, subject to the Record Agreements and the Permitted Liens, for the Term, upon the terms and conditions of this Lease. Lessee shall have exclusive use and possession of the Leased Property subject to the Record Agreements and the Permitted Liens. The Leased Property is leased to Lessee subject to the Record Agreements, the Permitted Liens and all Applicable Legal Requirements now or hereafter in effect. LESSOR LEASES AND WILL LEASE AND LESSEE TAKES AND WILL TAKE POSSESSION OF THE LEASED PROPERTY "AS IS", AND LESSEE ACKNOWLEDGES THAT LESSOR (WHETHER ACTING AS LESSOR HEREUNDER OR IN ANY OTHER CAPACITY) HAS NOT MADE AND WILL NOT MAKE, NOR SHALL LESSOR BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE LEASED PROPERTY, INCLUDING ANY WARRANTY OR REPRESENTATION AS TO ITS FITNESS FOR USE OR DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE, AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, LATENT OR PATENT, AS TO LESSOR'S TITLE THERETO, OR AS TO VALUE, COMPLIANCE WITH SPECIFICATIONS, LOCATION, USE, CONDITION, MERCHANTABILITY, QUALITY, DESCRIPTION, DURABILITY OR OPERATION, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY LESSEE. FURTHERMORE, AND NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, LESSEE ACKNOWLEDGES THAT LESSOR MAKES NO REPRESENTATION, WARRANTY, OR COVENANT THAT THE LEASED PROPERTY INCLUDES THE "SUBLEASE PREMISES" OR ANY RIGHTS WHATSOEVER THERETO (INCLUDING WITHOUT LIMITATION ANY RIGHTS OF ACCESS THERETO OR USE THEREOF), AND PROVIDED THAT FOR THIS PURPOSE "SUBLEASE PREMISES" HAS THE MEANING SET FORTH IN THAT CERTAIN PORTLAND HARBOR SUBLEASE, DATED AS OF MARCH 1, 2005, BETWEEN CHEVRON U.S.A. INC. AND PARAMOUNT PETROLEUM CORPORATION. In the event of any defect or deficiency in any of the Leased Property of any nature, whether patent or latent, except as otherwise expressly provided herein, Lessor shall not have any responsibility or liability with respect thereto or for any incidental or consequential damages (including strict liability in tort). The provisions of this Section 3.1 have been negotiated, and the foregoing provisions are intended to be a complete exclusion and negation of any warranties by Lessor, express or implied, with respect to the physical condition or sufficiency of any of the Leased Property, and arising pursuant to the Uniform Commercial Code or any other Applicable Legal Requirements now or hereafter in effect or otherwise.

3.2 Additional Encumbrances.

(a) Execution of Additional Record Agreements.

(i) Execution by Lessor. Lessor shall not during the Term enter into, create, place of record, amend, assign, restate, modify, or terminate any Record Agreement or any Other Recorded Document except (A) as reasonably requested by Lessee in writing, or (B) as consented to by Lessee in writing prior to the date of Lessor's execution thereof.

(ii) Execution by Lessee. Lessee shall not during the Term enter into, create, place of record, amend, assign, restate, modify, or terminate any Record Agreement or any Other Recorded Document except as Lessee from time-to-time in good faith deems necessary or appropriate for (A) use and operation of the Terminal System by Lessee and its Affiliates, (B) compliance with Applicable Legal Requirements and contractual arrangements with third parties regarding operation of the Terminal

System, (C) compliance by Lessee with its obligations under this Lease, or (D) compliance with the requirements of this Lease regarding Tax Challenges and Permitted Lessee Contests.

(iii) Notice Prior to Execution; Special Provisions. Lessor and Lessee shall each give the other Party not less than ten (10) Business Days' notice prior to executing any document creating, amending, assigning, restating, modifying or terminating any Record Agreement or Other Recorded Document, and in the event Lessor and Lessee disagree on the need for, or benefit or adverse effects of, any such document, Lessor and Lessee shall work together in good faith to resolve their differences, but in any event in a manner consistent with the rights and obligations of Lessor and Lessee under this Lease.

(iv) Lessor Delegation of Enforcement Authority. Lessor authorizes Lessee to enforce all Record Agreements and any Other Recorded Documents on Lessor's or Lessee's behalf, and Lessor shall reasonably cooperate and furnish any pertinent information needed toward Lessee's enforcement of same, at no cost or expense to Lessor other than any *de minimus* cost or expense.

(v) Lessee Compliance. During the Term, Lessee shall be obligated to comply in all material respects with the terms and conditions of each of the Record Agreements and the Permitted Liens.

(b) ***Creation of Liens by Lessee on Lessor's Interest in the Leased Property***. Subject to the provisions of Sections 6.6 and 12.1, without the prior written consent of Lessor (which consent shall not be unreasonably withheld) and Lessor Lender, Lessee shall not, directly or indirectly, create or permit to be created or to remain, and shall promptly discharge, any Lien on Lessor's interest in (i) the Leased Property, (ii) this Lease, or (iii) the Base Rent, the Variable Rent or any Additional Rent, in the case of subsections (i), (ii) or (iii), preceding, created by or resulting from any act or omission of Lessee or those claiming by, through or under Lessee (except Lessor and its Affiliates). **Notice is hereby given that Lessor shall not be liable for any labor, services or materials furnished or to be furnished to Lessee, or to anyone holding any of the Leased Property through or under Lessee, and that no mechanic's or other liens for any such labor, services or materials shall attach to or affect the interest of Lessor in and to any of the Leased Property.** Notwithstanding the foregoing, Lessee has no liability for, or any obligation to cause to be paid or discharged, any Lien created by, through or under Lessor or any Lessor Party, other than under the terms and conditions of this Lease and any documents or instruments that are ancillary thereto. Nothing in this Section 3.2(b) shall limit Lessee's express rights under this Lease, including Section 3.2(a)(ii) and Article XX.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Lessor. Lessor represents and warrants to Lessee as of the Effective Date as follows, it being understood and agreed that the following representations and warranties shall be deemed to be remade by a successor Lessor as of the effective date of any assignment by Lessor (and with applicable revisions to subsection (a) with respect to such successor Lessor's organization and owners):

(a) ***Existence and Ownership***. Lessor is duly organized, validly existing and in good standing under the laws of the state of Delaware, is qualified to do business and in good standing in the State of Oregon (to the extent Lessor is required to be so by Applicable Legal Requirements) and has full power, authority and legal right to execute and deliver and to perform and observe the provisions of this Lease to be observed and/or performed by Lessor.

(b) **Binding Obligation.** This Lease has been duly authorized, executed and delivered by Lessor, and constitutes the valid and binding obligations of Lessor enforceable against Lessor in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and subject to general principles of equity, whether considered in a proceeding in equity or at law.

(c) **No Violations.** The performance by Lessor of its obligations hereunder will not violate any provision of the Governing Documents of Lessor and, will not (i) result in a material breach of any agreement to which Lessor is a party, (ii) violate in any material respect any provision of any judgment or order binding on Lessor, or (iii) constitute a material violation by Lessor of any Applicable Legal Requirements.

4.2 Representations and Warranties of Lessee. Lessee represents and warrants to Lessor as of the Effective Date as follows, it being understood and agreed that the following representations and warranties shall be deemed to be remade by a successor Lessee as of the effective date of any Permitted Lease Assignment:

(a) **Existence.** Lessee is duly organized, validly existing and in good standing under the law of the State of Delaware, is qualified to do business in and is in good standing in the State of Oregon and has the requisite power and authority to execute and deliver this Lease and perform its obligations hereunder.

(b) **Binding Obligation.** This Lease has been duly authorized, executed and delivered by Lessee, and constitutes the valid and binding obligations of Lessee enforceable against Lessee in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and subject to general principles of equity, whether considered in a proceeding in equity or at law.

(c) **Financial Statements.** The financial statements for fiscal years ended December 31, 2011, and December 31, 2012, and for the nine month period ended September 30, 2013, for ARC Terminals LP (predecessor to Lessee Guarantor), copies of which were provided to Lessor by Lessee prior to such Lessee becoming the Lessee hereunder and prior to the date of this representation, present fairly in all material respects the financial conditions and results of operations for such Person and its consolidated subsidiaries on a consolidated basis in accordance with GAAP consistently applied for such periods, and with respect to quarterly statements, subject to normal year-end audit adjustments and absence of footnotes.

(d) **No Violations.** The performance by Lessee of its obligations hereunder will not violate any provision of the Governing Documents of Lessee and will not (i) result in a material breach of any agreement to which Lessee is a party, (ii) violate in any material respect any provision of any judgment or order binding on Lessee, or (iii) constitute a material violation by Lessee of any Applicable Legal Requirements.

ARTICLE V. RENT

5.1 Base Rent, Variable Rent and Additional Rent. Lessee agrees to pay to Lessor the Base Rent, Variable Rent and Additional Rent without setoff, deduction, notice or demand. Base Rent shall be payable on the first day of each calendar month, in advance, during the Term, with the first payment payable on the Effective Date (pro-rated for the month in which the Effective Date occurs). Variable Rent, for each month shall be payable in arrears on the first day of the third month following

the end of the calendar month for which it is calculated. By way of example, Variable Rent due on June 1 would be based on the Excess Product Volume Factor calculated for the preceding month of March. Additional Rent shall be payable as called for in this Lease. If Lessee is obligated to pay Base Rent or Variable Rent, as the case may be for less than a full calendar month, Base Rent or Variable Rent, as the case may be, shall be prorated on a daily basis based upon the actual number of days in the prorated month. For the avoidance of doubt, Variable Rent which is due after the Term shall be paid by Lessee.

5.2 Account for Payment of Base and Variable Rent. All payments of Base Rent and Variable Rent shall be made to Account No. 359681349643, Account Name "CorEnergy Infrastructure Trust, Inc.", reference "Portland Rent Payment", attention Jennifer Duke, held at KeyBank National Association, 4910 Tiedeman Road 3rd Floor, Brooklyn, OH 44144, ABA No. 041001039, or such other account as Lessor shall advise Lessee in writing from time-to-time, but at least ten (10) Business Days before the date any payment is due.

5.3 Payment to Party Claiming Rent. If any party other than Lessor, or subject to Section 20.1, any Lessor Lender, demands payment of Base Rent, Variable Rent or Additional Rent due hereunder and alleges its right to receive the Base Rent, Variable Rent or Additional Rent as a result of a Transfer of Lessor's interest in this Lease or otherwise, Lessee shall not be obligated to honor the demand unless Lessee receives written instructions to do so from the party to whom Lessee is then paying Base Rent, Variable Rent or Additional Rent or shall have otherwise received evidence acceptable to Lessee of the right of the party making the demand. So long as due notice is provided to Lessor regarding Lessee's intention to withhold any rents due under this Lease, withholding by Lessee of Base Rent, Variable Rent or Additional Rent pending the determination of the rights of the party making the demand shall not be a default by Lessee and no interest at the Default Interest Rate or otherwise shall be due with respect to the delay pending such determination.

5.4 Past Due Rent. If any installment of Base Rent or Variable Rent, as the case may be, is not paid when due, Lessee shall pay to Lessor (other than as provided in [Section 5.3](#)), on demand, as Additional Rent, interest on such installment from the date such installment was due to the date such installment is paid at the Default Interest Rate. If any other Additional Rent (except for such payments as Lessee is contesting in good faith or pursuant to a Tax Challenge or a Permitted Lessee Contest) is not paid within ten (10) Business Days following written demand from Lessor to Lessee (the "**Due Date for Other Additional Rent**"), Lessee shall pay to Lessor, on demand, as Additional Rent, interest on such installment from the applicable Due Date for Other Additional Rent to the date such other Additional Rent is paid at the Default Interest Rate.

ARTICLE VI. TAXES

6.1 Taxes. Except as provided in [Sections 6.2](#) and [6.3](#), the Lessee shall pay, and on written demand shall indemnify and hold each Lessor Indemnified Party harmless from, any Tax imposed on or with respect to any Lessor Indemnified Party, Lessee, the Leased Property and or any portion thereof or interest therein, by any Federal, state or local government or other taxing authority in the United States in connection with or relating to (i) the construction, financing, refinancing, purchase, acquisition, acceptance, rejection, delivery, nondelivery, transport, ownership, assembly, possession, repossession, operation, use, condition, maintenance, repair, sale, dismantling, return, abandonment, preparation, installation, storage, replacement, redelivery, manufacture, leasing, subleasing, modification, transfer of title, rebuilding, rental, importation, exportation or other application or disposition of, or the imposition of any Lien created as a result of the failure of Lessee to make a payment under this Lease (or incurrence of any liability to refund or pay over any amount as a result of any Lien) on, the Leased Property or any portion thereof or interest therein, including any franchise, sales or use tax, (ii) any payment of Base Rent,

Additional Rent, Variable Rent or the receipts or earnings arising from or received with respect to the Leased Property or any portion thereof or any interest therein or any applications or dispositions thereof, (iii) any other amount paid or payable pursuant to this Lease, (iv) this Lease or any other portion of Leased Property or such interest therein, (v) all or any of this Lease, any other documents contemplated hereby, and amendments and supplements hereto or (vi) otherwise with respect to or in connection with this Lease.

6.2 Payment. In the event that any Taxes against any of the Leased Property may be paid in installments, Lessee shall have the option to pay such Taxes in installments; and in such event, Lessee shall be liable only for those installments which become due and payable during the Term and which accrue or arise with respect to the Leased Property during the Term. Lessee shall prepare and file all tax

reports required by Governmental Authorities which relate to the Taxes which accrue or arise with respect to the Leased Property during the Term. Lessee shall be deemed to have satisfied its obligation to pay Taxes as required hereby by paying such Taxes before the earlier of the date (i) any penalty (other than non-delinquent interest) accrues thereon, or (ii) any Lien is imposed against any Leased Property pursuant to Applicable Legal Requirements as a result of such failure (excluding Liens arising and attaching as a matter of law prior to the date such Taxes are due).

6.3 Exclusions from Taxes. Notwithstanding the foregoing and for the avoidance of doubt, in no event will Lessee be required to pay, and the term "Taxes" shall exclude any and all of the following (collectively, the "*Excluded Matters*").

(a) net income taxes (however denominated), gross receipts, net receipts or gross income taxes (however denominated, that are imposed in lieu of net or gross receipts or income taxes) of Lessor or any Affiliate of Lessor; and

(b) so long as no Lessee Event of Default shall have occurred and be continuing, any tax imposed with respect to the sale, exchange, financing or other disposition by Lessor or any Affiliate of Lessor, in whole or in part, of the Leased Property or Lessor's interest in this Lease; and

(c) taxes on, or with respect to or measured by the capital or net worth of Lessor or any Affiliate of Lessor or in the nature of a use, or margin tax or a tax for the privilege of doing business; and

(d) taxes imposed with respect to any period after the Term; and

(e) excess profits taxes, accumulated earnings taxes, capital gains taxes, succession or estate taxes or personal holding company taxes; and

(f) taxes imposed as a result of any voluntary sale, financing, Transfer or other conveyance by Lessor or any Affiliate of Lessor; and

(g) taxes that are interest, penalties or additions to tax (or similar fees or charges) that are imposed as a result of the failure of Lessor or any Affiliate of Lessor to file any return or other filing properly and timely unless such failure is caused by Lessee failing to fulfill its obligations under this Lease; and

(h) any tax resulting from or that would not have been imposed but for the existence of Liens attributable to Lessor or any Affiliate of Lessor; and

(i) sales, transfer, recording, mortgage and similar taxes if and to the extent Lessor is required to pay such taxes pursuant to the PSA; and

(j) assessments, charges or other matters due and owing under any Other Recorded Documents executed by, through or under Lessor in violation of this Lease; and

(k) any Tax that is being contested in accordance with the provisions of Section 6.6, during the pendency of such contest: provided, however, that such contest shall not result in any danger of sale, forfeiture or loss of the Leased Property or any portion thereof or interest therein.

6.4 Payment of Taxes. If bills or invoices in respect of a Tax are received by Lessor, Lessor shall, within ten (10) Business Days of Lessor's receipt thereof, but in any event at least ten (10) Business Days prior to the due date for the related Tax (provided that Lessor has received such bill or invoice prior to ten (10) Business Days preceding such due date), deliver to Lessee any bill or invoice with respect to any Tax. All taxing authorities shall be instructed to send all Tax invoices to Lessee. Within thirty (30) days after Lessor or Lessee has received confirmation of payment on account of Taxes, such Party shall provide to the other Party a copy of such confirmation that such Tax was paid.

6.5 Abatements. For the purpose of determining payments due from Lessee under this Article VI, Taxes shall be the Taxes assessed until such time as the Taxes are reduced by abatement, refund or rebate. If any abatement, refund or rebate is granted, the Taxes, as applicable, shall be the Taxes as so reduced. Any rebate, refund or abatement received subsequent to payment of such Taxes by Lessee shall be refunded to Lessee by Lessor within ten (10) Business Days of receipt by Lessor, even if the abatement is received after the expiration or earlier termination of this Lease, and such obligations shall survive termination of this Lease. If Lessor or any taxing authority applies any rebate, refund or abatement as a credit against Taxes due for a period following the termination of this Lease, then the rebate, refund or abatement shall be deemed received by Lessor upon granting of the rebate, refund or abatement. If Lessor or any taxing authority fails to refund any rebate, refund or abatement to Lessee within thirty (30) days after receipt (other than any rebate, refund or abatement that will be applied as a credit against Taxes due for another period), Lessee shall be entitled to interest calculated at the Default Interest Rate from the date payment was due until the date payment is made. Any rebate, refund or abatement realized by Lessor prior to payment of the Taxes by Lessee shall result in the immediate reduction of Taxes then due from Lessee to Lessor.

6.6 Right to Contest Taxes. Lessee shall have the right to file and prosecute to completion an application contesting the amount, validity, or application of any Taxes, contesting the assessed value of all or any portion of any Leased Property, or seeking an abatement of any Taxes (any such application, a "**Tax Challenge**") either in its own name or in the name of Lessor, at no cost or expense to Lessor other than any *de minimus* cost or expense and throughout all administrative and judicial proceedings (trial court and all appeals) until there is a final, nonappealable determination. Lessee may discontinue a Tax Challenge at any time. If Lessee files or prosecutes a Tax Challenge, Lessor and its Affiliates shall cooperate and furnish any pertinent information needed for the Tax Challenge, at no cost or expense to Lessor other than any *de minimus* cost or expense. Lessee shall be entitled to be reimbursed out of the award for the reasonable costs and expenses occurred in connection with a Tax Challenge. Lessor shall not have the right to file a Tax Challenge with respect to any Taxes accruing during the Term unless the taxing authority requires the Tax Challenge to be filed by Lessor and Lessee requests Lessor to do so. Lessor shall immediately provide Lessee with a copy of any notices or demands from any Governmental Authority or other Persons which concerns Taxes. Upon request of Lessor at any time or from time-to-time, Lessee shall provide a written report to Lessor regarding the status of any such Tax Challenge.

In no event shall the manner in which Lessee pursues any Tax Challenge exacerbate in any respect the risk to Lessor of civil or criminal liability, penalty or sanction, in addition to such risks as may exist for the matters that are the subject of the Tax Challenge prior to such Tax Challenge, and except for

liabilities, penalties or sanctions for which Lessee may, and in fact does, post a bond. Further, the manner in which Lessee pursues a Tax Challenge shall not exacerbate in any respect the risk to Lessor of defeasance of its interest in the Leased Property in addition to the risk of such defeasance as may exist for the matters that are the subject of the Tax Challenge prior to such Tax Challenge and except for such risk which Lessee may, and in fact does, bond around. Lessee agrees that Lessee shall use commercially reasonable efforts to diligently prosecute any such Tax Challenge to a final conclusion, except that Lessee shall have the right to attempt to settle or compromise such contest through negotiations and to discontinue any such Tax Challenge at any time. Lessee shall promptly after the final determination of such Tax Challenge, fully pay and discharge the amounts which shall be levied, assessed, charged or imposed or be determined to be payable therein or in connection therewith, together with all penalties, fines, interest, costs and expenses thereof or in connection therewith, and perform all acts the performance of which shall be ordered or decreed as a result thereof.

**ARTICLE VII.
CONDITION OF LEASED PROPERTY; MAINTENANCE**

7.1 Lessee Maintenance of Leased Property. During the Term, Lessee shall (a) maintain the Leased Property in Good Condition and Repair, subject to the provisions of Articles X, XV and XVI, and (b) pay all maintenance and operating costs of the Leased Property in the ordinary course of business. Lessee waives any right to (i) require Lessor to maintain, repair, replace or rebuild all or any part of the Leased Property or (ii) make repairs at the expense of Lessor pursuant to any Applicable Legal Requirements at any time in effect. Subject to Permitted Lessee Contests and the other provisions of this Lease, Lessee, at its own expense, will make (or cause to be made) such alterations and modifications in and additions to the Improvements and Personal Property as may be required from time-to-time to satisfy Applicable Legal Requirements in all material respects in a manner consistent with Article X.

7.2 No Trespass. Lessor authorizes Lessee to enforce any no trespass actions regarding any Real Property and to initiate any proceedings to remove any third parties from the Land which Lessee, in Lessee's reasonable business judgment, deems necessary or appropriate for Lessee's continued quiet enjoyment of the Leased Property. Lessee shall give Lessor notice when exercising rights under this Section 7.2.

**ARTICLE VIII.
UTILITIES**

8.1 Payment of Utility Charges. Lessee shall contract for, in its own name, and pay when due, all charges for the connection and use of water, gas, electricity, and other utility services, if any, supplied to the Leased Property during the Term. Under no circumstances shall Lessor be responsible for any interruption of any such utility service unless caused by the gross negligence or willful acts or omissions of Lessor. If utilities serving the Leased Property are so disrupted on account of the gross negligence, or willful act or omission of Lessor, Lessor shall promptly restore the utilities at Lessor's sole cost and expense. The term "negligence" as used in this Section 8.1 shall not include negligence imputed as a matter of law to Lessor solely by reason of Lessor's failure to act in respect of matters which are or were the obligation of Lessee under this Lease or solely as a result of Lessor's ownership of the Leased Property.

**ARTICLE IX.
USE**

9.1 Lessee Use. The Leased Property may be used for any use permitted by Applicable Legal Requirements, but subject to the restrictions in that certain Equitable Servitude and Easement dated

March 1, 2005 by and between Chevron U.S.A, Inc. and Paramount of Oregon, Inc. During such time as this Lease is in effect, Lessee shall, at Lessee's sole cost and expense and subject to Permitted Lessee Contests, comply in all material respects with all Applicable Legal Requirements now or hereafter in force relating to or affecting the Leased Property and Lessee's use, occupancy, operation, maintenance, alteration and/or improvement thereof. Notwithstanding the preceding or any other provision of this Lease to the contrary, (a) Lessor shall be fully responsible for any violation of Applicable Legal Requirements caused at any time by any Lessor and (b) Lessee shall have no responsibility for any such matter described in subsection (a). Lessee shall have the right to delay making the changes, alterations and/or additions Lessee is responsible for making pursuant to the immediately preceding provisions of this Section 9.1 while Lessee is contesting in good faith the action or actions being taken by a Governmental Authority pursuant to a Permitted Lessee Contest.

9.2 Operating Requirement. In no event shall Lessee be obligated to keep all or any part of any Leased Property operating during the Term. If Lessee discontinues operations, Lessee shall comply in all material respects with all Applicable Legal Requirements and otherwise comply in all material respects with the terms and conditions of this Lease except as to the continuing operation of the Leased Property. If Lessee discontinues operations, Lessee shall secure the Terminal System in a manner approved by Lessor. **Notwithstanding anything herein to the contrary, Lessee shall pay the Base Rent, Variable Rent and Additional Rent as and when due under this Lease during any period in which Lessee discontinues operations in whole or in part.**

**ARTICLE X.
PERMITTED CAPITAL IMPROVEMENTS, PARTS**

10.1 Permitted Capital Improvements.

(a) **Permitted Capital Improvements.** Notwithstanding anything set forth in this Lease, Lessee, at its own expense and without Lessor's approval, shall have the right, at any time and from time-to-time as Lessee deems necessary or desirable, to make Permitted Capital Improvements. Any Lien created by the financing of any such improvements that are Non-Removable Additions shall be subordinated to any Lessor Lender Lien.

(b) **End of Term Ownership.** If Lessee proposes to construct Permitted Capital Improvements that are not readily removable or cannot be detached from the Terminal System without adversely affecting the structural integrity or functionality of the Terminal System (each, a "**Non-Removable Addition**"), Lessee shall provide Lessor written notice thereof. If Lessee proposes to construct Permitted Capital Improvements that are not Non-Removable Additions (each, a "**Removable Addition**"), Lessee shall provide Lessor written notice thereof. At the end of the Term, (i) all Non-Removable Additions will become the property of Lessor without compensation or reimbursement to Lessee, and (ii) all Removable Additions may be removed by Lessee from the Terminal System unless otherwise agreed by Lessor in writing, and Lessee shall repair any damage to the Leased Property caused by such removal. The transfer of all such property to Lessor at the end of the Term (A) shall, subject to Section 18.1, be made on an AS IS WHERE IS basis, without any express or implied warranties from Lessee other than special warranties of title (except as otherwise expressly agreed between the parties at the time of such transfer), provided, however, that such conveyance shall in any event be made by Lessee to Lessor free and clear of (I) any Liens placed on the Leased Property by, through or under Lessee, and (II) any Other Recorded Documents executed by, through or under Lessee in violation of this Lease, and (B) shall be evidenced by Lessee's execution of such deeds, bills of sale, or other appropriate documents conveying title to such property as Lessor and Lessee may reasonably agree, consistent with subsection (A) of this sentence.

10.2 Replacement of Parts. Lessee may, at its own cost and expense, remove in the ordinary course of maintenance, service, repair, overhaul or testing, or as otherwise required or permitted by this Lease, any Parts, whether or not worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use. Lessee will, at its own cost and expense, replace any such Parts as is necessary to maintain the Leased Property in accordance with the standards for Lessee's maintenance obligations as set forth in Section 7.1 of this Lease. All replacement Parts shall be in as good operating condition as, and shall have a value (including the residual value), utility and remaining useful life at least equal to the Parts replaced, assuming such replaced Parts were in condition and repair required to be maintained by, and otherwise in compliance with, the terms of this Lease (nothing in this Lease, however, shall be construed to require Lessee to replace any Parts having a useful life adequate to operate the Leased Property through the end of the Term). All Parts at any time removed from any item or portion of the Leased Property shall remain the property of Lessor until such time as such Parts shall be replaced by Parts which have been incorporated or installed in or attached to such item or portion of the Leased Property and which meet the requirements for replacement Parts specified above. Immediately upon any replacement Part becoming incorporated into or installed in or attached to any item or portion of the Leased Property, without further act (except in the case of replacement property temporarily installed on an emergency basis), (a) title to such replacement Part shall thereupon vest in Lessor, (b) such replacement Part shall become subject to this Lease and be deemed part of the Leased Property for all purposes to the same extent as the Parts originally incorporated or installed in or attached to the Leased Property, and (c) title to the removed Part shall thereupon vest in Lessee **AS IS WHERE IS**, free and clear of all rights of Lessor, and shall no longer be deemed a part of the Leased Property. Notwithstanding the foregoing, "**Parts**" means all appliances, parts, instruments, appurtenances, accessories, furnishings, spare parts, and other equipment and property of whatever nature which constitute a portion of the Improvements or Personal Property and any replacements or substitutions therefor made under this Section 10.2. "**Parts**" shall not in any event include (i) any Lessee Property, (ii) removed Parts as provided in subsection (c), above, or (iii) any Permitted Capital Improvements and Additional Lines, which Permitted Capital Improvements and Additional Lines shall be governed by Section 10.1, above. Title to replacements and substitutions for Parts made under this Section 10.2 shall remain a portion of the Leased Property.

10.3 Lessor Capital Improvements Construction. Lessee agrees that Lessor shall have the exclusive right to, and Lessor has agreed to, construct and pay for the Project Improvements in accordance with the Project Management Agreement. Lessor and Lessee agree that total Project Costs are estimated to be Ten Million dollars (\$10 million) ("**Base Cost**"), and that the target completion date of such construction is July 1, 2014.

By no later than the 21st day of July 2014, Lessor will provide Lessee with written notice of Project Costs incurred by Lessor for the Project Improvements. Beginning the month of August 2014 and for each month thereafter during the Term, monthly Minimum Rent will increase by one-twelfth of 11.5% of the Project Costs set forth in such notice. If additional Project Costs are incurred by Lessor for the Project Improvements, Lessor will provide Lessee with written notice of such costs by no later than the 21st day of any month, and beginning the next month and for each month thereafter during the Term, monthly Minimum Rent will increase by one-twelfth of 11.5% of the costs set forth in such notice. However, the total amount of Project Costs set forth in all such notices provided under this Section 10.3 shall not exceed the Base Cost, and therefore the total increase in monthly Minimum Rent shall not exceed \$95,833 [i.e., (\$10 million * 11.5%) / 12].

For the avoidance of doubt, Lessor and Lessee agree that Lessor shall be the owner of, and Lessee shall be the Lessee of, the Project Improvements, which shall be part and parcel of the Terminal System.

**ARTICLE XI.
REGULATORY ISSUES**

11.1 **Lessee's Rights.** Except (i) as provided in Section 11.2, below, and (ii) to the extent Lessor is required to engage in such communications by Applicable Legal Requirements which are not the subject of a Permitted Lessee Contest and after consultation with Lessee regarding Lessor's concern that Lessor's communication with Governmental Authorities is required by Applicable Legal Requirements, but notwithstanding any other provision of this Lease to the contrary:

(a) **Leased Property.** Lessee shall have the right and obligation to (I) deal with all Governmental Authorities, and (II) conduct all regulatory proceedings, governing or affecting the Leased Property or the ownership, use or operation thereof.

(b) **Lessee Property.** Lessee shall have the right and obligation to (I) deal with all Governmental Authorities, and (II) conduct all regulatory proceedings, governing or affecting the ownership, use or operation of the Lessee Property.

At Lessee's request, Lessor shall execute all such documents and take all such action as may be necessary to ensure and/or evidence Lessee's rights under this Section 11.1 unless, in Lessor's reasonable and good faith judgment, such documents or actions will directly result in payments required to be made by Lessor which Lessee is unwilling to pay on behalf of Lessor and, upon such determination by Lessor and prior to taking any such action, Lessor shall promptly notify Lessee in writing of such determination by Lessor, and Lessor and Lessee shall work diligently and in good faith to resolve their differences with respect to the requested action or document(s). Notwithstanding the foregoing, Lessor shall in any event be required to execute such documents and take all such actions as may be required for Lessee to pursue a Tax Challenge or a Permitted Lessee Contest.

11.2 **Lessor's Rights.** Notwithstanding the foregoing Section 11.1, but subject in any event to Lessee's right to pursue Tax Challenges and Permitted Lessee Contests, if Lessor determines, in Lessor's reasonable judgment, that Lessee has not taken sufficient action to protect the interests of Lessor in regard to any such regulatory matter (including, without limitation, regulatory proceedings) with respect to the Leased Property, upon prior written notice to Lessee, Lessor may take such action as may be necessary in order for Lessor to be and remain in compliance with Applicable Legal Requirements as they relate to Lessor and the Leased Property. Lessor shall promptly provide Lessee with a copy of any notices or demands received by Lessor from any Governmental Authority which concerns any Applicable Legal Requirement.

11.3 **No Application to Condemnation.** Lessor and Lessee acknowledge and agree that the provisions of this Article XI shall not prohibit Lessor from cooperating in condemnation proceedings as required by Article XVI.

**ARTICLE XII.
MECHANIC'S LIENS**

12.1 **Lessee's Obligations.** If any mechanic's, materialmen's or other Liens against any of the Lessor's interest in the Leased Property in connection with any materials, labor or equipment furnished or claimed to have been furnished to or for any Lessee Party are filed against Lessor's interests in the Leased Property on account of action or inaction by any Lessee Party (including by Lessee in its capacity as Lessor's construction agent for Removable Additions or Non-Removable Additions under Article X, other than any such Liens filed as a result of materials, labor or services for Removable Additions or Non-Removable Additions and for which Lessor has failed to pay the cost of such materials,

labor or services), then Lessee shall promptly cause such Lien to be discharged (whether by payment or bond), or, if Lessee desires to contest the Lien, Lessee may do so as long as the enforcement of the Lien is stayed pursuant to a Permitted Lessee Contest, and (b) if a Lessor Lender requires Lessor's interest in the Leased Property to be free of such mechanic's or materialmen's liens, then upon request of Lessor or such Lessor Lender, Lessee shall either discharge the Lien or post a bond sufficient to cover the amount of the Lien and interest, penalties and costs that will be payable to discharge the Lien assuming its validity.

12.2 **Lessor's Obligations.** Lessor shall not permit any mechanic's, materialmen's or other Liens against any Leased Property in connection with any materials, labor or equipment furnished, or claimed to have been furnished, to or for Lessor, and if any such Liens shall be filed against any Leased Property on account of any action or inaction by Lessor (other than any action or inaction alleged against Lessor resulting from the failure of Lessee to perform its obligations hereunder), Lessor shall cause the Lien to be discharged, provided that if Lessor desires to contest any such Lien (whether by payment or bond), it may do so as long as enforcement of the Lien is stayed pursuant to a Permitted Lessor Contest.

ARTICLE XIII. LESSEE PROPERTY

13.1 **No Lien.** Lessee is and shall remain the owner of the Lessee Property, other than Non-Removable Additions at the end of the Term as provided in [Section 10.1\(c\)](#). Lessor shall not have any Lien on any of the Lessee Property for the performance of Lessee's obligations under this Lease or otherwise. **LESSOR WAIVES AND DISCLAIMS ALL STATUTORY AND CONTRACTUAL LIEN RIGHTS IN LESSEE PROPERTY NOW OR HEREAFTER PLACED AT OR WITH THE LEASED PROPERTY.** Lessor agrees to execute an agreement with Lessee or Lessee's lender to evidence such waiver of Lessor's Lien rights in Lessee Property and, following a default by Lessee under any Lessee mortgage, allow Lessee's lender access to the Leased Property to seize and remove Lessee Property subject to the terms of such agreement, provided that the form and substance of any such agreement is reasonably satisfactory to Lessor, Lessee and Lessee's lender (including in such agreement reasonable conditions and time periods within which such Lessee Property may be removed). Lessee shall have the right to remove Lessee Property at any time or times during the Term and for a period of thirty (30) days after the expiration of the Term, without any obligation to pay Lessor holdover rent under [Section 26.4](#).

13.2 **Sole Risk of Lessee.** All of Lessee Property is at Lessee's sole risk and if any of the Lessee Property is destroyed or damaged other than as a result of the gross negligence or willful misconduct of a Lessor Party, no part of the destruction or damage shall be the responsibility of Lessor. If the damage is caused by the gross negligence or willful misconduct of a Lessor Party, Lessor shall be responsible for any damage or destruction, subject, however, to the waiver of subrogation provisions of [Section 14.4](#). The term "negligence" as used in this [Section 13.2](#) shall not include negligence imputed as a matter of law to Lessor solely by reason of Lessor's failure to act in respect of matters which are or were the obligation of Lessee under this Lease or solely as a result of Lessor's ownership of the Leased Property.

13.3 **Lessee's Ability to Grant Liens on Lessee Property and Lessee's Interest in Lease.** Nothing contained in this Lease shall be deemed to limit or otherwise restrict Lessee's ability to grant a Lien on Lessee Property or Lessee's interest in this Lease, in any such case to a lender not Affiliated with Lessee for the purpose of securing indebtedness of Lessee or its Affiliates to such lender. Lessor acknowledges and agrees, following a default by Lessee under any Lessee mortgage, to allow Lessee's lender access to the Leased Property to seize and remove all or any of the Lessee Property and Lessor agrees to execute an agreement with Lessee's lender to evidence such right as provided in [Section 13.1](#).

**ARTICLE XIV.
INSURANCE**

14.1 **Insurance Coverage.** Subject to [Section 14.3](#) below, from and after the Effective Date, Lessee shall maintain with respect to the Leased Property and the Pipeline System at all times during the Term, at no cost or expense to Lessor, the following types and amounts of insurance:

(a) **Liability Insurance.** Commercial general liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Leased Property and/or the Pipeline System, which insurance shall (i) be written on an "Occurrence Basis", and shall provide minimum protection with a combined single limit in the amount of \$1,000,000 per occurrence and \$2,000,000 annual aggregate; and (ii) include premises and operations liability coverage, products and completed operations liability coverage, and blanket contractual liability coverage. In addition, Lessee shall maintain auto liability insurance in an amount not less than \$1,000,000. Any policy hereunder shall include the following endorsements: 30 days written notice of cancellation to Lessor and its lenders (or 10 days in the event of non-payment), and coverage for injury to leased workers.

(b) **Worker's Compensation and Employer's Liability Insurance.** Worker's Compensation and Employer's Liability Insurance in accordance with all applicable federal and state law, which shall cover all Lessee's personnel, invitees, sublessors, guests, consultants, and similar Persons performing under this Lease, with an Employer's Liability limit shall of not less than one million Dollars (\$1,000,000) or such greater amount as may be required by law. Any policy will include the following endorsements or equivalents on an "if any" basis or as noted:

(i) Longshore and Harbor Workers' Compensation Act Coverage Endorsement (WC 00 01 06 A);

(ii) Outer Continental Shelf Lands Act Coverage Endorsement (WC 00 01 09 B);

(iii) Alternate Employer Endorsement (WC 00 03 01 A);

(iv) Voluntary Compensation and Employers Liability Coverage Endorsement (WC 00 03 11 A); And

(v) Workers Compensation Insurance Plan--Other States Endorsement (WC 00 03 24) - Listing all other states where Lessor does not have operations.

(c) **Property Insurance.** "All Risk" Insurance, equal to the full replacement value (as declared) of the Terminal System, which shall be payable in case of loss and held, paid or applied as provided in [Section 15.1](#) hereof. The policy shall provide that no act or omission of any Person named as insured shall invalidate the interest of, or be a defense against, any other Person named as insured. Lessor and all Lessor Lenders shall be shown as "loss payee" and such insurance shall include the following coverages: agreed amount valuation, sixty days written notice of cancellation to Lessor and all Lessor Lenders (or ten days in the event of non-payment), earthquake for at least \$20,000,000 for each occurrence, coverage for underground equipment at least \$20,000,000, flood for at least \$30,000,000, Lessor and all Lessor Lenders to be provided mortgagee status.

(d) **Excess Liability Insurance.** Excess Liability Insurance covering liabilities arising out of operations worldwide, with a combined minimum limit of not less than \$25,000,000 over and above the primary liability limits of all underlying insurance policies as required in this Section.

(c) **Builders Risk Insurance.** For any alteration, addition, repair or replacement to the Leased Property or the Pipeline System by Lessee (but excluding any Removable Additions or Non-Removable Additions for which Lessee is acting as Lessor's construction agent under Article X) for which the estimated cost exceeds \$500,000, completed value builder's risk insurance or similar insurance upon the entire work for the full insurable value replacement cost coverage. Coverage shall include hot and cold testing for at least three months for a limit of at least 15% of the total completed limit. Lessor and Lessee acknowledge and agree that the coverage required hereunder may be provided through a combination of policies that is different than those described above. In addition, Lessee may, at its election, maintain insurance covering additional casualties and events.

14.2 Environmental Insurance. Subject to Section 14.3 below, from and after the Effective Date, Lessee shall maintain with respect to the Leased Property and the Pipeline System at all times during the Term, at no cost or expense to Lessor, Pollution and Premises Liability Insurance for the protection of the Leased Property and the Pipeline System, with an aggregate policy limit of at least \$25,000,000 and an excess policy limit of \$25,000,000.

14.3 Insurance Requirements Generally. The insurance required by Section 14.1 shall be written by companies having an A.M. Best Insurance Reports rating of not less than "A-" and a financial size category of at least "VII", and all such companies shall be authorized to do an insurance business in the State of Oregon, or as otherwise agreed to by Lessor. All insurance policies required to be maintained pursuant to the terms of this Lease (other than the Worker's Compensation Insurance), shall be endorsed to name Lessor and its successors and assigns as additional named insureds and to provide that such insurance shall be primary over any insurance that may be maintained by Lessor, and, except during the Term (when all insurance proceeds are delivered and paid to Lessee, as loss payee). All insurance required by this Article may be blanket with other insurance maintained by Lessee or any Affiliate of Lessee and may be effected by any combination of basic and excess or umbrella coverage provided: (i) the total amount of the insurance available shall be at least the protection equivalent of separate policies in the amounts required; and (ii) in all other respects, all of the policies shall comply with the applicable provisions of this Article.

Lessee shall pay as they become due all premiums for the insurance required by this Article XIV, shall renew or replace each policy if required to comply with the insurance requirements of this Lease, and shall deliver to Lessor a certificate or other evidence of the existing policy and any renewal or replacement policy (on an ACORD 27 form, in the case of property insurance, and on an ACORD 25 form, in the case of liability insurance, and, in either case, otherwise reasonably satisfactory to Lessor, to the extent reasonably available) as soon as available, but in any event not later five (5) Business Days after the date the new coverage is effective (it being understood that in no event shall Lessee allow any insurance coverage to lapse if and to the extent such insurance is necessary to comply with the requirements of this Lease). In the event of Lessee's failure to comply with any of the foregoing requirements of this Article XIV within five (5) Business Days of the giving of written notice by Lessor to Lessee (or such shorter period as may be required to maintain the insurance required by this Article XIV in full force and effect), Lessor shall be entitled to procure such insurance. Any sums expended by Lessor in procuring such insurance shall be Additional Rent and shall be repaid by Lessee upon written demand therefor by Lessor, together with interest thereon from the applicable Due Date for Other Additional Rent at the Default Interest Rate.

14.4 Waiver of Subrogation. Each of Lessor and Lessee hereby releases the other from any and all liability for loss or damage caused by fire or any of the extended coverage casualties or any other casualty which shall be brought about by the fault or negligence of the other party or any persons for whom such other party is responsible, provided that this release shall be in force and effect only with

respect to loss or damage occurring during such time as the respective party's policies of property insurance shall contain a clause to the effect that this release shall not affect such policies or right of the releasing party to recover thereunder, and the release shall apply only to the extent of the releasing party's insurance coverage, provided that, with respect to Lessee's release of Lessor hereunder. Any insurance policy held by Lessee or Lessor, to the extent that waiver is reasonably and customary for the policy in question, shall include a waiver of subrogation clause so long as the same is obtainable. Nothing herein shall be deemed an obligation on the part of Lessor to maintain any insurance and any insurance maintained by Lessor shall serve as excess coverage.

14.5 **No Release from Liability.** Except as provided in Section 14.4, nothing in this Article XIV shall be deemed to release either party from liability for damages resulting from the negligence or willful misconduct of such party or from responsibility for repairs necessitated by such negligence or willful misconduct. By requiring insurance as provided herein, neither Lessor nor Lessee represents that coverage and limits will necessarily be adequate to protect Lessee or Lessor, and such coverage and limits shall not be deemed as a limitation of the liability of Lessee or Lessor under any indemnification provisions in this Lease. Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Lessee's obligation to maintain such insurance.

ARTICLE XV. FIRE AND OTHER CASUALTY

15.1 Fire and Other Casualty.

(a) **General Provisions.** If all or any part of the Leased Property is damaged or destroyed by fire or other casualty during the Term, then Lessee shall give prompt notice of such event to Lessor and Lessee shall, at Lessee's cost and expense, promptly thereafter repair, restore or replace the Leased Property, or any such part thereof, to substantially the same condition it was in immediately prior to the casualty (subject to any changes to all or any such part of the Leased Property that Lessee intends to make to the extent permitted under this Lease). Notwithstanding any such fire or other casualty, this Lease shall remain in effect following such fire or other casualty, the rights and obligations of Lessor and Lessee shall remain in effect without abatement, all Base Rent shall continue unabated, and subject to Section 15.2, below, all Casualty Proceeds recovered on account of any damage or destruction to all or any part of the Leased Property by fire or other casualty shall be paid to Lessee.

15.2 **Restoration Conditions.** Lessee's repair, restoration or replacement of the Leased Property shall be subject to the following requirements:

(a) **Payment of Casualty Proceeds to Lessee.** All Casualty Proceeds shall be paid to Lessee.

(b) **Repair Costs in Excess of \$3,000,000.** If the cost of such repairs, restoration or replacement as a result of a casualty exceeds \$3,000,000 with respect to such casualty, (A) Lessee shall provide to Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) such reasonable documentation related to such repairs, restoration or replacement as Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) may reasonably request to confirm that such repairs, restoration or replacements have been made in the manner required by this Lease, (B) if such repairs, restoration or replacement have not been completed within one hundred eighty (180) days following the date of such casualty, Lessee shall pay to the Lessor the amount by which the total cost of such repairs, restoration or replacement exceeds \$3,000,000, reduced by repairs, restoration and replacement costs in excess of \$3,000,000 completed and paid as of such date, which

amounts shall be held and disbursed by such Lessor Lender to Lessee as such repairs, restoration or replacements progress, and (C) Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) will have the right to inspect the Leased Property during normal business hours and after prior reasonable written notice, with Lessee's representative present and upon the condition that Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) comply with Lessee's rules and regulations, including safety, (I) to inspect the damage, and (II) to confirm that such repairs, restoration or replacements are being or have been made in the manner required by this Lease; provided that no such inspection shall interfere with the normal operation of the Leased Property or the business of Lessee or its Affiliates.

ARTICLE XVI. CONDEMNATION

16.1 Condemnation Damages and Awards. Except to the extent Lessor may be required to make the same available to Lessee under this Article XVI and as otherwise set forth in this Article XVI, Lessee assigns to Lessor any and all rights it may have to any Taking Proceeds and agrees to execute such instruments as may be requested by Lessor to evidence the assignment of such Taking Proceeds to Lessor. Notwithstanding the foregoing, Lessee may make a separate claim for any damages payable for any of the Lessee Property, any so-called special damages to Lessee for interruption to Lessee's operations or otherwise, any damages for relocation, or any damages for Lessee's leasehold interest (collectively, the "*Lessee Condemnation Proceeds*"), and none of such Lessee Condemnation Proceeds shall constitute Taking Proceeds. Notwithstanding any Taking, this Lease shall remain in effect, and the rights and obligations of Lessor and Lessee shall remain in effect without abatement. Lessor and Lessee shall cooperate in good faith to maximize the Taking Proceeds consistent with the terms of this Lease.

16.2 General Taking Provisions. If all or any part of the Leased Property is subject to a Taking during the Term, then Lessee shall give prompt notice of such event to Lessor and except as otherwise provided in this Article, Lessee shall, at Lessee's cost and expense, promptly thereafter repair, restore or replace the Leased Property, or any such part thereof, to substantially the same condition it was in immediately prior to the Taking (subject to any changes to all or any such part of the Leased Property that Lessee intends to make to the extent permitted under this Lease). This Lease shall remain in effect following such Taking, the rights and obligations of Lessor and Lessee shall remain in effect without abatement, all Base Rent shall continue unabated, and all Lessee Condemnation Proceeds and, subject to Section 16.3, below, Taking Proceeds recovered on account of such Taking shall be paid to Lessee.

16.3 Restoration Conditions. Lessee shall repair, restore or replace the Leased Property damaged as a result of such Taking, as and to the extent required by Section 16.2 and the Taking Proceeds shall be paid as follows:

(a) **Payment of Taking Proceeds to Lessee.** All Taking Proceeds shall be paid to Lessee.

(b) **Repair Costs in Excess of \$3,000,000.** If the cost of repairs, restoration or replacement of the Taking exceeds \$3,000,000 with respect to such Taking, (A) Lessee shall provide to Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) such reasonable documentation related to such repairs, restoration or replacement as Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) may reasonably request to confirm that such repairs, restoration or replacements have been made in the manner required by this Lease, (B) if such repairs, restoration or replacement have not been completed within one hundred eighty (180) days following the date of such Taking, Lessee shall pay to the Lessor the amount by which the total cost of such repairs, restoration or replacement exceeds \$3,000,000, reduced by repairs, restoration and replacement costs in excess of \$3,000,000 completed and paid as of such date, which amounts shall be

held and disbursed by such Lessor Lender to Lessee as such repairs, restoration or replacements progress, and (C) Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) will have the right to inspect the Leased Property during normal business hours and after prior reasonable written notice, with Lessee's representative present and upon the condition that Lessor and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) comply with Lessee's rules and regulations, including safety, (I) to inspect the damage, and (II) to confirm that such repairs, restoration or replacements are being or have been made in the manner required by this Lease; provided that no such inspection shall interfere with the normal operation of the Leased Property or the business of Lessee or its Affiliates.

(c) **Payment of Taking Proceeds.** If not already paid to Lessor or Lessor's Lender as required by Section 16.3(b), above, upon completion of the repairs, restoration and replacement of the Leased Property damaged as a result of a Taking, Lessee shall pay to Lessor the amount by which such Taking Proceeds exceed the cost of repairs, restoration and replacement of the Leased Property by Lessee.

**ARTICLE XVII.
LIMITS ON TRANSFERS, ASSIGNMENTS, LEASES AND LIENS**

17.1 Assignment and Subletting by Lessee.

(a) **Lease Assignments.** At any time and from time-to-time, and without any further consent from or approval by Lessor, Lessee may cause or permit to occur a Permitted Lease Assignment. For purposes hereof, the term "**Permitted Lease Assignment**" means either (i) a Lease Assignment for which (A) the successor Lessee is a Permitted Lessee Transferee, and (B) within ten (10) Business Days after the date of such Lease Assignment, Lessee provides to Lessor a copy of the written assignment of lease or similar agreement, including an assumption by the successor Lessee of the obligations of Lessee under this Lease arising from and after the date of such Lease Assignment, (ii) a Lease Assignment by foreclosure or deed in lieu of foreclosure or (iii) any other Lease Assignment approved in writing by Lessor. Lessee shall not enter into or otherwise become subject to any Lease Assignment other than a Permitted Lease Assignment, and any Lease Assignment other than a Permitted Lease Assignment shall be null and void *ab initio*.

(b) **Subleases.** At any time and from time-to-time, and without any consent from or approval by Lessor, Lessee may enter into a Permitted Sublease. For purposes hereof, the term "**Permitted Sublease**" means a Sublease which is either (i) a Sublease with a Permitted Lessee Transferee so long as within ten (10) Business Days after Lessee's entering into any such Sublease with a Permitted Lessee Transferee, Lessee shall provide Lessor with a copy of the executed sublease agreement, or (ii) any other Sublease approved in writing by Lessor. Lessee shall not enter into any Sublease other than a Permitted Sublease, and any Sublease other than a Permitted Sublease shall be null and void *ab initio*. Renewals of any Permitted Sublease shall be deemed to be a new Sublease for purposes of this Section 17.1(b) and shall not constitute a Permitted Sublease unless such renewal otherwise qualifies as a Permitted Sublease at the time of such renewal.

(c) **Lessor Consent to Certain Proposed Permitted Lessee Transferees**

No Lessor Consent Required. No Lessor consent shall be required with respect to any Permitted Lessee Transferee as described in the definition of the term "Permitted Lessee Transferee".

17.2 Cure Rights Upon Assignee Default. Notwithstanding anything to the contrary set forth in Article XXIII of this Lease or otherwise, upon the occurrence of an event or circumstance which would, with the giving of notice or passage of time, or both, constitute a Lessee Event of Default, Lessor

shall not declare a Lessee Event of Default or exercise any rights or remedies on account of such Lessee Event of Default unless and until Lessor gives notice of such default to such prior Lessee(s) and their respective Lessee Guarantors and the opportunity to cure such default, within the period of time permitted under Section 23.1 of this Lease for curing such event or circumstance, but with such cure period as to such prior Lessee and such prior Lessee Guarantors beginning only upon receipt by such prior Lessee(s) or its Lessee Guarantors, as applicable, of such notice.

**ARTICLE XVIII.
LESSEE'S SURRENDER OF LEASED PROPERTY**

18.1 **Surrender.** Upon the expiration of the Term or the earlier termination of this Lease, Lessee shall surrender to Lessor in Good Condition and Repair the Leased Property and any Permitted Capital Improvements that become Lessor's property upon termination of this Lease as provided in Section 10.1(c) hereof, in all such cases subject to reasonable and ordinary wear and tear. Any removal of all or any of the Lessee Property by Lessee shall be done in material compliance with Environmental Laws and other Applicable Legal Requirements, including Lessee's obligation to file all reports and documentation required to be filed with any Governmental Authority in connection with the removal of Lessee Property, and in accordance with the requirements of Article X hereof. Lessee shall repair any material damage to the Leased Property caused by the removal of Lessee Property. After the expiration of the Term or the earlier termination of this Lease, neither Lessee nor Lessor shall have any rights, liabilities or obligations hereunder (except for any that survive the expiration or any earlier termination of this Lease including, without limitation, the terms and provisions of Sections 25.2, and 25.3 if and to the extent applicable).

**ARTICLE XIX.
LESSOR ASSIGNMENT OF LEASE**

19.1 **Assignment of Lease.** Lessor may Transfer all or any portion of its right, title or interest under this Lease without the consent of the Lessee, except that an assignment to any company engaged in the terminalling, storage, throughput and/or transloading of crude oil and petroleum products shall require Lessee's consent unless (a) a Lessee Event of Default has occurred, (b) Lessee has delivered a termination notice to Lessor under Section 25.5, or (c) Lessee has failed to exercise its Renewal Option prior to the date that is twenty-one (21) months before the Current Lease Term End. Upon any such Transfer Lessor shall be released from all future liability in or arising out of this Lease to the extent of its assignment.

**ARTICLE XX.
LEASE SUBORDINATION**

20.1 **No Subordination of Lessor's Fee Simple Estate; Fee Mortgages** Lessor shall not be required to subordinate its interest and estate in the Leased Property to any Leasehold Mortgage, or enter into or join in the execution of any Leasehold Mortgage, but Lessor shall provide Leasehold Mortgagees the protections described in this Article XX. Lessor is entitled to encumber, from time to time, without the consent or approval of Lessee, its interest in the Land and Lessor's interest in this Lease with such Mortgages as Lessor, in its sole discretion, deems appropriate (any such Mortgage by Lessor being hereinafter referred to as a "**Fee Mortgage**"); provided, however, that any Fee Mortgage shall be subject to this Lease, the rights of Lessee hereunder, the attornment of any successor Lessee to Lessor, and the rights of any Leasehold Mortgagee arising under or by virtue of this Lease (whether the Leasehold Mortgage was created before or after the Fee Mortgage), including the right, title and estate of any Leasehold Mortgagee under any new lease entered into pursuant to Section 20.3. Lessee shall have the right to request and, Lessor shall use its commercially reasonable efforts to obtain, a non-disturbance

agreement from the holder of such Fee Mortgage, in favor of Lessee and any Leasehold Mortgagee, confirming that the provisions of this Lease, including the provisions of this Section 20.1, will be honored by and binding upon any holder of a Fee Mortgage, and further containing such other terms and conditions as such Leasehold Mortgagee shall reasonably request, including Lessor's acceptance of Leasehold Mortgagee as lessee in the event Leasehold Mortgagee succeeds to the interest of Lessee hereunder. At the request of Lessor, Lessee agrees to cause the holder of each Fee Mortgage to be named as an additional insured to any and all insurance policies required to be carried by Lessee under Article XIV. At the request of Lessor, and without cost to Lessee, Lessee agrees to make a good faith effort to cause any Leasehold Mortgagee to agree to disburse any insurance proceeds which would otherwise be payable to Lessor hereunder to the holder of any Fee Mortgage, subject to Lessor directing the Leasehold Mortgagee to do so in writing, which written request shall identify the holder of the Fee Mortgage and provide an address for delivery of such proceeds.

20.2 Leasehold Mortgages. Subject to the requirements of this Article XX, Lessee may assign or encumber Lessee's interest in the Leasehold as security for any debt or obligation of Lessee **[to an Institutional Investor]** by a Leasehold Mortgage containing such terms and provisions as Lessee may, in its sole discretion, deem fit and proper; provided, however, that all right, title and interest acquired by such Leasehold Mortgagee under such Leasehold Mortgage from Lessee shall be subject to this Lease and to the rights and interests of Lessor herein and to the rights of any holder of a Fee Mortgage arising under or by virtue of this Lease. Lessor shall have the right to request and, Lessee shall use its commercially reasonable efforts to obtain, a non-disturbance agreement from any Leasehold Mortgagee, in favor of Lessor and any holder of a Fee Mortgage, confirming that the provisions of this Lease, including the provisions of this Section 20.2, will be honored by and binding upon any Leasehold Mortgagee, and further containing such other terms and conditions as the holder of a Fee Mortgage shall reasonably request, including attornment of Lessee to the holder of the Fee Mortgage in the event the holder of the Fee Mortgage succeeds to the interest of Lessor hereunder.

20.3 Protection of Leasehold Mortgagees.

(a) ***New Lease.***

(i) In the event that this Lease is terminated as a result of any default by Lessee hereunder or any other cause (including, without limitation, a rejection of this Lease by Lessee's trustee in bankruptcy pursuant to 11 U.S.C. §365 or any equivalent provision of law), Lessor shall provide each Leasehold Mortgagee with Notice that this Lease has been terminated, together with a statement of all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, then known to Lessor. Lessor agrees, at the option of the Leasehold Mortgagee, to immediately enter into a new lease (hereinafter referred to as the "***New Lease***") of the Leased Property with such Leasehold Mortgagee or its designee for the remainder of the term of this Lease with the same covenants, conditions and agreements (including, without limitation, any and all options to extend or renew the term of this Lease, but excluding any requirements which have been satisfied by Lessee prior to termination) as are contained herein, subject only to (A) the conditions of title as the Leased Property is subject to on the date of the execution of the New Lease and which do not arise from a voluntary breach by Lessor of this Lease, and (B) the right, if any, of any parties under Subleases. Thereafter, the lessee under the New Lease shall have the same right, title and interest in and to the Leased Property as Lessee had under this Lease. The obligations of Lessor to enter into a New Lease shall be subject to the following conditions:

(A) Such Leasehold Mortgagee or its designee shall pay or cause to be paid to Lessor at the time of the execution and delivery of such New Lease any and all sums which would at the time of execution and delivery thereof be due pursuant to this Lease but for such termination and, in addition thereto, all expenses, including reasonable attorney's fees, which Lessor shall have incurred by

reason of Lessee's default and such termination and the execution and delivery of the New Lease and which have not otherwise been received by Lessor from Lessee or any other party in interest under Lessee; and

(B) Such Leasehold Mortgagee or its designees shall agree to cure as soon as reasonably possible any defaults of Lessee under the terminated Lease of which Lessor shall have notified Leasehold Mortgagee other than those defaults which, by their nature, are not susceptible to cure by a Leasehold Mortgagee and which, if not cured, will not materially harm or prejudice Lessor or its rights under this Lease or in the Leased Property.

(ii) The new lessee under any such New Lease shall be liable to perform the obligations imposed on the lessee by such New Lease only during the period such person has an ownership of the leasehold estate created by such New Lease.

(iii) The new lessee under such New Lease shall, upon entering into such New Lease, acquire all of the right, title and interest of Lessee in and to any and all Subleases and upon the request of such new lessee, Lessee shall execute, acknowledge and deliver to such new lessee an assignment in recordable form evidencing such conveyance.

(b) **Subordination of Lessor's Lien.** Lessor does hereby agree not to foreclose any liens or claims of lien against Lessee, the Leased Property, the Permitted Capital Improvements and all other trade fixtures and equipment of Lessee located on or in the Leased Property created pursuant to Oregon Revised Statutes Section 87.162 until such time as Lessor shall have afforded any Leasehold Mortgagee the opportunities to cure as set forth in this Article XX and neither Lessee nor such Leasehold Mortgagee has cured the same within the time limits afforded herein.

ARTICLE XXI. INDEMNIFICATION

21.1 Indemnification by Lessee.

(a) **Lessee's Indemnification Obligations.** Subject to the waiver of subrogation provisions in Section 14.4, the remainder of this Article XXI, and Section 26.3, and except for Losses for which Lessor is responsible pursuant to Section 21.2, Lessee, to the fullest extent permissible by Applicable Legal Requirements, agrees to indemnify, hold harmless and defend Lessor Indemnified Parties and Lessor Lender (in Lessor Lender's capacity as such) from and against any and all Losses arising out of or based upon, in whole or in part (i) a Lease Assignment or Sublease made by Lessee in violation of this Lease, (ii) a Lessee Event of Default, (iii) any negligent acts or omissions of Lessee or any other Lessee Party with respect to this Lease or the Leased Property, (iv) the fraud, gross negligence or willful misconduct of Lessee or any Lessee Party in connection with the Leased Property or the transactions contemplated by this Lease, (v) the operation, possession, use, non-use, maintenance, modification, alteration, construction, reconstruction, restoration, condition, design or replacement of the Leased Property (or any portion thereof) by Lessee or any other Lessee Party, or (vi) the business and activities of Lessee or of any other Person permitted on or about the Leased Property by Lessee (whether as an invitee, sublessee, licensee or otherwise).

(b) **Environmental Matters Not Included.** For the avoidance of doubt, this Section 21.1 is not intended to provide any indemnification to Lessor or any Lessor Indemnified Party for any matters related to Environmental Laws or Hazardous Materials or any other matters covered by Article XXII.

21.2 Release and Indemnification by Lessor. Subject to the waiver of subrogation provisions in Section 14.3, and except for Losses for which Lessee is responsible pursuant to Section 21.1, and subject to the provisions in Article XIV and Section 26.3, Lessor, to the fullest extent permissible by Applicable Legal Requirements:

(a) **Release of Lessee and Lessee Indemnified Parties.** Releases Lessee and each other Lessee Indemnified Party from any Losses from any source arising out of or based upon, in whole or in part (i) any acts or omissions by any Lessor Party or Lessor Indemnified Party, (ii) any acts or omission of any Lessor Party, Lessor Indemnified Party or Lessor Lender with respect to this Lease, (iii) any Lessor Event of Default, or (iv) the fraud, gross negligence or willful misconduct of any Lessor Party or Lessor Indemnified Party in connection with the Leased Property or the transactions contemplated by this Lease; and

(b) **Lessor Indemnification of Lessee and Lessee Indemnified Parties.** Agrees to indemnify, hold harmless and defend Lessee and each other Lessee Indemnified Party from and against any and all Losses arising out of or based upon, in whole or in part (i) any acts or omissions by any Lessor Party or Lessor Indemnified Party in violation of the terms of this Lease, (ii) any Lessor Event of Default, or (iii) the fraud, gross negligence or willful misconduct of any Lessor Party or Lessor Indemnified Party in connection with the Leased Property;

Provided, however, that in the case of subsections (a) and (b) above, to the extent and in the proportion such Losses also arise out of or are based upon (A) any breach of this Lease by Lessee, (B) the fraud, gross negligence or willful misconduct of Lessee or any other Lessee Party with respect to the Leased Property, (C) Taxes for which Lessee is responsible pursuant to this Lease, or (D) breach by Lessee of any representations made by it in this Lease, then Lessor's release and indemnification under this subsection (b) shall not apply.

21.3 Concurrent Negligence. Notwithstanding the provisions of Section 21.1 and Section 21.2, in the event of the concurrent negligence or intentional misconduct of Lessee, any other Lessee Party or any Lessee Indemnified Party on the one hand and the concurrent negligence or intentional misconduct of Lessor, any other Lessor Party or Lessor Indemnified Party, on the other hand, a party's (the "**Indemnifying Party**") obligation to indemnify the other as set forth in this Article XXI shall be limited to the extent of the Indemnifying Party's negligence and/or intentional misconduct (and that of the Lessee Indemnified Parties (if Lessee is the Indemnifying Party) or the Lessor Indemnified Parties (if Lessor is the Indemnifying Party)), including the Indemnifying Party's proportionate share of reasonable costs, attorneys' fees, and expenses incurred in connection with any claim, action, or proceeding brought with respect to such injury or damage.

21.4 Survival. The obligations of Lessee and Lessor under this Article XXI shall survive the expiration or earlier termination of this Lease.

21.5 Claims Procedure. In the case of any Losses asserted by an Indemnified Party under this Article XXI, such Indemnified Party shall give prompt notice thereof to the Indemnifying Party and in any event within no less than 60 days after the Indemnified Party receives notice of such assertion; provided that failure to so notify the Indemnifying Party shall not reduce the Indemnifying Party's obligations to indemnify any Indemnified Party hereunder except to the extent such failure adversely affects the Indemnifying Party's rights, or materially compromises such Indemnifying Party's ability, to defend such Losses or results in additional liability on such Indemnifying Party's part. The Indemnifying Party shall be entitled, at its expense, acting through counsel selected by it (and reasonably satisfactory to such Indemnified Party), to participate in or to assume and control (if it promptly so elects upon notice of the Losses), the negotiation, litigation and/or settlement of any such Losses. Such Indemnified Party may

(but shall not be obligated to) participate at its own expense and with its own counsel in any proceeding conducted by the Indemnifying Party in accordance with the foregoing, in which case the Indemnifying Party shall keep such Indemnified Party and its counsel fully informed of all proceedings and filings. Notwithstanding the foregoing, but subject to [Article XI](#) and the right of Lessee to pursue Tax Challenges and Permitted Lessee Contests and the right of Lessor to pursue Permitted Lessor Contests, the Indemnifying Party shall not be entitled to assume and control the defense of any Losses if (a) Lessee is the Indemnifying Party, a Lessee Event of Default has occurred and is continuing, or, if Lessor is the Indemnifying Party, a Lessor Event of Default has occurred and is continuing, (b) the proceeding involves possible imposition of any criminal liability or penalty or unindemnified civil penalty on the Indemnified Party, or (c) the proceeding involves the granting of injunctive relief against the Indemnified Party not related to this Lease.

ARTICLE XXII. ENVIRONMENTAL LAWS

22.1 Environmental Undertakings. Lessee's operations on the Leased Property from and after the *Effective* Date shall comply with Environmental Laws in all material respects. Lessor will conduct no operations on the Leased Property. If either party discovers or is informed of the existence of a material violation of Environmental Laws with respect to the Leased Property, or receipt of any notices alleging non-ordinary course of business liabilities under Environmental Laws with respect to the Leased Property, that party shall give prompt notice to the other party of such event.

22.2 Environmental Covenants.

(a) **Lessee's Obligations for Certain Corrective Actions.** Lessee shall be responsible for performing Corrective Action required under Environmental Law to the extent arising from Lessee Environmental Liabilities, such Corrective Actions to be performed in material compliance with Environmental Laws. Lessee's obligations to conduct Corrective Action shall be limited to those activities designed to achieve the least stringent remediation permitted under Environmental Laws for a property in similar use as the property requiring Corrective Action.

22.3 Lessee Environmental Indemnity. Lessee shall, at no cost to Lessor, protect, defend, indemnify, release and hold harmless each of the Lessor Indemnified Parties and each Lessor Lender for, from and against any and all Losses (including engineers' fees, environmental consultants' fees, and costs of investigation (including sampling, testing, and analysis of soil, water, air, building materials and other materials and substances whether solid, liquid or gas)) imposed upon or incurred by or asserted against any Lessor Indemnified Parties, but only to the extent arising out of any one or more of the following:

(a) Lessee Environmental Liabilities; or

(b) Lessee breach of its covenants in this [Article XXII](#) (including Lessee's obligation to take Corrective Action under [Section 22.2\(a\)](#)).

22.4 Claims Procedure. In the case of any Losses asserted by an Indemnified Party under this Article XXII, such Indemnified Party shall give prompt notice thereof to the Indemnifying Party and in any event within no less than 60 days after the Indemnified Party receives notice of such assertion; provided that failure to so notify the Indemnifying Party shall not reduce the Indemnifying Party's obligations to indemnify any Indemnified Party hereunder except to the extent such failure adversely affects the Indemnifying Party's rights, or materially compromises such Indemnifying Party's ability, to defend such Losses or results in additional liability on such Indemnifying Party's part. The Indemnifying Party shall be entitled, at its expense, acting through counsel selected by it (and reasonably satisfactory to

such Indemnified Party), to participate in or to assume and control (if it promptly so elects upon notice of the Losses), the negotiation, litigation and/or settlement of any such Losses. Such Indemnified Party may (but shall not be obligated to) participate at its own expense and with its own counsel in any proceeding conducted by the Indemnifying Party in accordance with the foregoing, in which case the Indemnifying Party shall keep such Indemnified Party and its counsel fully informed of all proceedings and filings. Notwithstanding the foregoing, but subject to Article XI and Lessee's right to pursue Tax Challenges and Permitted Lessee Contests and Lessor's right to pursue Permitted Lessor Contests, the Indemnifying Party shall not be entitled to assume and control the defense of any Losses if (a) Lessee is the Indemnifying Party, Lessee Event of Default has occurred and is continuing, or, if Lessor is the Indemnifying Party, a Lessor Event of Default has occurred and is continuing, (b) the proceeding involves possible imposition of any criminal liability or penalty or unindemnified civil penalty on the Indemnified Party, or (c) the proceeding involves the granting of injunctive relief against the Indemnified Party not related to this Lease.

22.5 **Survival.** It is expressly understood and agreed that Lessee's and Lessor's obligations under this Article XXII shall survive the expiration or earlier termination of this Lease.

22.6 **Lessee's Environmental Obligations.** Notwithstanding anything herein stated to the contrary, Lessee's obligations under this Article XXII are reduced by any cash received by Lessor, and any quantifiable liability of Lessor extinguished, pursuant to any contractual indemnity arrangements, plus any cash received by Lessor, and any quantifiable liability of Lessor extinguished, pursuant to the insurance policy described in Section 14.2. Further, Lessor shall be responsible for the first \$200,000 in the aggregate of liability hereunder during the term of this Lease that is not covered by such contractual indemnity arrangements and insurance policy. If Lessor receives Notice from the operator of the Terminal System or a third party regarding any environmental claim, Lessor shall timely make a claim to the indemnifying party under any such contractual indemnity arrangement, and shall deliver copies of all such notices and claims to Lessee. Lessor shall include Lessee in all discussions and negotiations with any parties involved in such contractual indemnity arrangements.

ARTICLE XXIII. DEFAULTS AND REMEDIES

23.1 **Lessee Events of Default.** Each of the following shall be an event of default under this Lease (each, a *'Lessee Event of Default'*):

- (a) Lessee fails to make any payment of Base Rent or Variable Rent, as the case may be, when due and such failure continues for three (3) Business Days after Lessee's receipt of written notice from Lessor of such failure; or
- (b) Lessee fails to make any Additional Rent (other than a failure to pay Base Rent or Variable Rent and except for such payments as Lessee is contesting in good faith or pursuant to a Tax Challenge or a Permitted Lessee Contest) and such failure continues for seven (7) Business Days after Lessee's receipt of written notice of such failure from Lessor; or
- (c) any representation and warranty made by Lessee under this Lease is false at the time made and which, individually or in the aggregate with respect to each other such false representation or warranty, is material; or
- (d) Lessee makes or permits a Lease Assignment or a Sublease in violation of Article XVII of this Lease, and fails to unwind or terminate such Lease Assignment or Sublease within sixty (60) days after Lessee's receipt of written notice from Lessor of such breach; or

(e) Lessee fails to maintain insurance on the Leased Property in compliance with this Lease, and such failure continues for five (5) Business Days after Lessee's receipt of written notice of such failure from Lessor; or

(f) Lessee fails to maintain the Terminal System in Good Condition and Repair and that failure continues for five (5) Business Days after Lessee's receipt of written notice thereof from Lessor

(g) Lessee fails to observe or perform any other covenant of Lessee under this Lease and that failure continues for fifteen (15) days after Lessee's receipt of written notice of that breach from Lessor (or if the cure of that failure reasonably requires more than fifteen (15) days to complete, if Lessee fails to commence the cure within such fifteen (15) day period and thereafter diligently pursue such cure to completion); or

(h) the filing by or against Lessee or Lessee Guarantor of a petition for relief under any Debtor Relief Laws (unless, in the case of a petition filed against Lessee or Lessee Guarantor, the same is dismissed within ninety (90) days after filing), or the appointment of a trustee or receiver to take possession of all, or substantially all, of Lessee's or Lessee Guarantor's assets or of Lessee's interest in this Lease, where such appointment is not discharged in ninety (90) days after appointment of said trustee or receiver, or the voluntary filing of a petition for the appointment of the same; or

(i) Lessee or Lessee Guarantor (i) fails to make any payment of principal or interest with respect to any debt after giving effect to any applicable cure period or (ii) fails to observe or perform any other agreement contained in any agreement or instrument relating to that debt that is a default (other than a failure to pay specified in clause (i) of this paragraph) and such default continues after the applicable grace or cure period, if any, specified in such agreement or instrument, if the effect of the failure specified in clause (i) or (ii) is to accelerate the maturity of that debt and such debt is not reinstated within seven (7) days after Lessee's receipt of written notice from Lessor of such acceleration; or

(j) A "Lessee Event of Default" has occurred under the Pipeline System Lease.

23.2 Lessor's Remedies for a Lessee Event of Default. Upon the occurrence and during the continuance of a Lessee Event of Default, with or without notice or demand, except such notice as may be required by statute and cannot be waived by Lessee and such notice as is specifically required by the terms of this Lease (all other notices being hereby waived), Lessor shall be entitled to exercise, at its option, any or all of the following remedies:

(a) ***Lessor's Remedies for a Lessee Event of Default.*** Upon the occurrence and during the continuance of a Lessee Default, Lessor may give Lessee written notice of Lessor's intention to terminate this Lease as a result of such Lessee Event of Default (except for the terms and provisions hereof which survive termination) on a date specified in such notice (which date shall be no sooner than ten (10) days after the date of the notice), in which case, upon the date therein specified, the Term and the estate hereby granted shall expire and terminate as if such date were the date hereinabove fixed for the expiration of the Term except the terms and provisions hereof which survive the Term. Upon such termination, Lessee shall surrender possession of the Leased Property to Lessor and Lessor may (i) take possession of the same on the termination date without being deemed guilty in any manner of trespass or becoming liable for any loss or damage resulting therefrom, without resort to legal or judicial process, procedure or action, and (ii) substitute a replacement operator to operate the Terminal System.

In addition to the foregoing right to terminate this Lease, and without being obligated to terminate this Lease and without limiting any other rights or remedies that may be available to Lessor as a result of

a Lessee Default, Lessor shall be entitled to the following remedies, and may bring an action against Lessee, for any or all of the following:

(i) Accrued and Unpaid Base Rent. All Base Rent and Variable Rent accrued and unpaid to the termination date and not otherwise paid by Lessee; and

(ii) Accrued and Unpaid Additional Rent. All Additional Rent accrued and unpaid to the termination date and not otherwise paid by Lessee (including Lessee's indemnity obligations under Sections 21.2 and 22.3 with respect to matters or circumstances arising prior to the expiration of the Term or date of Lease termination, as applicable, whether or not Lessor has asserted such indemnity claims prior to the expiration of the Term or date of Lease termination, as applicable), but without duplication for amounts for which Lessor seeks damages under this Lease; and

(iii) Failure to Surrender Leased Property. Losses resulting from Lessee's failure to surrender the Leased Property as required by Section 18.1, but without duplication for amounts for which Lessor seeks damages or indemnification under this Lease; and

(iv) Collection Costs. All reasonable out-of-pocket expenses incurred by Lessor in enforcing its remedies under this Section 23.2(a) with respect to such Lessee Event of Default, including retention of a third party to operate the Terminal System, reasonable attorneys' fees, court costs, expert witness fees, costs of tests and analyses, travel and accommodation expenses, deposition and trial transcripts, copies and other similar costs and fees, paid or incurred by Lessor as a result of its exercise of remedies under this subsection (a) with respect to such Lessee Event of Default, regardless of whether or not legal proceedings are actually commenced, subject to Section 26.9 of this Lease; and

(v) Termination Damages. The amount, if any, by which (1) the unpaid Base Rent and Variable Rent (as calculated below) payable under this Lease which would have been earned after termination for the balance of the Term (had this Lease not been terminated and without giving effect to any unexercised extension options), discounted to present value at the Discount Rate exceeds (2) the Fair Market Rent for such period, also discounted to present value at the Discount Rate. The Variable Rent which would have been earned after termination for the balance of the Term under (1) above, shall be calculated based on the average Variable Rent payable during the one year period prior to the termination of this Lease; and

(vi) Specific Performance. Lessor may bring an action against Lessee for specific performance by Lessee of its unperformed obligations under this Lease, but without duplication for other amounts for which Lessor seeks damage or indemnification under this Lease. All covenants and agreements of Lessee in this Lease shall be deemed special, unique and extraordinary, and any breach of any covenant or agreement by Lessee shall be deemed to cause Lessor irreparable injury not properly compensable by damages in an action at law, such that the rights and remedies of Lessor may be enforced both at law or in equity; and

(vii) Self-Help Remedies. Lessor may perform (or cause another Person to perform), on Lessee's behalf, any unperformed covenant or obligation under this Lease constituting such Lessee Event of Default if such covenant or obligation remains unperformed at any time during which a Lessee Event of Default has occurred and is continuing and/or Lessor may substitute a replacement operator to operate the Terminal System at any time during which a Lessee Event of Default has occurred and is continuing, in which event, Lessee shall reimburse Lessor for all reasonable costs, expenses and disbursements incurred by Lessor in doing so (including, without limitation, the cost of any replacement operator), plus together with interest thereon at the Default Interest Rate from the due date for Additional

Rent, but in any event without duplication for amounts for which Lessor seeks damages or indemnification under this Lease.

For the avoidance of doubt, Lessor may exercise any or all of the remedies set forth in Section 23.2(a)(i) through (vii) without terminating this Lease and Lessee's obligations under this Lease including the obligation to pay the Base Rent, Variable Rent and Additional Rent as and when due under this Lease shall remain in full force and effect notwithstanding Lessor's exercise of any of the foregoing remedies.

Notwithstanding the foregoing or anything to the contrary set forth in this Lease, the amount required to be paid by Lessee pursuant to Sections 23.2(a)(i) through (v) shall be limited as follows: The Inception Date Present Value of the amount paid by Lessee pursuant to Sections 23.2(a)(i) through (v) plus the Inception Date Present Value of the Aggregate Minimum Rent shall not in any event exceed \$37,170,000 (the "Maximum Loss Amount"); provided, however, that the Maximum Loss Amount shall increase by ninety percent (90%) of the Project Costs. As used herein, (I) "Aggregate Minimum Rent" means the Minimum Rent paid by Lessee during the period beginning on the Effective Date and continuing through the date of termination of the Initial Term, (II) "Inception Date Present Value" of an amount means the present value of such amount as of the Effective Date, calculated using the Specified Discount Rate, and (III) "Specified Discount Rate" means eight percent (8%). The Maximum Loss Amount will be renegotiated for any Renewal Term.

In addition, and notwithstanding the foregoing, in the event that as of the Lease termination date specified in Lessor's notice to Lessee such Lessee Event of Default has been cured, such termination notice shall be deemed to have been rescinded, this Lease shall remain in effect and Lessor shall only be entitled to Base Rent, Variable Rent and Additional Rent which has accrued under this Lease under subsections (i) and (ii), above, and Lessor's reasonable out-of-pocket expenses under subsection (iv) above.

(b) **No Waiver or Election of Remedies.** No delay or omission of Lessor to exercise any right or power accruing upon the occurrence and during the continuance of any Lessee Event of Default shall impair any other or subsequent Lessee Event of Default or impair any rights or remedies consequent thereto unless such Lessee Event of Default is cured. Every power and remedy given by this Section to Lessor may be exercised from time-to-time, and as often as may be deemed expedient, by Lessor, subject at all times to Lessor's right to change any course of action undertaken by Lessor.

23.3 Lessor Events of Default. Each of the following shall be an event of default under this Lease (each, a "**Lessor Event of Default**"):

(a) **Monetary Defaults.** Lessor fails to make any payment due to Lessee under this Lease and such failure continues for seven (7) Business Days after Lessor's receipt of written notice of such failure from Lessee; or

(b) **Representations.** Any representation and warranty made by Lessor under this Lease is false at the time made and which, individually or in the aggregate with respect to each other such false representation or warranty, is material; or

(c) **Certain Specified Lessor Event of Defaults** Any breach, default or failure of performance by Lessor under Section 3.2(a) (*Prohibited Other Record Agreements*), and such breach, default or failure of performance remains uncured for sixty (60) days after Lessor's receipt of written notice of such breach, default or failure of performance; or

(d) **Other Lessor Covenant Defaults.** Lessor fails to observe or perform any other covenant of Lessor under this Lease in any material respect (other than those specified in other subsections of this [Section 23.3](#)) which failure continues for fifteen (15) days after Lessor's receipt of written notice of such breach from Lessee (or if the cure of such failure reasonably requires more than fifteen (15) days to complete, if Lessor fails to commence the cure within such fifteen (15) day period and thereafter diligently pursue such cure to completion); or

(e) **Debtor Relief Laws.** The filing by or against Lessor of a petition for relief under any Debtor Relief Laws (unless, in the case of a petition filed against Lessor, the same is dismissed within ninety (90) days after filing), or the appointment of a trustee or receiver to take possession of all, or substantially all, of Lessor's assets or of Lessor's interest in this Lease, where such appointment is not discharged in ninety (90) days after appointment of said trustee or receiver, or the voluntary filing of a petition for the appointment of the same; or

(f) **Pipeline System Lease.** A "Lessor Event of Default" has occurred under the Pipeline System Lease.

23.4 Lessee's Remedies for a Lessor Event of Default

(a) **Lessee Remedies.** Upon the occurrence and during the continuance of a Lessor Event of Default, with or without notice or demand, except such notice as may be required by statute and cannot be waived by Lessor and such notice as is specifically required by the terms of this Lease (all other notices being hereby waived), this Lease shall remain in full force and effect, Lessee shall be entitled to remain in possession of the Leased Property hereunder and shall remain obligated and liable for Lessee's obligations hereunder (subject to Lessee's offset rights set forth below), and Lessee shall have and may exercise the following remedies, concurrently, successively, or in any combination, Lessee hereby waiving all other rights and remedies to which Lessee may be entitled at law or in equity:

(i) **Amounts Due by Lessor under the Lease.** Lessee may collect and bring an action against Lessor for all amounts due, owing and unpaid by Lessor as of the date of such action, including Lessor's indemnity obligations under this Lease with respect to matters or circumstances arising prior to the date of such action, but in any case without duplication for claims made under [subsection \(a\)\(ii\)](#) below; and

(ii) **Damages.** Lessee may bring an action against Lessor for Lessee's damages which are proximately caused by such Lessor Event of Default, but without duplication for other amounts and indemnities for which Lessor may be obligated under this Lease; and

(iii) **Enforcement Costs.** Lessee shall be entitled to recover from Lessor all out-of-pocket costs and expenses, including reasonable attorneys' fees, court costs, expert witness fees, costs of tests and analyses, travel and accommodation expenses, deposition and trial transcripts, copies and other similar costs and fees, paid or incurred by Lessee in exercising its remedies under this [Section 23.4\(a\)](#) as a result of such Lessor Event of Default, regardless of whether or not legal proceedings are actually commenced, subject to [Section 26.9](#) of this Lease; and

(b) **Delays and Waivers of Other Remedies.** No delay or omission of Lessee to exercise any right or power accruing upon the occurrence and during the continuance of any Lessor Event of Default shall impair any other or subsequent Lessor Event of Default or impair any rights or remedies consequent thereto unless such Lessor Event of Default is cured. Subject to the provisions of [subsection \(a\)](#), above, which provide that such remedies are available without duplication of certain other claims, every power and remedy given by this [Section 23.4](#) to Lessee may be exercised from time-to-time, and as often as may

be deemed expedient, by Lessee, subject at all times to Lessee's right to change any course of action undertaken by Lessee. Lessee hereby irrevocably waives and releases any and all rights and remedies with respect to any Lessor Event of Default other than as expressly granted in this Section 23.4, provided, however, that this sentence shall not be deemed to prohibit collection by Lessee of amounts due and owing from Lessor which payment obligation has accrued or arisen with respect to facts or circumstances during the Term, including indemnification claims which arose during the Term pursuant to Sections 21.2 and 22.4, but without duplication of any such amounts or claims and such remedies.

**ARTICLE XXIV.
NOTICE**

24.1 **Notices.** Except where otherwise specifically provided in this Lease, all notices, demands, requests or other communications (each, a "**Notice**") which either party is required to or may desire to give to the other shall be in writing and shall be given by (a) personal delivery, (b) mailing a copy thereof by certified or registered mail, postage prepaid, return receipt requested, or (c) nationally recognized overnight courier service (such as Federal Express or UPS), all charges prepaid, furnishing a receipt upon delivery, in each case addressed to the party to whom the notice is directed at the Notice address of such party set forth below. A notice given by Lessee may be given, in addition to the methods set forth in the preceding sentence, via electronic mail, and any Notice sent by Lessee via electronic mail shall be deemed to have been received by the addressee upon Lessee sending the email to the addressee's designated email address below. The Notice address of each party is:

Lessee:

Arc Terminals Holdings LLC
3000 Research Forest Drive
Suite 250
The Woodlands, TX 77381
Attn: Mark Feldman, Corporate Controller
With a copy to:
Elizabeth Osenton Lord
Jessica R. Alsop
Jackson Kelly PLLC
500 Lee Street East, Suite 1600
Charleston, WV 25301

Lessor:

LCP Oregon Holdings, LLC
4200 W. 115th Street, Suite 210
Leawood, KS 66211
Attn: Mr. Rick Green

With a copy to:
David A. Fenley
Husch Blackwell LLP
4801 Main, Suite 1000

The addresses to which notices and demands shall be delivered or sent may be changed from time-to-time by notice served by either party upon the other as provided above.

24.2 Deemed Receipt. Unless otherwise provided in this Lease, and except for deemed receipt of email notices as provided in Section 24.1, notice shall be deemed to have been received by the addressee as follows: (a) if a Notice is delivered in person, or sent by registered or certified mail, or nationally recognized overnight courier, upon receipt by the addressee or delivery to the address of the addressee; and (b) if the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no Notice was given, then upon the rejection, refusal, or inability to deliver the Notice.

24.3 Delivery; Time of Notice. Notwithstanding the foregoing, if any Notice is received after 5:00 p.m. on a Business Day where the addressee is located, or on a day that is not a Business Day where the addressee is located, then the Notice is deemed received at 9:00 a.m. local time on the next business day where the addressee is located.

**ARTICLE XXV.
RENEWAL AND END OF TERM OPTIONS**

25.1 Renewal Option.

(a) **Renewal Rights.** Provided no Lessee Event of Default has occurred and remains uncured as of the end of the Current Lease Term, Lessee shall have the right and option (the “**Renewal Option**”) to extend the term of this Lease with respect to all (but not less than all) of the Leased Property for consecutive renewal terms, each for a length of time equal to five (5) years (each, hereafter referred to as the “**Renewal Term**”), provided, however, that the maximum aggregate Term shall in no event exceed 99 years.

(b) **Lessee Renewal Notice.** Prior to the date that is twenty-one (21) months before the Current Lease Term End (the “**Renewal Notice Date**”), Lessee may exercise its Renewal Option if Lessee and Lessor agree in writing upon the Fair Market Rent for the applicable Renewal Term (the “**Agreed FMV Rent**”).

(c) **Determination of Agreed FMV Rent.** Lessor and Lessee shall negotiate in good faith to reach agreement as to the Fair Market Rent and, if requested by Lessee, one or more senior officers of Lessor shall meet with one or more senior officers of Lessee at Lessor’s offices in Kansas City, Missouri or such other location as the parties shall mutually agree to conduct such negotiations in person. The Agreed FMV Rent shall be the Base Rent for the Leased Property for the applicable Renewal Term. If Lessor and Lessee are unable to agree upon the Agreed FMV Rent on or prior to the Renewal Notice Date, then the first day of the Renewal Term shall be an Adjustment Date and Base Rent (including its Minimum Rent component) for each year of the Renewal Term, including the first year of the Renewal Term, shall be adjusted in the same manner, using the same methodology, as Base Rent (including its Minimum Rent component) was adjusted during the Initial Term.

25.2 Procedure Upon Purchase.

(a) If Lessee shall purchase the Leased Property pursuant to this option described in Section 25.4, Lessor need not transfer and convey to Lessee any better title thereto than existed on the

date of the commencement of the term of this Lease, and Lessee or its designee shall accept such title, subject, however, to the state of title to the Leased Property on the date on which this Lease commenced; the condition of the Leased Property on the date of purchase; all charges, liens, security interests and encumbrances on the Leased Property and all Applicable Legal Requirements.

(b) Upon the date fixed for any purchase of the Leased Property, Lessee shall pay to Lessor the purchase price therefor specified herein, and Lessor shall deliver to Lessee an instrument of assignment and conveyance which is sufficient to vest in Lessee the Leased Property and any other instruments necessary to convey the title thereto described in this Section 25 and to assign any other property then required to be assigned by Lessor pursuant hereto. Lessee shall pay all charges incident to such conveyance and assignment, including counsel fees, escrow fees, recording fees, title insurance premiums and all applicable taxes (other than any income or franchise taxes of Lessor) which may be imposed by reason of such conveyance and assignment and the delivery of said instrument of assignment and conveyance and other instruments. Upon the completion of any purchase of the Leased Property but not prior thereto (whether or not any delay or failure in the completion of such purchase shall be the fault of Lessor), this Lease shall terminate, except with respect to obligations and liabilities of Lessee hereunder, actual or contingent, which have arisen on or prior to such date of purchase.

25.3 Lessee as Operator After Term. If Lessor elects by written notice to Lessee given no later than 90 days prior to the end of the Lease Term, then following the termination of his Lease, Lessee or its Affiliate will continue to operate the Leased Property after the Term as an operator and not a lessee, pursuant to the Services Agreement, for a monthly operating fee equal to the fair market value for applicable services and use under the Services Agreement as Lessor and Lessee shall negotiate in good faith, for a period of up to two (2) years following the end of the Lease Term, as specified in the notice from Lessor, but subject in any event to the termination rights provided in the Services Agreement. Upon timely written request from Lessor, as provided in this Section 25.3, Lessor and Lessee shall execute and deliver the Services Agreement and pay or cause to be paid the monthly operating fee in connection therewith.

25.4 Lessee Buy-Out. So long as no Lessee Event of Default shall exist under this Lease and no notice shall have been given to Lessee of a default hereunder which has not been corrected, Lessee shall have the right to purchase the Leased Property concurrently with the purchase by Lessee of the property leased by Lessee under the Pipeline System Lease and terminate this Lease at the end of the thirty-six (36) month period beginning the first day of the month following the month in which the Effective Date occurs, or at the end of any month thereafter during the Term, upon giving Lessor ninety (90) days' written notice before such termination date. The purchase price shall be nine (9) times the greater of (a) total of Base Rent and Variable Rent invoiced for the immediately preceding twelve (12) months prior to the Notice or (b) \$6,964,887. The closing of such buy-out shall proceed as is otherwise described in this Article.

25.5 Lessee Termination Options.

(a) Lessee shall have the right to terminate this Lease as of the fifth (5th) anniversary of the first day of the month following the month in which the Effective Date occurs, by providing written notice of such termination to Lessor at least twelve (12) months prior to the termination date, and provided that, as of the date of such notice, no Lessee Event of Default shall exist under this Lease and no notice shall have been given to Lessee of a default hereunder which has not been corrected. On the date of termination under this Section 25.5(a), Lessee shall pay Lessor a termination fee of \$3,816,377, by wire transfer of immediately available funds to an account specified by Lessor.

(b) Lessee shall have the right to terminate this Lease as of the tenth (10th) anniversary of the first day of the month following the month in which the Effective Date occurs, by providing written notice of such termination to Lessor at least twelve (12) months prior to the termination date, and provided that, as of the date of such notice, no Lessee Event of Default shall exist under this Lease and no notice shall have been given to Lessee of a default hereunder which has not been corrected. On the date of termination under this Section 25.5(b), Lessee shall pay Lessor a termination fee of \$5,724,565, by wire transfer of immediately available funds to an account specified by Lessor.

**ARTICLE XXVI.
MISCELLANEOUS PROVISIONS**

26.1 **Memorandum/Notice of Lease.** Simultaneously with the execution of this Lease, Lessor and Lessee shall execute and deliver the Memo of Lease and cause it to be recorded in the Official Public Records. Upon termination of this Lease, upon the request of either party, the other party will execute an instrument in recordable form indicating that this Lease has been terminated. No mortgages, deeds of trust, fixture filings, UCC financing statements or other Lien filings will be recorded by Lessor or any Lessor Lender in the Official Public Records or in personal property UCC records naming Lessee as a debtor with respect to any of the Leased Property.

26.2 **Force Majeure.** If either party shall be delayed or hindered in, or prevented from, the performance of any act required under this Lease by reason of strikes, lockouts, labor troubles, riots, insurrection, war or other reasons of a like nature beyond the reasonable control of the party delayed in performing work or doing acts required under the terms of this Lease (any such delay, hindrance or prevention being referred to as "*Force Majeure*"), then performance of such act shall be excused for the period of delay, and the period of the performance of any such act shall be extended for a period equivalent to the period of such delay unless otherwise specifically provided to the contrary in this Lease. The provisions of this Section shall not apply to delays in the payment of amounts due and owing by Lessee or Lessor hereunder or resulting from the inability of a party to obtain financing or to satisfy its obligations under this Lease because of a lack of funds.

26.3 **Consequential Damages.** Notwithstanding anything in this Lease to the contrary, in no event shall Lessor or Lessee be liable or responsible for consequential, punitive, special or indirect damages except to the extent owed to a third party.

26.4 **Holding Over.** If Lessee remains in possession of any Leased Property after the expiration of the Term without having timely executed its right, if any, to extend the Term, such continuing possession shall create a month to month tenancy on the terms of this Lease except that the monthly Base Rent shall be 125% of the Base Rent applicable as of the end of the Term, and such tenancy may be terminated at the end of any month thereafter by either party giving at least sixty (60) days' notice to the other party.

26.5 **Quiet Enjoyment.** Lessor agrees that so long as this Lease is in effect, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Property and all rights of Lessee hereunder during the Term without any manner of hindrance or molestation from Lessor, Lessor Lender, or anyone claiming by, through or under Lessor or Lessor Lender.

26.6 **Cost and Expense.** Wherever it is provided in this Lease that an act is to be undertaken by any Person, such act shall be done by such Person or caused to be done by such Person at no cost or expense to the other party.

26.7 Access; Reporting

(a) **Access and Inspection Rights.** Lessor or its agents and Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) may, at their sole cost and expense, inspect the Leased Property during normal business hours at such locations where the same is located or kept in Lessee's ordinary course of business, after not less than five (5) Business Days prior notice to Lessee; provided, however, neither Lessor, any Lessor Lender nor any agent for any Lessor Lender shall have any right to inspect any of the Leased Property without a representative of Lessee being present and Lessor and Lessor Lender (or its agent, if applicable) shall abide by Lessee's reasonable rules and regulations (including those governing matters of health and safety) when making such inspections; provided, further, that, unless (i) Lessee's interest under this Lease has been assigned to a Person that is not a Permitted Lessee Transferee, (ii) a Lessee Event of Default has occurred and is continuing (or Lessor has reason to believe that a Lessee Event of Default may have occurred and be continuing) or (iii) Lessee discontinues operations of the Leased Property, and excluding inspections made with respect to restorations following a casualty or condemnation as such inspections are permitted by and pursuant to Article XV or Article XVI, Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) may inspect the Leased Property no more frequently than once per calendar year and Lessor may inspect the Leased Property no more frequently than twice per calendar year. Lessee shall use commercially reasonable efforts to cause its representative to be present for Lessor's inspection when notice is given as required by this subsection (a). In the event Lessee is unable to provide a representative of Lessee to be present for a Lessor or Lessor Lender inspection at any time during a thirty (30) consecutive day period, Lessee shall pay to Lessor a \$10,000 penalty. Under no circumstances shall Lessor permit its inspection or any inspection by Lessor Lender (or the agent for such Lessor Lender if requested in writing by Lessor) to interfere with Lessee's ordinary operation of the Leased Property or with Lessee's business.

(b) **Lessee Reporting Obligations.** Lessee shall:

(i) furnish, not later than 60 days after the end of each calendar month during the Term, a report stating the Actual Daily Volume for such prior month;

(ii) furnish, no later than 60 days after the end of each calendar quarter during the Term, a report discussing maintenance, integrity management and any special operational procedures performed on the Terminal System for such quarter;

(iii) furnish, not later than 60 days after the end of each calendar quarter during the Term, a report listing any capital expenditures made related to the Terminal System for such quarter;

(iv) cause Lessee Guarantor (or, if there is no Lessee Guarantor, then Lessee) to furnish, not later than 120 days after the end of each fiscal year of such Person, such Person's unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year;

(v) cause Lessee Guarantor (or, if there is no Lessee Guarantor, then Lessee) to furnish, not later than 60 days after the end of each of the first three fiscal quarters of each fiscal year of such Person, such Person's unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year;

(vi) cause Lessee Guarantor (or, if there is no Lessee Guarantor, then Lessee) to furnish, as promptly as reasonably practicable such unaudited or audited financial statements as may be

required by Lessor or a direct or indirect owner of an interest in Lessor to permit it to file a registration statement with the Securities and Exchange Commission (along with any required auditor consent); and

(vii) provide prompt written notice to Lessor of any failure by Lessee or Lessee Guarantor to pay any installment of principal or interest under its debt when due if such failure is not cured or waived within the applicable grace period with respect to such debt.

Financial statements, reports and other information required or permitted to be furnished by Lessee or Lessee Guarantor pursuant to this Lease, including the financial statements and other information furnished pursuant to this [Section 26.7\(b\)](#), may be submitted by Lessee or Lessee Guarantors by email addressed to Lessor. In the event that any information or documents furnished by Lessee or Lessee Guarantor pursuant to this Lease is publicly available on the Securities and Exchange Commission EDGAR database (or any successor database), such documents or information shall be deemed to have been delivered to Lessor by Lessee on the date on which Lessee or Lessee Guarantor files such financial statements or other information with the Securities and Exchange Commission and provides notice to Lessor of such filing, which notice may be given by email.

(c) **Periodic Discussions.** In addition to the reports and statements to be delivered by Lessee pursuant to [Section 26.7\(b\)](#), Lessor and Lessee agree, within fifteen (15) Business Days after the end of each calendar quarter during the Term, to convene a conference call with at least one senior officer of each party to discuss the operations and financial performance of the Terminal System, the reports and statements delivered by Lessee pursuant to [Section 26.7\(b\)](#) and other relevant information regarding the Leased Property, provided, however, that the senior officers of Lessee may delegate participation in such calls to other representatives of Lessee who are appropriate to participate in discussions of the operation and performance of the Terminal System.

26.8 Accord and Satisfaction.

(a) **Lessor.** Acceptance by Lessor of any partial payment of any amount payable by Lessee hereunder shall not constitute an accord and satisfaction by Lessor of any of Lessee's obligations hereunder and Lessor shall be entitled to collect from Lessee the balance of any amount remaining due.

(b) **Lessee.** Acceptance by Lessee of any partial payment of any amount due from Lessor hereunder shall not constitute an accord and satisfaction by Lessee of any of Lessor's obligations hereunder and Lessee shall be entitled to collect from Lessor the balance of any amount remaining due.

26.9 Prevailing Party. If any action at law is necessary to enforce or interpret the terms of this Lease, the prevailing party shall be entitled to reasonable attorneys' fees and costs of the proceeding up to and including all trial and appellate levels in addition to any other relief to which it may be entitled. If any action in equity is necessary to enforce or interpret the terms of this Lease, the prevailing party shall be entitled to reasonable attorneys' fees and costs up to and including all trial and appellate levels in addition to any other relief to which it may be entitled. For purposes of this Section, a party will be considered to be the "prevailing party" if (a) such party initiated the litigation and substantially obtained the relief which it sought (whether by judgment, voluntary agreement or action of the other party, trial, or alternative dispute resolution process), (b) such party did not initiate the litigation and either (i) received a judgment in its favor, or (ii) did not receive judgment in its favor, but the party receiving the judgment did not substantially obtain the relief which it sought, or (c) the other party to the litigation withdrew its claim or action without having substantially received the relief which it was seeking.

26.10 Confidentiality.

(a) **General Confidentiality Provisions.** Lessor shall, and shall cause any Person receiving Confidential Information directly or indirectly from Lessor, to hold all Confidential Information in strict confidence. Lessor may (i) disclose Confidential Information only to its direct and indirect owners and prospective owners, Lessor Lenders and prospective Lessor Lenders, and any prospective purchaser of the Leased Property and, on a need to know basis, to the respective Affiliates, directors, officers, employees, accountants, legal counsel and other advisors who are involved in the administration, analysis and accounting for this Lease, and (ii) in the event Lessee is no longer the operator of the Leased Property, disclose to a successor operator of the Terminal System and its advisors and consultants the Records, and such other portions of the Confidential Information as are necessary or prudent to permit them to safely and effectively manage and operate the Leased Property, provided that in the case of both subsections (i) and (ii), Lessor shall be responsible for the compliance by each such Person to whom disclosure is made with the confidentiality provisions of this Section 26.10 (including the acknowledgments and stipulations under subsection (b) of this Section), and Lessor shall remain liable for any breach of the provisions of this Section by any such Person. Neither Lessor nor any Person to whom disclosure is made pursuant to this subsection (a) may disclose Confidential Information to any other Person or entity except (A) to the extent required by any regulatory authority, (B) to the extent required by applicable laws or regulations or by subpoena or similar legal process, in each case after adequate notice to Lessee in order to allow Lessee to seek a protective order or other protection therefor, (C) with the prior written consent of Lessee, (D) to the extent such Information becomes publicly available other than as a result of a breach of this Section, or (E) to the extent disclosure of such Confidential Information is necessary or appropriate pursuant to the provisions of the federal securities laws or the rules or regulations promulgated thereunder. For the avoidance of doubt, nothing contained in this Section 26.10 shall limit the ability of Lessee or any of its Affiliates to disclose Confidential Information.

(b) **Survival, Specific Performance and Equitable Remedies.** The obligations under this Section 26.10 of Lessor, and of all Persons to whom Confidential Information is disclosed, shall survive the expiration and termination of this Lease. Lessor acknowledges and stipulates (and all Persons to whom Confidential Information is disclosed shall be deemed to acknowledge and stipulate) that Lessee may suffer irreparable harm in the event of a breach of the provisions of this Section 26.10 by Lessee, or by a disclosure of Confidential Information by any other Person to whom Confidential Information is disclosed hereunder, in each case for which Lessee has no adequate remedy at law. Therefore, in addition to all other remedies available pursuant to the terms of this Lease or at law, Lessee shall have the right to obtain immediate injunctive or other equitable relief upon a breach of this Section 26.10 by Lessor or any other Person to whom Confidential Information is disclosed.

26.11 Consent of Lessor and Lessee. Unless specified otherwise herein and except for consents or approvals for which a specific standard is expressly set forth herein (such as “not unreasonably withheld”, “sole discretion”, etc.) and specific provisions which describe the issues which may be considered when making or withholding approval, Lessor’s consent to any request of Lessee shall not be unreasonably withheld, conditioned, or delayed and Lessee’s consent to any request of Lessor shall not be unreasonably withheld, conditioned, or delayed.

26.12 Permitted Lessee Contests. Lessee shall not be required to pay any cost, expense or charge or perform any obligation so long as Lessee contests in good faith and at its own expense the amount or validity thereof by appropriate proceedings which shall operate to prevent the collection thereof or realization thereon and the sale, foreclosure or forfeiture of the Leased Property or any part thereof to satisfy the same, and Lessee shall have furnished any security as may be required in the applicable proceeding, and, pending any such proceedings, Lessor shall not have the right to pay or perform the same. In no event shall the manner in which Lessee pursues any such contest exacerbate in

any material respect the risk to Lessor of civil or criminal liability, penalty or sanction, in addition to such risks as may exist for the matters that are the subject of such contest prior to such contest, and except for liabilities, penalties or sanctions for which Lessee may, and in fact does, post a bond. Further, the manner in which Lessee pursues any such contest shall not exacerbate in any material respect the risk to Lessor of defeasance of its interest in the Leased Property in addition to the risk of such defeasance as may exist for the matters that are the subject of such contest prior to such contest and except for such risk which Lessee may, and in fact does, bond around. Lessee shall use commercially reasonable efforts to diligently prosecute any such contest to a final conclusion, except that Lessee shall have the right to attempt to settle or compromise such contest through negotiations and to discontinue any such contest at any time. Lessee shall promptly after the final determination of such contest, fully pay any amounts determined to be payable thereon and/or fully perform any obligations to be performed thereon, together with all penalties, fines, interest, costs and expenses resulting from such contest. Upon Lessee's request, Lessor shall prosecute such contest, if required by Applicable Legal Requirements, at no cost or expense to Lessor. Upon reasonable request of Lessor at any time or from time-to-time, Lessee shall provide a written report to Lessor regarding the status of any such contests.

26.13 Waiver. Failure of either party to complain of any act or omission by the other party, no matter how long the same may continue, shall not be deemed to be a waiver by the party of any of its rights hereunder. No waiver by either party at any time, whether express or implied, of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. All rights and remedies which either party may have under this Lease or by law upon a breach hereunder shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other. Except as and to the extent this Lease provides that certain rights or remedies are limited or exclusive, no right or remedy, whether exercised by a party or not, shall be deemed to be in exclusion of any other right or remedy and any two (2) or more or all of such rights and remedies may be exercised at the same time, but without duplication of recovery for any such matter.

26.14 Interpretation. If any provision of this Lease or the application of any provision to any Person or any circumstance shall be determined to be invalid or unenforceable, then such determination shall not affect any other provision of this Lease or the application of such provision to any other Person or circumstance, all of which other provisions shall remain in full force and effect. It is the intention of the parties that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, the provision shall have the meaning which renders it valid. This Lease shall be interpreted and enforced without the aid of any canon, custom or rule of law requiring or suggesting construction against the party drafting or causing the drafting of the provision in question.

26.15 No Derivative Liability. Notwithstanding anything set forth in this Lease or otherwise, no direct or indirect (through tiered ownership or otherwise) advisor, trustee, director, officer, employee, beneficiary, shareholder, participant, partner, member, owner, investor, representative or agent of a party or its applicable Affiliates shall have any personal liability, directly or indirectly, under or in connection with this Lease or the Lessee Guaranty or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and the other party and its successors and assigns and, without limitation, all other persons and entities, shall look solely to the assets of such party or its applicable Affiliates for the payment of any claim or for any performance, and each other party, on behalf of itself and its successors and assigns, hereby waive any and all such personal liability. Nothing hereunder is intended to limit the obligations of the Lessee Guarantors under the Lessee Guaranty.

26.16 Successors and Assigns. The words "*Lessor*" and "*Lessee*" and the pronouns referring thereto, as used in this Lease, shall mean where the context requires or admits, the Persons named herein

as Lessor and as Lessee respectively, and (subject to the provisions hereof prohibiting certain Transfer, leases, subleases, assignments and Liens) their respective successors and assigns, irrespective of whether singular or plural, masculine, feminine or neuter. The agreements and conditions to be performed by Lessor shall be binding upon Lessor and its successors and assigns and shall inure to the benefit of Lessee and its successors and assigns, and the agreements and conditions to be performed by Lessee shall be binding upon Lessee and its successors and assigns and shall inure to the benefit of Lessor and its successors and assigns.

26.17 Rights of Third Parties. Except to the extent set forth below, notwithstanding anything contained in this Lease to the contrary, nothing in this Lease, expressed or implied, is intended to confer upon any Person other than the parties hereto or their successors and permitted assigns, or the parties' respective related Indemnified Parties hereunder any rights, remedies, obligations or liabilities under or by reason of this Lease; provided, that (a) a party hereto and its respective successors and permitted assigns will have the right to enforce the provisions of this Lease on its own behalf or on behalf of any of its related Indemnified Parties (but shall not be obligated to do so) and (b) any Lessor Lender is an intended third-party beneficiary.

26.18 No Offer; Entire Agreement. This Lease is transmitted for examination only and does not constitute an offer to lease and shall become effective only upon execution and unconditional delivery by Lessor and Lessee and delivery of the Lessee Guaranty required hereby. This Lease represents the entire agreement between the parties with respect to the subject matter hereof, and no oral statements or representations or prior written matter not contained in this Lease shall have any force or effect. This Lease shall not be modified in any way except by a writing subscribed by both parties.

26.19 Headings. The headings for the various articles and sections of this Lease are used only as a matter of convenience for reference and are not to be considered a part of this Lease or used in determining the intent of the parties to this Lease.

26.20 Counterparts. This Lease may be executed in one or more counterparts, any one or all of which shall constitute one and the same instrument.

26.21 Governing Law; Venue; Service of Process; Waiver of Jury Trial

(a) THIS LEASE AND ANY DISPUTES, CLAIMS OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS LEASE (WHETHER SOUNDING IN CONTRACT OR TORT LAW) SHALL BE GOVERNED BY THE LAW OF THE STATE OF OREGON WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

(b) EACH OF LESSOR AND LESSEE IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF ANY OREGON STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF OREGON AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) EACH OF LESSOR AND LESSEE HEREBY IRREVOCABLY CONSENTS TO SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, AT THE ADDRESS SPECIFIED IN [ARTICLE XXIV](#) HEREOF.

(d) EACH OF LESSOR AND LESSEE HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LEASE, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS LEASE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

26.22 Time of the Essence. TIME IS OF THE ESSENCE AS TO ANY ACT TO BE PERFORMED WITHIN A SPECIFIC TIME FRAME UNDER THIS LEASE.

26.23 Estoppel Certificates.

(a) Lessee agrees upon not less than fifteen (15) days prior notice by Lessor or any Lessor Lender to execute, acknowledge and deliver to Lessor or the Lessor Lender a statement in writing by Lessee in substantially the form of [Exhibit G](#). If Lessee is required to provide such certificate more than twice in any twelve (12) month period, Lessor shall pay Lessee a processing fee of \$500 for each additional certificate requested in such twelve (12) month period.

(b) Lessor agrees upon not less than fifteen (15) days prior notice by Lessee to execute, acknowledge and deliver to Lessee or to such party as Lessee may designate a statement in writing by Lessor similar to the form of [Exhibit G](#) (with appropriate changes to reflect that it is being signed by Lessor). If Lessor shall be required to provide such certificate more than twice in any twelve (12) month period, Lessee shall pay Lessor a processing fee of \$500 for each additional certificate requested in such twelve (12) month period.

**ARTICLE XXVII.
OTHER AGREEMENTS OF LESSOR AND LESSEE**

27.1 Additional Lessor Covenants. At all times during the Term, Lessor covenants and agrees as follows:

(a) **Notice of Lessor Loan Default.** Lessor shall promptly advise Lessee in writing of any breach, default or failure of performance under any material agreement to which Lessor is a party, and immediately provide Lessee a copy of any written notice of default or intent to enforce remedies given by or on behalf of any Lessor Lender.

(b) **Maintenance of Existence.** Lessor shall at all times (i) maintain its existence in good standing under the laws of the State of its organization, (ii) be qualified to do business in the State of

Oregon to the extent Lessor is required to so under Applicable Legal Requirements, and (iii) except to the extent it is prohibited by this Lease from doing so without Lessee's consent and Lessee fails to give such consent, maintain and renew all of its respective rights, powers, privileges and franchises except where the failure to do so would not have a material adverse effect on Lessor's ability to perform its obligations under this Lease or on Lessee's ability to possess and operate the Leased Property in accordance with the terms and conditions of this Lease.

(c) **Lessor Compliance with Law; Permitted Lessor Contests** Subject to Section 11.1 hereof, Lessor shall comply with all Applicable Legal Requirements relating to Lessor except where (i) Lessee is contesting such Applicable Legal Requirements in accordance with a Permitted Lessee Contest, (ii) such compliance could reasonably be expected to impair in any material respect Lessee's use or operation of the Leased Property unless Lessee consents to such compliance, which consent shall not be unreasonably withheld, delayed or conditioned, or (iii) such failure to do so results from a Lessee

Event of Default. For purposes hereof, "**Permitted Lessor Contest**" means a Lessor contest of (A) an Applicable Legal Requirement, or (B) a Lien on Lessor's right, title or interest in this Lease, in either case in good faith and at its own expense by appropriate proceedings which shall operate to prevent the immediate application of such Applicable Legal Requirements or Lien and the sale, foreclosure or forfeiture of the Leased Property or the Lessor's interest in this Lease or Lessee's leasehold estate therein or hereunder or Lessee's use or operation of the Leased Property, or any part thereof. In no event shall any Permitted Lessor Contest be undertaken in violation of Article XI. Further, in no event shall the manner in which Lessor pursues any such contest exacerbate in any material respect the risk to Lessee of civil or criminal liability, penalty or sanction, in addition to such risks as may exist for the matters that are the subject of such contest prior to such contest, and except for liabilities, penalties or sanctions for which Lessor may, and in fact does, post a bond. Further, the manner in which Lessor pursues any such contest shall not exacerbate in any material respect the risk to Lessor of defeasance of its interest in the Leased Property or impair its use or operation thereof in addition to the risk of such defeasance or impairment as may exist for the matters that are the subject of such contest prior to such contest and except for such risk which Lessor may, and in fact does, bond around. Lessor shall use commercially reasonable efforts to diligently prosecute any such contest to a final conclusion, except that Lessor shall have the right to attempt to settle or compromise such contest through negotiations and to discontinue any such contest at any time. Lessor shall promptly after the final determination of such contest, fully pay any amounts determined to be payable thereon and/or fully perform any obligations to be performed thereon, together with all penalties, fines, interest, costs and expenses resulting from such contest. Lessor shall prosecute any such Permitted Lessor Contest at no cost or expense to Lessee. Upon reasonable request of Lessee at any time or from time-to-time, Lessor shall provide a written report to Lessor regarding the status of any such contests.

(d) **Temporary Office Lease.** Pursuant to its acquisition of the Leased Property, Lessor has agreed to lease temporary office space to Paramount of Oregon, LLC as provided for in Exhibit H. Lessee hereby consents to such temporary office Lease per the terms described in Exhibit H.

27.2 Additional Lessee Covenants. At all times during and after the Term, Lessee covenants and agrees as follows:

(a) **Costs of Acquisition.** Lessee shall pay or reimburse Lessor for all costs incurred by Lessor (other than the purchase price) in connection with Lessor's acquisition of the Leased Property under the PSA. Such costs, shall include, but shall not be limited to, all title insurance or endorsement fees, survey costs, franchise fees, and transfer taxes in connection with the acquisition, etc.

(b) **Consents to Own and Operate.** Lessee agrees to obtain any and all consents necessary to operate (or for Lessor to own) the Leased Property as a Terminal System.

(c) **Contracts or Permits.** Lessee agrees to obtain any and all contracts and permits necessary for Lessor to own and for Lessee to operate the Leased Property as a Terminal System.

(d) **Transfer Taxes.** Lessee shall pay any and all so-called transfer taxes associated with this Lease.

(e) **Liabilities.** Lessee shall pay, reimburse or otherwise indemnify Lessor as to any and all liabilities related to pre-closing ownership or operation of the Leased Property by Lessor's predecessors in title.

*[Remainder of Page Intentionally Blank
Signature Pages Follow]*

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed as of the date first above written.

LESSOR:

LCP Oregon Holdings, LLC,
a Delaware limited liability company

By: /s/ David J. Schulte

Name: David J. Schulte

Title: President

LESSEE:

Arc Terminals Holdings LLC,
a Delaware limited liability company

By: /s/ John Blanchard

Name: John Blanchard

Title: President

Schedule 1

Minimum Rent

Month(s)	Minimum Rent*
1/1/14	\$219,442
2/1/14	\$219,442
3/1/14	\$219,442
4/1/14	\$219,442
5/1/14	\$219,442
6/1/14	\$219,442
7/1/14	\$219,442
8/1/14	\$398,355
9/1/14	\$398,355
10/1/14	\$398,355
11/1/14	\$398,355
12/1/14	\$398,355
1/1/15 – the month preceding the first Adjustment Date	\$398,355

* As adjusted per Section 10.3 of the Lease.

EXHIBIT A
to Lease
Improvements

Asset Description

CCTV surveillance system, to include:

Cameras, installation, and fence detectors

Group of buried pipelines, average size 10" diameter, total 6,400 LF

Group of crude storage, c/o:

T-63

- 1 - Crude oil storage tank, 117,000 bbl, internal floating roof, steam heated

T-100

- 1 - Crude oil storage tank, 79,600 bbl, fixed roof, steam heated

T-102

- 1 - Crude oil storage tank, 80,200 bbl, fixed roof (out of service)

T-104

- 1 - Crude oil storage tank, 133,300 bbl, fixed roof, steam heated

T-105

- 1 - Crude oil storage tank, 138,600 bbl, internal floating roof, steam heated

P-1A

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1B

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1C

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1D

- 1 - Crude feed pump, IMO Delaval, 525 gpm, 200 HP, 4x5 CI

Group of distillate storage tanks:

T-114

- 1 - Storage tank, 15' diameter x 40' high, 15,000 bbl, internal floating roof

P-11A

- 1 - Naphtha pump, 300 gpm

T-113

- 1 - Storage tank, 16,000 bbl, internal floating roof

T-120

- 1 - Storage tank, 4,500 bbl, external floating roof, hot oil

T-111

- 1 - Storage tank, 7,000 bbl, fixed roof, steam heated

T-95

- 1 - Storage tank, 95,000 bbl, internal floating roof

T-67

- 1 - Storage tank, 80,000 bbl, fixed roof

T-93

- 1 - Storage tank, 70,300 bbl, fixed roof, steam heated

T-74

- 1 - Storage tank, 52,000 bbl, fixed roof, steam heated

Distillation Area:

VC-1

- 1 - Distillation column: 132" ID x 20', with trays (17) 72" ID x 5', with trays (4) including:

1 - primary crude exchanger and

1 - secondary crude exchanger

F-1

- 1 - Crude heater, petro-chemical, vertical

F-1B

- 1 - Crude preheater, Zinda, horizontal

Asphalt reclaim system:

T-207

- 1 - VGO tank, 11,600 gallon, fixed roof

T-315

- 1 - Reclaim tank, with exhaust fan

P-604

- 1 - Reclaim pump, 7 1/2 HP

Waste water tank:

T-111

- 1 - Tank, oil/water, 298,200 gallon, fixed roof, steam heated

P-408

- 1 - Wash oil pump, size 4 x 3 x 13, 50 HP

Steam System:

B-4

- 1 - Steam boiler, Cleavon Brooks, 400 HP, 150# service, with economizer

B-5

- 1 - Steam boiler, Johnson, 400 HP firetube, 13,800#/hr, with economizer, heat miser

F4-B6

- 1 - Thermal oxidizer/W. H. Boiler

F4 furnace, 18 mm btu

- B-6 13,800#/hr

T-160

- 1 - Emergency water tank, 11,150 gallon capacity

V23/24

- 1 - Water softener, with brine tank

P90/92/93

- 3 - LMI electromagnetic dosing pumps, Milton Roy

P22/22A

- 2 - boiler feedwater pumps, Worthington, 2-stage, 3 x 1 1/2 x LLR-10, 30 HP

V-9

- 1 - 15# steam flash drum, Orbit Industries, 160 psig @ 370° F

V-11

- 1 - Boiler blowdown separator

Utility air system:

K-17

1 - 1 - Air compressor, Joy, Twistair III, 125 psi, 60 HP

V-17

- 1 - Air receiver

K-19

- 1 - Air dryer, ZEK, mdl 2801 HPS 1081

K-15/16

- 2 - air compressors, I-R, Type 40, 40 HP

V-5

- 1 - Air receiver

E109 A/B

- 2 - air coolers

Emergency diesel fuel supply:

K-8

- 1 - Back-up air compressor, G-D Integra

K-21

- 1 - Kohler diesel generator, 100 kw

Murol and caustic containment:

P-305

- 1 - Murol transfer pump, Sethco, 60 gpm, 1 HP

T-308

- 1 - Murol acid tank, 143 bbl, 8' diameter x 16' high, FRP Construction

P-505

- 1 - Centrifugal pump, Senfilco, 10 gpm

T-1/2

- 1 - Treated water tank, 110 bbl, 7' diameter x 18' high, with mixer

T-3 - 1 - Treated water tank, 120 bbl, 3' diameter x 14' high, with mixer

T-310/311

- 2 - treated water blunger A/B, FRP Construction, 19 bbl, with mixer

P-517

- 1 - Self-priming pump, Sethco, 60 gpm, 1 HP, PVC

T-307

- 1 - Sodium hydroxide tank, 50%, 3,000 gallon, 7' diameter x 12' high, steel with heat trace

P-226

- 1 - Centrifugal pump, 25 gpm, 1 HP, PVC

P-91

- 1 - Emulsifier pump, Roper screw pump

TW-4/5

- 2 - treated water tanks (slurry), 6' diameter x 8' high, 36 bbl, 15 HP mixer

Truck Loading Racks, including:

Pumps and vapor recovery

T-142/143/144

- 3 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-149/150

- 2 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-140/141

- 2 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-145/146/147

- 3 - industrial tanks, fixed roof, 1,070 bbl, hot oil

T-151

- 1 - paving tank, fixed roof, 720 bbl, hot oil

T-156

- 1 - industrial tank, fixed roof, 1,070 bbl, steam heated

T-112

- 1 - paving tank, fixed roof, 31,370 bbl, hot oil

T-110

- 1 - paving tank, fixed roof, 11,030 bbl, hot oil

T-124

- 1 - industrial tank, fixed roof, 11,070 bbl, hot oil

T-125

- 1 - paving tank, fixed roof, 11,070 bbl, hot oil

P-218/204/202/206

- 4 - pumps

TCLR Rail Offloading, to include:

P-209 A/B
- 2 - pumps

P-209S
- 1 - pump, steam driven

P-203A
- 1 - pump

T-305
- 1 - neutral oil tank, 3,023 gallon, fixed roof, steam heated

P-52
- 1 - pump

T-121/122/123
- 3 - paving tanks, fixed roof, 4,570 bbl, hot oil

T-169
- 1 - paving tank, fixed roof, 553 bbl, hot oil with mixer

P-37
- 1 - pump, 643 bph / 450 gpm

P-205
- 1 - pump, 280 gpm, 40 HP

McCall Transfer, to include:

P-200/210
- 2 - pumps, Viking, 300 gpm, 40 HP
- 1 - paving tank, fixed roof, 80,500 bbl, 120' diameter x 40' high, hot oil

Waste Water Treatment, to include:

K-35

- 1 - depurator, 205 cubic feet, 1,533 gallon, with
- 4 - 5 HP mixers

P-80N/S

- 2 - pumps, Ingersoll Dresser, 3 x 1.5 x 6, 7 1/2 HP

P-30B

- 1 - pump, Worthington, 3 x 2 x 10, 7 1/2 HP
- 1 - oil water separator, with skimmer

P-30A

- 1 - pump, 30 gpm, 5HP

T-302

- 1 - caustic tank, 750 gallon, with utility air agitation, 1 - polymer mixing chamber
- 1 - LMI pump

Fuel Oil System, to include:

T-161

- 1 - diesel storage tank, 18' diameter x 12' high, 500 bbl, steel, fixed roof, steam heated

P-25 A/B

- 2 - pumps, IMO three screw, 3 HP, 17 gpm

E-28

- 1 - exchanger, 2 pass, S & T, 12" D x 6' long, stainless steel, 70 tube

F-2

- 1 - hot oil furnace, petrochemical, 2 pass vertical cylinder, with Eclipse burner and economizer, 17 mmbtu/hr

B-3

- 1 - boiler, Coen Company, 31.8 mmbtu/hr
-

Group of Refining Process Equipment, to include:

E-2 A/B

- 2 - crude bottom exchangers, 34" diameter x 20' long, 364 tubes, 1,395 square feet

E-20/20A

- 2 - crude bottom side cut exchangers, 540 tubes, 2,120 square feet

E-22

- 1 - crude middle side cut exchanger, 22" diameter x 20' long, 324 tubes, 1,270 square feet

E-72 A/B

- 2 - crude bottom exchangers, 34" diameter x 20' long, 770 tubes, 2,940 square feet

E-7 A/B

- 2 - crude bottom side cut exchangers, 62 tubes

E-4 A/B

- 2 - crude bottom exchangers, 26" diameter x 20', 360 tubes, 1,412 square feet

P-103 A/B

- 2 - bottom pumps, 300 gpm

P-103S

- 1 - bottoms pump (steam), 163 gpm

P-6

- 1 - topside cut pump, I-R, 1 1/2 sfl, 5 HP

P-6A

- 1 - topside cut pump, BW, 3 x 4 x 8, 30 HP

P-3/3A

- 2 - middle side cut pumps, Bingham, 4 x 6 x 8 1/2, 50 HP

P-7

- 1 - bottom side cut pump, I-R, 1 1/2 sff, 15 HP

P-4

- 1 - process water pump, I-R, 1 x 2 x 8A, 7 1/2 HP

P-5

- 1 - overhead pump, Worthington, 1 1/2, 10 HP

P-5S

- 1 - overhead pump (steam), Worthington, 1 1/2, 10 HP

P-8

- 1 - slop overhead pump, Worthington, 1 1/2 x 1 x 6, 5 HP

P-9

- 1 - process water pump, Worthington, 1 1/2 x 1 x 6, 1 HP

P-9S

- 1 - process water pump (steam), Worthington, 1 1/2 x 1 x 6, 1 HP

P-2 A/B

- 2 - secondary crude feed pumps, 3 x 4 x 11 1/2, 200 HP

P-2S

- 1 - secondary crude feed pump (steam), 3 x 4 x 11 1/2, 200 HP, 690 gpm

V-1

- 1 - overhead water vessel, 59" diameter x 15' long, horizontal

V-2

- 1 - overhead water vessel, 47" diameter x 14'-7 1/2" long, horizontal

VC-4

- 1 - sour water stripper, 30" diameter x 14'-9", vertical

'E-108

- 1 - cooling water overhead condensor, 390 tubes, 48" long

E-8

- 1 - cooling water overhead condensor, 377 tubes, 3 pass

E-106/107

- 2 - TSC fin fan exchangers, 7' diameter x 10' long, 10 HP fan, 193 tubes

E-26

- 1 - K36 water cooler exchanger, 7.9 square feet

K-36

- 1 - bottom seal flush lubricator

P-7S

- BSC/MSC/TSC unit pumpout pump (steam)

E-4C

- 1 - crude bottoms exchanger, 490 tubes, 3,912 square feet

E-6

- 1 - BSC exchanger, bottom side cut, 15" diameter x 20' long, 436 square feet

E-21

- 1 - cooling water middle side cut exchanger, 18" diameter x 20' long, 663 square feet

'E-3 A/B

- 2 - cooling water overhead exchangers, 1,879 square feet

E-1

- 1 - crude overhead exchanger, 38" diameter x 19' long

Cooling Water Distribution, to include:

E-30
- 1 - cooling tower

P-127A
- 1 - vertical turbine pump, Peerless, 1,400 gpm

P-127S
- 1 - pump, steam turbine, 750 gpm

Caustic System, c/o:

T-317
- 1 - caustic tank, 242 bbl, 10' diameter x 17'-6" high, electric heat trace

P-44/44A
- 2 - caustic water pumps, Neptune, 1/2 HP

P-83/86/87
- 3 - chemical pumps, Milton Roy

16" Cargo Line, to include:

P-71/72
- 2 - flux marine loading pumps, 3,500 gpm, 200 HP

P-250
- 1 - pump, size 10 x 8, 900 gpm, 75 HP

T-105
- 1 - boscan/crude tank, 147,500 bbl, internal floating roof, steam heated, 144' diameter x 48' high

T-95
- 1 - overhead tank, internal floating roof, 399,000 gallon, 48' diameter x 30' high

T-113
- 1 - naphtha tank, internal floating roof, 15,900 bbl, 60' diameter x 32' high

T-114
- 1 - naphtha tank, internal floating roof, 15,060 bbl, 52' diameter x 40' high

P-221
- 1 - pump, size 10 x 8, 3,100 gpm, 50 HP

P-10
- 1 - pump, size 1 x 2 x 10, 125 gpm, 15 HP

VGO Storage Tanks, to include:

T-67

- 1 - paving tank, fixed roof, 79,429 bbl, 120' diameter x 40' high

T-74

- 1 - VGO tank, fixed roof, 52,000 bbl, steam heated, 96' diameter x 40' high

T-93

- 1 - VGO tank, 70,000 bbl, steam heated, 122' diameter x 40' high

P-244

- 1 - pump, Blackmer, 700 gpm, 40 HP

P-69A

- 1 - pump, size 10 x 12 x 18, 4,000 gpm, 300 HP

P-408

- 1 - pump, size 4 x 3 x 13, 600 gpm, 50 HP

P-244S

- 1 - pump, size 12 x 10 x 18, steam driven

P-244 A/B

- 2 - pumps, size 8 x 8, 700 gpm, 40 HP

Tank Trim

T-66/129/130

- 3 - tanks, fixed roof, 80,000 bbl, 120' diameter x 40' high, steam heated

T-128

- 1 - tank, fixed roof, 55,000 bbl, 100' diameter x 40' high, steam heated

T-70

- 1 - asphalt tank, fixed roof, 8,500 bbl, 39' diameter x 48'-6" high, steam heated

Emulsions

T-178

- 1 - emulsions tank, fixed roof, 718 bbl, hot water heated

T-173

- 1 - emulsions tank, fixed roof, 3,280 bbl, hot water heated

T-174

- 1 - emulsions tank, fixed roof, 3,240 bbl, hot water heated

T-182

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-183

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-184

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-185

- 1 - emulsions tank, fixed roof, 5,300 bbl, hot water heated

T-202 - 1 - butanol tank, fixed roof, 11,700 gallon, steam heated

T-213

- 1 - emulsions tank, fixed roof, 12,845 gallon, hot water heated

T-208

- 1 - indulin tank, fixed roof, 11,600 gallon, steam heated

- 1 - West mill, cationic

E-24/25

- 2 - cationic exchangers, 300° design temperature

P-74

- 1 - pump, Peerless, 3X3-13, 200 gpm, 20 HP

P-74A

- 1 - pump, Worthington, 4X3-13, 500 gpm, 50 HP

P-57

- 1 - pump, Worthington, 4X3-13, 250 gpm, 50 HP

Indulin W-5 System, to include:

T-1

- 1 - treated water tank, 62 bbl

T-2

- 1 - treated water tank, 62 bbl

T-3

- 1 - treated water tank, 169 bbl

T-203

- 1 - emulsifier tank, fixed roof, 20,362 gallon, steam heated

T-208

- 1 - emulsifier tank, fixed roof, 11,598 gallon, steam heated

T-210

- 1 - emulsifier tank, fixed roof, 41,455 gallon, steam heated

310A/311B

- 2 - blunger tanks, 19 bbl, treated water

T-202

- 1 - butanol storage tank, fixed roof, 11,691 gallon, steam heated, with mixer

T-213

- 1 - butanol storage tank, fixed roof, 11,691 gallon, steam heated, with mixer

P-515

- 1 - pump, Standard, 2 HP, 20 gpm

AA-27

T-208

- 1 - indulin tank, fixed roof, 11,600 gallon, steam heated, with mixer

T-310, T-311

- 2 - treated water tanks, 19 bbl

P-501

- 1 - pump, IMO mdl CE3, 6 gpm

Hot Oil System, to include:

T-308

- 1 - heat transfer oil tank, 72 bbl, fixed roof, steam heated

T-314

- 1 - neutral oil tank

P-21/21A

- 2 - hot oil pumps

P-52

- 1 - heat transfer oil pump

E-9, E-9A, E-10

- 3 - exchangers

T-157/158

- 2 - flux tanks, fixed roof, 1,052 bbl, hot oil

T-166

- 1 - tank (out of service), 910 bbl, fixed roof, hot oil

T-168

- 1 - paving tank, fixed roof, 910 bbl, hot oil

T-162

- 1 - waste water/slop tank, with:

2 - sumps, sump pumps

3 - centrifugal pumps

Antistripping

T-300

- 1 - paving additive tank, 10,000 gallon, fixed roof, steam heated

P-48

- 1 - pump

Emulsions Cooling Tower

E-32
- 1 - cooling tower

P-58
- 1 - pump, 500 gpm

E-24/25
- 2 - cationic coolers

E-5/5A
- 2 - anionic coolers

E-26
- 1 - cooling water exchanger, K-36

P-103 A/B
- 2 - bottoms pumps
, 1 - 60 HP
, 1 - 100 HP

Crude Storage and Charge Stock

P-71/72
- 2 - pumps, size 12 x 10, 200 HP, 1,500 gpm

E-31
- 1 - circulating heater, BAC, mdl VTL 13MCX

T-106
- 1 - crude tank, external floating roof, 147,500 bbl, steam heated

T-120
- 1 - kerosene tank, external floating roof, 4,500 bbl

P-105A
- 1 - rotor pump, GE, 3 HP, 12 gpm
Yrd-251800 Sf Of Concrete Paving
Yrd-600 Lf Rail Spur, W/Ballast
Yrd-2,760 Lf Contain Wall, Comp Gravel
Yrd-1,440 Lf Contain Wall, Concrete
Yrd-5,000 Lf Chain Link Fence W/ 3 Electric Gates
Yrd-Sewers & Drains 4,770 Lf
Yrd-2,000 Lf City Water Piping & Valves

Willbridge Mechanical Seals for Hot Oil Pumps
Willbridge Electrical
Low Temperature Circulating Bath
Install New PPA Totes

Willbridge Security upgrades & access control
Railcar Unloading Pump
Lab - Anton Par DSR
Rail Expansion - Willbridge
Replace Batch Air Still #3
Bio-Scanners
Sartorius 3700g Scale - #80702627
Sartorius 3900g Scale - #80701409
Sartorius 7500g Scale - #40903831
Truck scale, Toledo, 70' deck, 120,000# capacity, with digital printer

EXHIBIT B
to Lease

Guaranty of Lease

GUARANTY OF LEASE

In consideration of that certain Lease (the "Lease") between **LCP OREGON HOLDINGS, LLC**, a Delaware limited liability company ("Lessor"), and **ARC TERMINALS HOLDINGS LLC**, a Delaware limited liability company ("Lessee") dated January 21, 2014, and in consideration of other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and to induce Lessor to enter into said Lease, the undersigned, **ARC LOGISTICS PARTNERS LP**, a Delaware limited partnership ("Guarantor") hereby executed and delivers this Guaranty of Lease (this "Guaranty") and hereby covenants and agrees as follows:

1. Guarantor hereby irrevocably, unconditionally and absolutely guarantees to Lessor the prompt and full payment of rent and all other sums due to Lessor under said Lease and the prompt and complete performance of all covenants contained in said Lease on the Lessee's (and any successors and assigns of Lessee) part to be performed (the "Obligations"). Guarantor hereby agrees that if pursuant to any order of a bankruptcy court Lessor is required to refund, disgorge or repay any amounts paid to Lessor due to, inter alia, the legal theory of preference, an amount equal to such funds refunded, disgorged or repaid shall be included in Guarantor's obligations to Lessor and Guarantor shall be responsible for the payment of any such amount to Lessor. Guarantor agrees to indemnify and hold Lessor harmless from any loss, costs or damages arising out of Lessee's failure to pay the aforesaid rent and other sums and/or the Lessee's failure to perform any of the aforesaid covenants. This Guaranty is an unconditional guarantee of payment and performance and not of collection.

2. Guarantor agrees that its obligations hereunder shall not be released or discharged, in whole or in part, or otherwise affected by (a) the failure or delay on the part of the Lessor to assert any claim or demand or to enforce any right or remedy against Lessee; (b) any change in the time, place or manner of payment of the Obligations or any rescission, waiver, compromise, consolidation or other amendment to or modification of any of the terms or provisions of the Lease made in accordance with the terms thereof; (c) the addition, substitution or release of any Person now or hereafter liable with respect to the Obligations or otherwise interested in the transactions contemplated by the Lease; (d) any change in the structure or ownership of Lessee or any other Person now or hereafter liable with respect to the Obligations or otherwise interested in the transactions contemplated by the Lease; (e) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Lessee or any other Person now or hereafter liable with respect to the Obligations or otherwise interested in the transactions contemplated by the Lease; (f) the existence of any claim, set-off or other right which the Guarantor may have at any time against Lessee or the Lessor, whether in connection with the Obligations or otherwise. The Guarantor acknowledges that it will receive substantial direct and indirect benefits from the transactions contemplated by the Lease and that this Guaranty, including specifically the waivers set forth in this Guaranty, is knowingly made in contemplation of such benefits.

3. Guarantor agrees that its obligations hereunder are primary and agrees that this Guaranty may be enforced by Lessor without first resorting to or exhausting any other remedy, security or collateral; provided, however, that nothing herein contained shall prevent Lessor from suing on the aforesaid obligations with or without making the Guarantor a party to the suit or exercising any other rights under said Lease, and if such suit or any other remedy is availed of only the net proceeds therefrom, after deduction of all charges and expenses of every kind and nature whatsoever, shall be applied in reduction of the amount due on the aforesaid obligations. No action brought under this Guaranty and no recovery in pursuance thereof shall be a bar or defense to any further action which may be brought under this Guaranty by reason of any further default(s) hereunder or in the performance and observance of the terms, covenants and conditions of said Lease. Guarantor hereby submits to personal jurisdiction in the state where the Leased Property (as that term is defined in the Lease) is located for the enforcement of this Guaranty, and waives any and all personal rights under the laws of any state to object to jurisdiction within the state where the Leased Property is located for the purposes of litigation to enforce this Guaranty. In the event such litigation is commenced, Guarantor agrees that service of process may be made and personal jurisdiction over Guarantor obtained by serving a copy of the summons and complaint upon the Secretary of State of the state where the Leased Property is located, who is hereby appointed Guarantor's agent for service of process. With respect to any litigation arising out of said Lease and/or this Guaranty of Lease, Guarantor hereby expressly waives the right to a trial by jury and the right to file any countersuit or cross-claim against Lessor.

4. Guarantor agrees that the Guarantor's obligation to make payment in accordance with the terms of this Guaranty shall not be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Lessee or its estate in bankruptcy (including without limitation any rejection of the Lease by Lessee or by any trustee or receiver in bankruptcy) resulting from the operation of any present or future provision of the National Bankruptcy Act, other similar statute, or from the decision of any court. The liability of Guarantor shall not be affected by any repossession of the Leased Property by Lessor.

5. Guarantor hereby represents and warrants that:

(a) it has all requisite power and authority to execute, deliver and perform this Guaranty and the execution, delivery and performance of this Guaranty have been duly and validly authorized by all necessary action, and does not violate or contravene any provision of the Guarantor's partnership agreement or similar organizational document, any material contract to which Guarantor is a party or any applicable law, regulation, rule, decree, order, judgment or contractual restriction binding on the Guarantor or its assets;

(b) all consents, approvals, authorizations, permits of, filings with and notifications to, any governmental authority necessary for the due execution, delivery and performance of this Guaranty by the Guarantor have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any governmental authority or regulatory body is required in connection with the execution, delivery or performance of this Guaranty;

(c) this Guaranty constitutes a legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms; and

(d) the Guarantor has the financial capacity to pay and perform its obligations under this Guaranty, and all funds necessary for the Guarantor to fulfill its obligations under this Guaranty shall be available to the Guarantor (or its assignees pursuant to Section 8 hereof) for so long as this Guaranty shall remain in effect in accordance with Section 6 hereof.

6. This Guaranty may not be revoked or terminated and shall remain in full force and effect and shall be binding on the Guarantor until all the Obligations have been paid in full or otherwise satisfied, in the sole, absolute and unreviewable discretion of Lessor.

7. Guarantor agrees that in the event this Guaranty is placed in the hands of an attorney for enforcement, Guarantor shall reimburse Lessor for all expenses incurred, including expenses and reasonable attorney's fees incurred through the trial courts and all appeals.

8. Guarantor agrees that this Guaranty shall inure to the benefit of and may be enforced by Lessor, its successors and assigns and any mortgagee(s) of the Leased Property, and shall be binding and enforceable against the Guarantor and the Guarantor's legal representatives, successors and assigns.

9. Capitalized terms used, but not defined, herein shall have the meaning ascribed thereto in the Lease.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first written above by its officer thereunto duly authorized.

ADDRESS:

3000 Research Forest Drive, Suite 250
The Woodlands, TX 77381

GUARANTOR:

ARC LOGISTICS PARTNERS LP, a
Delaware limited partnership

By Arc Logistics GP LLC,
its General Partner

By: _____
Print Name: Bradley K. Oswald
Its: Chief Financial Officer

DATE: January 21, 2014

EXHIBIT C
to Lease

Memorandum of Lease

RECORDED AT REQUEST OF:

RETURN RECORDED DOCUMENT TO:
Husch Blackwell, LLP
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
Attn: David A. Fenley

(Top 3 inches reserved for recording data)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "**Memorandum**"), dated as of the 21st day of January, 2014, is executed and delivered by **LCP OREGON HOLDINGS, LLC**, a Delaware limited liability company with a principal office located at 4200 W. 115th Street, Suite 210, Leawood, KS 66211 ("**Lessor**"), and **ARC TERMINALS HOLDINGS LLC**, a Delaware limited liability company with a principal office located at 3000 Research Forest Drive, Suite 250, The Woodlands, Texas 77381 ("**Lessee**"). Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Lease (as defined in Section 1 below).

WITNESSETH:

1. **LEASE.** Lessor has leased and hereby leases to Lessee, and Lessee has leased and hereby leases from Lessor, upon and subject to the terms contained in that certain Lease dated January 21, 2014 by and between Lessor and Lessee (as may be amended, the "**Lease**"), that certain property that is set forth and described on Exhibit "A" attached hereto and incorporated herein by reference.

2. **TERM.** The "**Commencement Date**" under the Lease shall be January 21, 2014. The term of the Lease (the "**Lease Term**") shall commence on the Commencement Date, and shall end on the last day of the 180th full calendar month thereafter, subject to a right, on the part of the Lessee, to extend the Lease Term for consecutive periods of five (5) years each, provided that the maximum aggregate Lease Term may not exceed ninety nine (99) years.

3. **PURPOSE.** The sole purpose of this instrument is to give notice of the Lease and all of its terms, covenants and conditions to the same extent as if the Lease were fully set forth herein. In the event of any conflict between the terms of this Memorandum and the terms of the Lease, the terms of the Lease shall control and govern. All covenants and agreements of this Memorandum and the Lease shall run with the land until such time as the Lease is terminated. A full and complete copy of the Lease is on file at the offices of Lessor and Lessee.

4. COUNTERPARTS. This Memorandum may be executed in one or more counterparts, any one or all of which shall constitute one and the same instrument.

(Signatures and acknowledgements on following pages)

IN WITNESS WHEREOF, Lessor has executed this Memorandum as of the day and year first above written.

LESSOR:

LCP Oregon Holdings, LLC, Delaware limited liability company

By: _____
David J. Schulte, President

STATE OF _____)
) SS:
COUNTY OF _____)

On _____, 2014, before me, a Notary Public, duly commissioned, qualified, and acting within and for the State and County aforesaid, appeared in person, David J. Schulte, to me personally well-known who stated that as of the date of the Memorandum he is the President of LCP Oregon Holdings, LLC, Delaware limited liability company, and that he is duly authorized to execute the foregoing instrument for and in the name and behalf of said limited liability company and further stated and acknowledged that he has so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

Witness my hand and Notarial Seal, this ____ day of _____, 2014.

Notary Public – Signature

Notary Public – Printed

My Commission Expires:

My County of Residence:

EXHIBIT "A"

Description of Leased Property

PARCEL I:

A tract of land in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a 2 inch iron pipe at the intersection of the Southeasterly line of N.W. Doane Avenue and the Southwesterly line of N.W. Front Avenue, which pipe is also described as the initial point on N. Front Street and Doane Street (see Page 29 in Book 1133, Plat Records of Multnomah County); thence South 41°41' East 699.56 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; making the true point of beginning of the tract of land herein described; thence continuing South 41°41' East 745.05 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; thence South 48°19' West 593.84 feet to a 3/4 inch iron pipe; thence North 42°06'10" West 646.05 feet to a point which bears South 42°06'10" East 0.20 feet from a concrete monument; thence North 31°16'10" East 31.31 feet to a half inch iron pipe; thence North 42°06'10" West 89.83 feet to a 1/2 inch iron pipe; thence North 48°19' East 569.30 feet to the true point of beginning, the above property lying in Section 19, Township 1 North, Range 1 East of the Willamette Meridian.

PARCEL II:

A tract of land in the George Kittridge Donation Land Claim in Section 18 and 19, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at an iron pipe in the boundary line between the Milton Doane and the George Kittridge Donation Land Claims in Section 18, Township 1 North, Range 1 East of the Willamette Meridian, set by Earl A. Marshall as the initial point of a survey for the location of N. Front Street and Doane Street; said point being North 31°16'10" East, 1611.96 feet from an angle corner in the said boundary line; thence South 41°41' East along the Westerly boundary line of said N. Front Street, 363.75 feet to the most Easterly corner of that certain tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded April 30, 1929 in P.S. Deed Book 1, Page 114, and the true point of beginning; thence South 41°41' East along the said Easterly boundary line of N. Front Street, 335.81 feet to a point; thence South 48°19' West 569.30 feet, more or less, to the Northeasterly boundary of a tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded January 20, 1938 in the Deed Records of Multnomah County in P.S. Deed Book 433, Page 395; thence North 42°06'10" West 160.84 feet, more or less, to the Southeasterly boundary of a tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded April 30, 1929 in the Deed Records of Multnomah County in P.S. Deed Book 1 at Page 114; thence North 31°16'10" East along the boundary of said Union Oil Company Tract 596.69 feet, more or less, to the true point of beginning in the Westerly boundary line of N.W. Front Avenue.

PARCEL III:

A tract of land in the City of Portland, County of Multnomah and State of Oregon, being in Sections 18 and 19, Township 1 North, Range 1 East of the Willamette Meridian, being described as follows:

Commencing at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a brass cap being Southwesterly 0.18 feet from the right-of-way of N.W. Front Avenue, said cap being a witness corner to the Milton Doane Donation Land Claim line; thence continuing North 31°16'10" East 0.18 feet to a point on the Southwesterly right-of-way of N.W. Front Avenue; thence South 41°41'00" East a distance of 1444.58 feet along said Southwesterly right-of-way line to the point of beginning of the tract herein to be

EXHIBIT A (continued)

described; thence continuing South 41°41'00" East a distance of 1066.51 feet; thence South 48°19'45" West a distance of 720.76 feet to a point on the Northeasterly line of a tract conveyed by Multnomah County to the City of Portland by Deed recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 1103.96 feet to a brass screw in a concrete wall; thence North 48°19'33" East a distance of 412.06 feet to a brass screw in a concrete wall; thence continuing North 48°19'33" East a distance of 593.68 feet to the point of beginning.

PARCEL IV:

A tract of land situated in Section 19, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and Slate of Oregon, more particularly described as follows:

Commencing at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a brass cap being Southwesterly 0.18 feet from the right-of-way of N.W. Front Avenue, said cap being a witness corner on the Milton Doane Donation Land Claim line; thence continuing North 31°16'10" East 0.18 feet to a point in the right-of-way of N.W. Front Avenue; thence South 41°41'00" East 2511.14 feet along the Southwesterly line of N.W. Front Avenue to the true point of beginning of the tract of land herein to be described; thence continuing South 41°41'00" East along said Southwesterly line a distance of 483.26 feet to the most Northerly corner of a tract of land described in Deed to Air Reduction Sales Co., recorded in Book 683, Page 497; thence South 48°19'33" West along the Northwesterly line of said Air Reduction Sales Co. Tract a distance of 591.67 feet to a point in the Northeasterly line of a tract described in Deed to the City of Portland recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 500.23 feet; thence North 48°19'33" East a distance of 720.79 feet to the true point of beginning.

EXHIBIT D
to Lease

Services Agreement

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the "Agreement") is dated effective as of _____ (the "Effective Date") and is made and entered into by and between **ARC TERMINALS HOLDINGS LLC**, a Delaware limited liability company ("Services Provider") and **LCP OREGON HOLDINGS, LLC**, a Delaware limited liability company ("Owner"). Services Provider and Owner are referred to herein, collectively, as the "Parties" and, individually, as a "Party".

PRELIMINARY STATEMENTS

WHEREAS, Owner owns a petroleum products terminal system that consists of the Land, Terminal System and the Improvement (each as hereinafter defined and collectively the "Terminal Facility"); and

WHEREAS, Owner wishes to engage Services Provider to perform the Services (as defined below), and Services Provider wishes to perform such Services for Owner, all on the terms and subject to the conditions set forth in this Agreement,

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Parties to this Agreement do hereby agree as follows:

1. **Defined Terms and Exhibits.**

(a) For all purposes of this Agreement, except as may be expressly set forth herein or unless the context clearly indicates a contrary intent, the following terms have the following definitions:

"Affiliate" means, with respect to any Person, any other Person who, directly or indirectly, Controls or is controlled by or is under common Control with such first Person.

"Applicable Laws" means statutes (including regulations enacted thereunder), judgments and orders of courts of competent jurisdiction, regulations and orders issued by Governmental Authorities, and Regulatory Approvals that are, in each case, applicable to the ownership, construction, operation, maintenance, or use of the Terminal Facility.

"Bankruptcy Event" means:

- (a) the commencement of an involuntary proceeding or the filing of an involuntary petition seeking: (i) liquidation, reorganization or other relief in respect of a Party or its debts or a substantial part of its assets under any bankruptcy, insolvency, receivership or similar law now or later in effect; or (ii) the appointment of a receiver, custodian or similar official for a Party or for a substantial part of its assets and, in either case, such proceeding or petition
-

continues undismissed for ninety (90) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(b) a Party shall: (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any bankruptcy, insolvency, receivership, or similar law now or later in effect; (ii) apply for or consent to the appointment of a receiver, custodian or similar official for such Party or a substantial part of its assets; (iii) file an answer admitting the material allegations of a proceeding or petition described in clause (a) of this definition; (iv) make an assignment or any general arrangement for the benefit of its creditors; or (v) take any action for the purpose of effecting any of the foregoing; or

(c) a Party shall become unable, admit in writing its inability to pay, or fail generally to pay its debts or other obligations as they become due.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks in Portland, Oregon, are authorized or required by law to remain closed.

“Control” and “controlled by” and “under common control with” each means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person.

“Good Condition and Repair” means condition and repair that a reasonably prudent operator would maintain for a petroleum products terminal facility of similar size, nature, use, age and location as the Terminal Facility.

“Governmental Authority” means any court, tribunal, arbitrator, authority, agency, commission, official, or other instrumentality of the United States, or any state or political subdivision thereof administering, regulating, or having or asserting jurisdiction over the Terminal Facility.

“Improvements” means the improvements described on Exhibit A.

“Land” means that certain real property set forth and described on Exhibit B attached hereto and incorporated herein by reference.

“Regulatory Approvals” means the permits, licenses, approvals, and authorizations required to be obtained from any Governmental Authority in connection with the ownership, operation, use or maintenance of the Terminal Facility.

“Services” means the operation of the Terminal Facility and includes the services set forth in Exhibit C to this Agreement.

“Terminal Facility” has the meaning set forth in the Preliminary Statements of this Agreement.

“*Terminal System*” means generally, facilities located on the Land and that are depicted on the map attached as Exhibit D as it exists as of the Effective Date and as it may be subsequently modified.

(b) **Exhibits.** The following exhibits are attached to and hereby incorporated into this Agreement:

Exhibit A	Improvements
Exhibit B	Description of Land
Exhibit C	Description of Services
Exhibit D	Map of Terminal Facilities

If there is a conflict between an exhibit and any provision of the main body of this Agreement, the provision of the main body of this Agreement shall prevail.

2. **Provision of Services.** During the Initial Term of this Agreement (as defined Section 4(b) below), Services Provider shall provide the Services, or may engage such other persons to participate in providing the Services as Services Provider reasonably deems necessary or appropriate. If Owner reasonably objects to any of such other persons participating in providing the Services, Owner and Services Provider shall negotiate in good faith to identify persons to participate in providing the Services that are satisfactory to both Owner and Services Provider. No such subcontract shall relieve Services Provider of any of its obligations to Owner under this Agreement.

3. **Standard of Care.**

(a) **Standard of Performance.** Services Provider shall provide the Services in a prudent and good and workmanlike manner, in accordance with accepted industry practice and in compliance with Applicable Laws. Services Provider covenants to use commercially reasonable efforts to maintain the Terminal Facility in Good Condition and Repair and, in accordance with industry practices, protect against damage to the Terminal Facility. Owner recognizes Services Provider is not performing the Services on an exclusive basis and that the Services will be provided along with and in the same manner as shared services provided internally within Services Provider’s corporate group. Services Provider has no obligation to change or improve the Services from those available with respect to the Terminal Facility during the period prior to the Effective Date.

(b) **Procurement Matters.** Services Provider may and is hereby authorized to enter into and act on Owner's behalf in connection with any agreement necessary to gather, collect and deliver for sale or transport, various petroleum products in the Terminal Facility. If Services Provider arranges for contracts with third parties for goods and services in connection with providing the Services, Services Provider shall use commercially reasonable efforts to obtain such goods and services at rates competitive with rates generally available in the area in which such services or materials are to be furnished.

(c) **No Liens.** Services Provider shall not permit any liens, encumbrances or charges upon or against the Terminal Facility resulting from the provision of Services or materials under this Agreement except for liens existing prior to the Effective Date hereof, liens arising by operation

of law in the ordinary course of business securing amounts not past due and liens arising if Owner fails to pay the Services Provider for Services as required in this Agreement.

(d) *Insurance.* During the term of this Agreement, each Party shall obtain and maintain liability insurance of the type customary for the industry, in commercially reasonable amounts, and each Party shall cause the other Party to be named as an additional insured on such insurance certificates.

(e) *Independent Contractor.* In performing the Services hereunder, Services Provider shall be considered to be an independent contractor, and in no event shall any Party hereto be deemed a partner, co-venturer or agent of another Party hereto. Services Provider has exclusive authority to control and direct the specific means, method and manner of performance of the details of the Services to be provided hereunder, subject to the right of Owner to direct Services Provider with respect to the ends to be accomplished.

(f) *Force Majeure.* Services Provider shall not be liable for any expense, loss or damage arising out of any interruption of Services or delay or failure to perform under this Agreement that is due to acts of God, acts of a public enemy, acts of terrorism, acts of a nation or any state, territory, province or other political division thereof, fires, floods, epidemics, riots, theft, quarantine restrictions, freight embargoes or other similar causes beyond the reasonable control of Services Provider. In any such event, Services Provider's obligations hereunder shall be postponed for such time as its performance is suspended or delayed on account thereof.

4. **Other Terms and Conditions**

(a) *Fee for Services; Reimbursement.*

(1) On or before the 15th day after the end of each calendar month during the Initial Term hereof, as defined Section 4(b) below, Services Provider shall deliver to Owner an invoice for the costs and expenses described in Section 4(a)(2) below relating to such calendar month. Upon request, Services Provider shall also provide Owner reasonably detailed documentation to support such costs and expenses.

(2) On or before the 30th day after receipt of such invoice, Owner shall pay the Services Provider, with respect to any Services provided by the Services Provider during the calendar month covered by such invoice, an amount equal to the sum of:

(A) the costs and expenses reasonably incurred by the Services Provider that are solely and directly attributable to Owner, including costs for engaging third parties such as contractors, sub-contractors, materialmen, consultants, attorneys and accountants; and

(B) [\$], which amount the Parties agree is equal to the fair market fee for the provision of the Services.

(b) *Term; Early Termination.*

(1) The initial term hereof (the "Initial Term") shall commence on the Effective Date and shall terminate on the second anniversary of the Effective Date.

(2) Owner shall provide Services Provider at least sixty (60) days prior written notice in the event Owner intends to sell, assign, transfer, lease or otherwise dispose of all or any portion of the Terminal Facility (a "Disposition") prior to the end of the Initial Term of this Agreement. Services Provider, in its sole discretion, upon written notice to Owner, may terminate this Agreement at any time effective upon the effective date of such Disposition or any time thereafter.

(3) In addition, without limiting the foregoing,

(A) If there is any involuntary transfer of all or any portion of Owner's interest in the Terminal Facility, Services Provider may terminate this Agreement on not less than ten (10) days' prior written notice to Owner.

(B) If, during the Initial Term hereof, and without Service Provider's consent, Owner directly or indirectly sells, conveys, transfers, exchanges, gifts, contributes or assigns, in whole or in part, any right, title or interest in and to the Terminal Facility to any company engaged in the terminalling, storage, throughput and/or transloading of petroleum products, Services Provider may terminate this Agreement on not less than ten (10) days' prior written notice to Owner.

(C) This Agreement may be terminated by Owner if a Bankruptcy Event occurs with respect to Services Provider.

(D) This Agreement may be terminated by Services Provider if a Bankruptcy Event occurs with respect to Owner.

(4) As of the termination of this Agreement, all rights and obligations of both Parties under this Agreement shall cease except for: (A) obligations that expressly survive termination of this Agreement, and (B) liabilities and obligations that have accrued prior to such termination, including Owner's obligation to pay any amounts under Section 4(a) of this Agreement that have accrued prior to such termination, even if such amounts have not become due and payable at that time.

(c) *Waivers and Indemnities.*

(1) *Warranties.* EXCEPT AS EXPRESSLY HEREIN PROVIDED, THE SERVICES ARE PROVIDED "AS IS," "WHERE IS" AND "WITH ALL FAULTS AS TO ALL MATTERS" AND SERVICES PROVIDER EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO (A) ITS PERFORMANCE OF THE SERVICES HEREUNDER OR (B) THE RESULTS OF THE SERVICES PROVIDED HEREUNDER.

(2) *Limitation on Liability.* NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES OR LOSS OF PROFITS.

(3) *Limited Liability of Services Provider.* Services Provider shall have no liability under this Agreement or otherwise, and is hereby released from any liability, to Owner, and its Affiliates, and its and their directors, officers, employees, and representatives (collectively, the "Owner Group") for any and all claims, damages, losses, costs, expenses and liabilities (collectively, "Released Claims") arising out of or resulting from any act or omission of Services Provider, or its Affiliates or its or their directors, officers, employees, and representatives (collectively, the "Services Provider Group") in the performance or failure to perform under this Agreement; provided however the foregoing limitations shall not apply to any claims, damages, losses, costs, expenses and liabilities to the extent caused by the gross negligence or willful misconduct of any member of the Services Provider Group.

(4) *Service Provider's Indemnification.* Services Provider hereby agrees to defend, indemnify and hold each member of the Owner, its Affiliates, and its and their directors, officers, employees, and representatives (collectively, "Owner Group") harmless from any and all claims, damages, losses, costs, expenses and liabilities incurred by such member in connection with the Services, to the extent arising out of or resulting from the gross negligence or willful misconduct of any member of Services Provider Group, but only to the extent not arising out of or resulting from the gross negligence or willful misconduct of any member of the Owner Group.

(5) *Owner's Indemnification.* Owner hereby agrees to defend, indemnify and hold each member of the Services Provider Group harmless from any and all claims, damages, losses, costs, expenses and liabilities incurred by any such member arising out of or resulting from the gross negligence or willful misconduct of any member of the Owner Group in connection with the Services or the Terminal Facility, but only to the extent not arising out of or resulting from the gross negligence or willful misconduct of any member of the Services Provider Group.

(6) *Notice of Claim.* Each Party shall notify the other Party as quickly as possible of any claim, demand, or suit that may be presented to or served upon it for which it desires to be defended or indemnified as set forth in this Agreement.

(7) *Regarding Release, Defense, Indemnification and Hold Harmless Obligations.*

(A) It is the intention of the Parties that the release, defense, indemnity and hold harmless obligations provided for in this Agreement apply without regard to any conflicting rules of liability under any applicable law or regulation.

(B) THE RELEASE, DEFENSE, INDEMNIFICATION, HOLD HARMLESS AND SIMILAR PROVISIONS IN THIS AGREEMENT SHALL APPLY WHETHER OR NOT THE LOSSES IN QUESTION AROSE SOLELY OR IN PART FROM THE ACTIVE, PASSIVE OR CONCURRENT NEGLIGENCE,

STRICT LIABILITY OR OTHER FAULT OF ANY INDEMNIFIED PARTY. OWNER AND SERVICES PROVIDER ACKNOWLEDGE THIS STATEMENT IS CONSPICUOUS AND AGREE THAT IT IS INTENDED TO COMPLY WITH AND DOES COMPLY WITH THE EXPRESS NEGLIGENCE RULE.

(d) *Notices.*

(1) All notices, reports, bills, invoices, and other correspondence required or made necessary under this Agreement (“Notices”) shall be determined to have been properly served if and when delivered in person or sent by nationally recognized courier within the time required to the addresses hereinafter listed:

SERVICES PROVIDER:

Arc Terminals Holdings LLC

3000 Research Forest Drive

Suite 250

The Woodlands, TX 77381

Attn: Mark Feldman, Corporate Controller

With a copy to:

Louis S. Southworth II and
Elizabeth Osenton Lord
Jackson Kelly PLLC
500 Lee Street E., Suite 1600
Charleston, WV 25301

OWNER:

LCP Oregon Holdings, LLC
4200 W. 115th Street, Suite 210
Leawood, KS 66211
Attn: Mr. Rick Green

With a copy to:

David A. Fenley

Husch Blackwell LLP

4801 Main, Suite 1000

Kansas City, Missouri 64112

(2) Unless otherwise provided herein, the Notice shall be deemed to have been received by the addressee as follows: (a) if a Notice is delivered in person, or sent by overnight courier, upon receipt by the addressee or delivery to the address of the addressee; and (b) if the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no notice was given, then upon the rejection, refusal, or inability to deliver the Notice.

(3) If any Notice is received after 5:00 p.m. on a Business Day where the addressee is located, or on a day that is not a Business Day where the addressee is located, then the Notice is deemed received at 9:00 a.m. local time on the next business day where the addressee is located.

(e) *Relationship of the Parties.* Nothing herein shall be construed to create a partnership or joint venture or give rise to any fiduciary or similar relationship of any kind.

(f) *Amendment or Modification.* This Agreement may be amended, restated or modified from time to time only by the written agreement of the Parties.

(g) *Construction.* References to Sections and Exhibits in this Agreement refer to Sections of and Exhibits attached to this Agreement. All Exhibits shall be deemed incorporated into and a part of this Agreement. The terms “include,” “includes,” “including” and words of like import shall be deemed to be followed by the words “without limitation.” The headings on the Sections herein are for reference purposes only, and shall not affect the meaning or interpretation of this Agreement.

(h) *Choice of Law; Submission to Jurisdiction.* This Agreement shall be subject to and governed by the laws of the State of Oregon, excluding any conflicts-of-law rule or principle that might refer the construction or interpretation of this Agreement to the laws of another state. The Parties hereby irrevocably consent to the exclusive jurisdiction of the courts of the State of Oregon in and for Multnomah County and the United States District Court for the District of Oregon in connection with any litigation arising out of this Agreement or any of the transactions contemplated hereby. All disputes between the Parties shall have jurisdiction and venue only in the courts of the State of Oregon in and for Multnomah County and the United States District Court for the District of Oregon. Each Party hereby waives any objection it may have pertaining to improper venue or forum non-conveniens to the conduct of any proceeding in the foregoing courts. Each Party agrees that any and all process directed to it in any such proceeding may be served upon it outside of the State of Oregon with the same force and effect as if such service had been made within the State of Oregon.

(i) *Further Assurances.* In connection with this Agreement and all transactions contemplated by this Agreement, each Party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and all such transactions.

(j) *Assignment.* This Agreement may not be assigned by any Party without the prior written consent of the other Party, such consent not to be unreasonably withheld. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

(k) *No Third-Party Beneficiaries.* Nothing in this Agreement provides any benefit to any third party or entitles any third party to any claim, cause of action, remedy or right of any kind, it being the intent of the Parties that this Agreement shall not be construed as a third-party beneficiary contract.

(l) *Effect of Waiver or Consent.* No waiver or consent, express or implied, by any Party of or to any breach or default by any Party in the performance by such Person of its obligations hereunder shall be deemed or construed to be a consent or waiver of or to any other breach or default in the performance by such Party of the same or any other obligations of such Party hereunder. Failure on the part of a Party to complain of any act of any Party or to declare any Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such Party of its rights hereunder until the applicable statute of limitations period has run.

(m) *Severability.* If any provision hereof or the application thereof to any Party or circumstance shall be held invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Parties or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(n) *Counterparts.* This Agreement may be executed in any number of counterparts with the same effect as if all signatory Parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument. Delivery of an executed counterpart signature page by facsimile (or as a PDF by email) is as effective as executing and delivering this Agreement in the presence of the other Parties hereto.

(o) *Entire Agreement.* This Agreement constitutes the entire agreement of the Parties relating to the matters contained herein, superseding all prior contracts or agreements, whether oral or written, relating to the matters contained herein.

(p) *Laws and Regulations.* Notwithstanding any provision of this Agreement to the contrary, no Party shall be required to take any act, or fail to take any act, under this Agreement if the effect thereof would be to cause such Party to be in violation of any applicable law, statute, rule or regulation.

(q) *No Recourse Against Officers, Directors, Managers or Employees.* For the avoidance of doubt, the provisions of this Agreement shall not give rise to any right of recourse against any officer, director, manager or employee of Services Provider, Owner or any of their respective Affiliates.

(r) *Waiver of Jury Trial.* EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OF THE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed intending it to be effective as of the Effective Date set forth above.

SERVICES PROVIDER:

ARC TERMINALS HOLDINGS LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

OWNER:

LCP OREGON HOLDINGS, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A
TO
SERVICES AGREEMENT

* * *

IMPROVEMENTS

Asset Description

CCTV surveillance system, to include:

Cameras, installation, and fence detectors

Group of buried pipelines, average size 10" diameter, total 6,400 LF

Group of crude storage, c/o:

T-63

- 1 - Crude oil storage tank, 117,000 bbl, internal floating roof, steam heated

T-100

- 1 - Crude oil storage tank, 79,600 bbl, fixed roof, steam heated

T-102

- 1 - Crude oil storage tank, 80,200 bbl, fixed roof (out of service)

T-104

- 1 - Crude oil storage tank, 133,300 bbl, fixed roof, steam heated

T-105

- 1 - Crude oil storage tank, 138,600 bbl, internal floating roof, steam heated

P-1A

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1B

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1C

- 1 - Crude feed pump, IMO Delaval, 282 gpm, 100 HP, 4x5 CI

P-1D

- 1 - Crude feed pump, IMO Delaval, 525 gpm, 200 HP, 4x5 CI

Group of distillate storage tanks:

T-114

- 1 - Storage tank, 15' diameter x 40' high, 15,000 bbl, internal floating roof

P-11A

- 1 - Naphtha pump, 300 gpm

T-113

- 1 - Storage tank, 16,000 bbl, internal floating roof

T-120

- 1 - Storage tank, 4,500 bbl, external floating roof, hot oil

T-111

- 1 - Storage tank, 7,000 bbl, fixed roof, steam heated

T-95

- 1 - Storage tank, 95,000 bbl, internal floating roof

T-67

- 1 - Storage tank, 80,000 bbl, fixed roof

T-93

- 1 - Storage tank, 70,300 bbl, fixed roof, steam heated

T-74

- 1 - Storage tank, 52,000 bbl, fixed roof, steam heated

Distillation Area:

VC-1

- 1 - Distillation column: 132" ID x 20', with trays (17) 72" ID x 5', with trays (4) including:

1 - primary crude exchanger and

1 - secondary crude exchanger

F-1

- 1 - Crude heater, petro-chemical, vertical

F-1B

- 1 - Crude preheater, Zinda, horizontal

Asphalt reclaim system:

T-207

- 1 - VGO tank, 11,600 gallon, fixed roof

T-315

- 1 - Reclaim tank, with exhaust fan

P-604

- 1 - Reclaim pump, 7 1/2 HP

Waste water tank:

T-111

- 1 - Tank, oil/water, 298,200 gallon, fixed roof, steam heated

P-408

- 1 - Wash oil pump, size 4 x 3 x 13, 50 HP

Steam System:

B-4

- 1 - Steam boiler, Cleavon Brooks, 400 HP, 150# service, with economizer

B-5

- 1 - Steam boiler, Johnson, 400 HP firetube, 13,800#/hr, with economizer, heat miser

F4-B6

- 1 - Thermal oxidizer/W. H. Boiler

F4 furnace, 18 mm btu

- B-6 13,800#/hr

T-160

- 1 - Emergency water tank, 11,150 gallon capacity

V23/24

- 1 - Water softener, with brine tank

P90/92/93

- 3 - LMI electromagnetic dosing pumps, Milton Roy

P22/22A

- 2 - boiler feedwater pumps, Worthington, 2-stage, 3 x 1 1/2 x LLR-10, 30 HP

V-9

- 1 - 15# steam flash drum, Orbit Industries, 160 psig @ 370° F

V-11

- 1 - Boiler blowdown separator

Utility air system:

K-17

1 - 1 - Air compressor, Joy, Twistair III, 125 psi, 60 HP

V-17

- 1 - Air receiver

K-19

- 1 - Air dryer, ZEK, mdl 2801 HPS 1081

K-15/16

- 2 - air compressors, I-R, Type 40, 40 HP

V-5

- 1 - Air receiver

E109 A/B

- 2 - air coolers

Emergency diesel fuel supply:

K-8

- 1 - Back-up air compressor, G-D Integra

K-21

- 1 - Kohler diesel generator, 100 kw

Murol and caustic containment:

P-305

- 1 - Murol transfer pump, Sethco, 60 gpm, 1 HP

T-308

- 1 - Murol acid tank, 143 bbl, 8' diameter x 16' high, FRP Construction

P-505

- 1 - Centrifugal pump, Senfilco, 10 gpm

T-1/2

- 1 - Treated water tank, 110 bbl, 7' diameter x 18' high, with mixer

T-3 - 1 - Treated water tank, 120 bbl, 3' diameter x 14' high, with mixer

T-310/311

- 2 - treated water blunger A/B, FRP Construction, 19 bbl, with mixer

P-517

- 1 - Self-priming pump, Sethco, 60 gpm, 1 HP, PVC

T-307

- 1 - Sodium hydroxide tank, 50%, 3,000 gallon, 7' diameter x 12' high, steel with heat trace

P-226

- 1 - Centrifugal pump, 25 gpm, 1 HP, PVC

P-91

- 1 - Emulsifier pump, Roper screw pump

TW-4/5

- 2 - treated water tanks (slurry), 6' diameter x 8' high, 36 bbl, 15 HP mixer

Truck Loading Racks, including:

Pumps and vapor recovery

T-142/143/144

- 3 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-149/150

- 2 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-140/141

- 2 - paving tanks, fixed roof, 1,070 bbl, hot oil

T-145/146/147

- 3 - industrial tanks, fixed roof, 1,070 bbl, hot oil

T-151

- 1 - paving tank, fixed roof, 720 bbl, hot oil

T-156

- 1 - industrial tank, fixed roof, 1,070 bbl, steam heated

T-112

- 1 - paving tank, fixed roof, 31,370 bbl, hot oil

T-110

- 1 - paving tank, fixed roof, 11,030 bbl, hot oil

T-124

- 1 - industrial tank, fixed roof, 11,070 bbl, hot oil

T-125

- 1 - paving tank, fixed roof, 11,070 bbl, hot oil

P-218/204/202/206

- 4 - pumps

TCLR Rail Offloading, to include:

P-209 A/B
- 2 - pumps

P-209S
- 1 - pump, steam driven

P-203A
- 1 - pump

T-305
- 1 - neutral oil tank, 3,023 gallon, fixed roof, steam heated

P-52
- 1 - pump

T-121/122/123
- 3 - paving tanks, fixed roof, 4,570 bbl, hot oil

T-169
- 1 - paving tank, fixed roof, 553 bbl, hot oil with mixer

P-37
- 1 - pump, 643 bph / 450 gpm

P-205
- 1 - pump, 280 gpm, 40 HP

McCall Transfer, to include:

P-200/210
- 2 - pumps, Viking, 300 gpm, 40 HP
- 1 - paving tank, fixed roof, 80,500 bbl, 120' diameter x 40' high, hot oil

Waste Water Treatment, to include:

K-35

- 1 - depurator, 205 cubic feet, 1,533 gallon, with
- 4 - 5 HP mixers

P-80N/S

- 2 - pumps, Ingersoll Dresser, 3 x 1.5 x 6, 7 1/2 HP

P-30B

- 1 - pump, Worthington, 3 x 2 x 10, 7 1/2 HP
- 1 - oil water separator, with skimmer

P-30A

- 1 - pump, 30 gpm, 5HP

T-302

- 1 - caustic tank, 750 gallon, with utility air agitation, 1 - polymer mixing chamber
- 1 - LMI pump

Fuel Oil System, to include:

T-161

- 1 - diesel storage tank, 18' diameter x 12' high, 500 bbl, steel, fixed roof, steam heated

P-25 A/B

- 2 - pumps, IMO three screw, 3 HP, 17 gpm

E-28

- 1 - exchanger, 2 pass, S & T, 12" D x 6' long, stainless steel, 70 tube

F-2

- 1 - hot oil furnace, petrochemical, 2 pass vertical cylinder, with Eclipse burner and economizer, 17 mmbtu/hr

B-3

- 1 - boiler, Coen Company, 31.8 mmbtu/hr
-

Group of Refining Process Equipment, to include:

E-2 A/B

- 2 - crude bottom exchangers, 34" diameter x 20' long, 364 tubes, 1,395 square feet

E-20/20A

- 2 - crude bottom side cut exchangers, 540 tubes, 2,120 square feet

E-22

- 1 - crude middle side cut exchanger, 22" diameter x 20' long, 324 tubes, 1,270 square feet

E-72 A/B

- 2 - crude bottom exchangers, 34" diameter x 20' long, 770 tubes, 2,940 square feet

E-7 A/B

- 2 - crude bottom side cut exchangers, 62 tubes

E-4 A/B

- 2 - crude bottom exchangers, 26" diameter x 20', 360 tubes, 1,412 square feet

P-103 A/B

- 2 - bottom pumps, 300 gpm

P-103S

- 1 - bottoms pump (steam), 163 gpm

P-6

- 1 - topside cut pump, I-R, 1 1/2 sfl, 5 HP

P-6A

- 1 - topside cut pump, BW, 3 x 4 x 8, 30 HP

P-3/3A

- 2 - middle side cut pumps, Bingham, 4 x 6 x 8 1/2, 50 HP

P-7

- 1 - bottom side cut pump, I-R, 1 1/2 sff, 15 HP

P-4

- 1 - process water pump, I-R, 1 x 2 x 8A, 7 1/2 HP

P-5

- 1 - overhead pump, Worthington, 1 1/2, 10 HP

P-5S

- 1 - overhead pump (steam), Worthington, 1 1/2, 10 HP

P-8

- 1 - slop overhead pump, Worthington, 1 1/2 x 1 x 6, 5 HP

P-9

- 1 - process water pump, Worthington, 1 1/2 x 1 x 6, 1 HP

P-9S

- 1 - process water pump (steam), Worthington, 1 1/2 x 1 x 6, 1 HP

P-2 A/B

- 2 - secondary crude feed pumps, 3 x 4 x 11 1/2, 200 HP

P-2S

- 1 - secondary crude feed pump (steam), 3 x 4 x 11 1/2, 200 HP, 690 gpm

V-1

- 1 - overhead water vessel, 59" diameter x 15' long, horizontal

V-2

- 1 - overhead water vessel, 47" diameter x 14'-7 1/2" long, horizontal

VC-4

- 1 - sour water stripper, 30" diameter x 14'-9", vertical

E-108

- 1 - cooling water overhead condensor, 390 tubes, 48" long

E-8

- 1 - cooling water overhead condensor, 377 tubes, 3 pass

E-106/107

- 2 - TSC fin fan exchangers, 7' diameter x 10' long, 10 HP fan, 193 tubes

E-26

- 1 - K36 water cooler exchanger, 7.9 square feet

K-36

- 1 - bottom seal flush lubricator

P-7S

- BSC/MSC/TSC unit pumpout pump (steam)

E-4C

- 1 - crude bottoms exchanger, 490 tubes, 3,912 square feet

E-6

- 1 - BSC exchanger, bottom side cut, 15" diameter x 20' long, 436 square feet

E-21

- 1 - cooling water middle side cut exchanger, 18" diameter x 20' long, 663 square feet

E-3 A/B

- 2 - cooling water overhead exchangers, 1,879 square feet

E-1

- 1 - crude overhead exchanger, 38" diameter x 19' long

Cooling Water Distribution, to include:

E-30
- 1 - cooling tower

P-127A
- 1 - vertical turbine pump, Peerless, 1,400 gpm

P-127S
- 1 - pump, steam turbine, 750 gpm

Caustic System, c/o:

T-317
- 1 - caustic tank, 242 bbl, 10' diameter x 17'-6" high, electric heat trace

P-44/44A
- 2 - caustic water pumps, Neptune, 1/2 HP

P-83/86/87
- 3 - chemical pumps, Milton Roy

16" Cargo Line, to include:

P-71/72
- 2 - flux marine loading pumps, 3,500 gpm, 200 HP

P-250
- 1 - pump, size 10 x 8, 900 gpm, 75 HP

T-105
- 1 - boscan/crude tank, 147,500 bbl, internal floating roof, steam heated, 144' diameter x 48' high

T-95
- 1 - overhead tank, internal floating roof, 399,000 gallon, 48' diameter x 30' high

T-113
- 1 - naphtha tank, internal floating roof, 15,900 bbl, 60' diameter x 32' high

T-114
- 1 - naphtha tank, internal floating roof, 15,060 bbl, 52' diameter x 40' high

P-221
- 1 - pump, size 10 x 8, 3,100 gpm, 50 HP

P-10
- 1 - pump, size 1 x 2 x 10, 125 gpm, 15 HP

VGO Storage Tanks, to include:

T-67

- 1 - paving tank, fixed roof, 79,429 bbl, 120' diameter x 40' high

T-74

- 1 - VGO tank, fixed roof, 52,000 bbl, steam heated, 96' diameter x 40' high

T-93

- 1 - VGO tank, 70,000 bbl, steam heated, 122' diameter x 40' high

P-244

- 1 - pump, Blackmer, 700 gpm, 40 HP

P-69A

- 1 - pump, size 10 x 12 x 18, 4,000 gpm, 300 HP

P-408

- 1 - pump, size 4 x 3 x 13, 600 gpm, 50 HP

P-244S

- 1 - pump, size 12 x 10 x 18, steam driven

P-244 A/B

- 2 - pumps, size 8 x 8, 700 gpm, 40 HP

Tank Trim

T-66/129/130

- 3 - tanks, fixed roof, 80,000 bbl, 120' diameter x 40' high, steam heated

T-128

- 1 - tank, fixed roof, 55,000 bbl, 100' diameter x 40' high, steam heated

T-70

- 1 - asphalt tank, fixed roof, 8,500 bbl, 39' diameter x 48'-6" high, steam heated

Emulsions

T-178

- 1 - emulsions tank, fixed roof, 718 bbl, hot water heated

T-173

- 1 - emulsions tank, fixed roof, 3,280 bbl, hot water heated

T-174

- 1 - emulsions tank, fixed roof, 3,240 bbl, hot water heated

T-182

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-183

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-184

- 1 - emulsions tank, fixed roof, 5,290 bbl, hot water heated

T-185

- 1 - emulsions tank, fixed roof, 5,300 bbl, hot water heated

T-202 - 1 - butanol tank, fixed roof, 11,700 gallon, steam heated

T-213

- 1 - emulsions tank, fixed roof, 12,845 gallon, hot water heated

T-208

- 1 - indulin tank, fixed roof, 11,600 gallon, steam heated

- 1 - West mill, cationic

E-24/25

- 2 - cationic exchangers, 300° design temperature

P-74

- 1 - pump, Peerless, 3X3-13, 200 gpm, 20 HP

P-74A

- 1 - pump, Worthington, 4X3-13, 500 gpm, 50 HP

P-57

- 1 - pump, Worthington, 4X3-13, 250 gpm, 50 HP

Indulin W-5 System, to include:

T-1

- 1 - treated water tank, 62 bbl

T-2

- 1 - treated water tank, 62 bbl

T-3

- 1 - treated water tank, 169 bbl

T-203

- 1 - emulsifier tank, fixed roof, 20,362 gallon, steam heated

T-208

- 1 - emulsifier tank, fixed roof, 11,598 gallon, steam heated

T-210

- 1 - emulsifier tank, fixed roof, 41,455 gallon, steam heated

310A/311B

- 2 - blunger tanks, 19 bbl, treated water

T-202

- 1 - butanol storage tank, fixed roof, 11,691 gallon, steam heated, with mixer

T-213

- 1 - butanol storage tank, fixed roof, 11,691 gallon, steam heated, with mixer

P-515

- 1 - pump, Standard, 2 HP, 20 gpm

AA-27

T-208

- 1 - indulin tank, fixed roof, 11,600 gallon, steam heated, with mixer

T-310, T-311

- 2 - treated water tanks, 19 bbl

P-501

- 1 - pump, IMO mdl CE3, 6 gpm

Hot Oil System, to include:

T-308

- 1 - heat transfer oil tank, 72 bbl, fixed roof, steam heated

T-314

- 1 - neutral oil tank

P-21/21A

- 2 - hot oil pumps

P-52

- 1 - heat transfer oil pump

E-9, E-9A, E-10

- 3 - exchangers

T-157/158

- 2 - flux tanks, fixed roof, 1,052 bbl, hot oil

T-166

- 1 - tank (out of service), 910 bbl, fixed roof, hot oil

T-168

- 1 - paving tank, fixed roof, 910 bbl, hot oil

T-162

- 1 - waste water/slop tank, with:

2 - sumps, sump pumps

3 - centrifugal pumps

Antistrip

T-300

- 1 - paving additive tank, 10,000 gallon, fixed roof, steam heated

P-48

- 1 - pump

Emulsions Cooling Tower

E-32
- 1 - cooling tower

P-58
- 1 - pump, 500 gpm

E-24/25
- 2 - cationic coolers

E-5/5A
- 2 - anionic coolers

E-26
- 1 - cooling water exchanger, K-36

P-103 A/B
- 2 - bottoms pumps
, 1 - 60 HP
, 1 - 100 HP

Crude Storage and Charge Stock

P-71/72
- 2 - pumps, size 12 x 10, 200 HP, 1,500 gpm

E-31
- 1 - circulating heater, BAC, mdl VTL 13MCX

T-106
- 1 - crude tank, external floating roof, 147,500 bbl, steam heated

T-120
- 1 - kerosene tank, external floating roof, 4,500 bbl

P-105A
- 1 - rotor pump, GE, 3 HP, 12 gpm
Yrd-251800 Sf Of Concrete Paving
Yrd-600 Lf Rail Spur, W/Ballast
Yrd-2,760 Lf Contain Wall, Comp Gravel
Yrd-1,440 Lf Contain Wall, Concrete
Yrd-5,000 Lf Chain Link Fence W/ 3 Electric Gates
Yrd-Sewers & Drains 4,770 Lf
Yrd-2,000 Lf City Water Piping & Valves

Willbridge Mechanical Seals for Hot Oil Pumps
Willbridge Electrical
Low Temperature Circulating Bath
Install New PPA Totes

Willbridge Security upgrades & access control

Railcar Unloading Pump

Lab - Anton Par DSR

Rail Expansion - Willbridge

Replace Batch Air Still #3

Bio-Scanners

Sartorius 3700g Scale - #80702627

Sartorius 3900g Scale - #80701409

Sartorius 7500g Scale - #40903831

Truck scale, Toledo, 70' deck, 120,000# capacity, with digital printer

EXHIBIT B

TO

SERVICES AGREEMENT

* * *

DESCRIPTION OF LAND

PARCEL I:

A tract of land in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a 2 inch iron pipe at the intersection of the Southeasterly line of N.W. Doane Avenue and the Southwesterly line of N.W. Front Avenue, which pipe is also described as the initial point on N. Front Street and Doane Street (see Page 29 in Book 1133, Plat Records of Multnomah County); thence South 41°41' East 699.56 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; making the true point of beginning of the tract of land herein described; thence continuing South 41°41' East 745.05 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; thence South 48°19' West 593.84 feet to a 3/4 inch iron pipe; thence North 42°06'10" West 646.05 feet to a point which bears South 42°06'10" East 0.20 feet from a concrete monument; thence North 31°16'10" East 31.31 feet to a half inch iron pipe; thence North 42°06'10" West 89.83 feet to a 1/2 inch iron pipe; thence North 48°19' East 569.30 feet to the true point of beginning, the above property lying in Section 19, Township 1 North, Range 1 East of the Willamette Meridian.

PARCEL II:

A tract of land in the George Kittridge Donation Land Claim in Section 18 and 19, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at an iron pipe in the boundary line between the Milton Doane and the George Kittridge Donation Land Claims in Section 18, Township 1 North, Range 1 East of the Willamette Meridian, set by Earl A. Marshall as the initial point of a survey for the location of N. Front Street and Doane Street; said point being North 31°16'10" East, 1611.96 feet from an angle corner in the said boundary line; thence South 41°41' East along the Westerly boundary line of said N. Front Street, 363.75 feet to the most Easterly corner of that certain tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded April 30, 1929 in P.S. Deed Book 1, Page 114, and the true point of beginning; thence South 41°41' East along the said Easterly boundary line of N. Front Street, 335.81 feet to a point; thence South 48°19' West 569.30 feet, more or less, to the Northeasterly boundary of a tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded January 20, 1938 in the Deed Records of Multnomah County in P.S. Deed Book 433, Page 395; thence North 42°06'10" West 160.84 feet, more or less, to the Southeasterly boundary of a tract of land conveyed by the Port of Portland to Union Oil Company of California, by Deed recorded April 30, 1929 in the Deed Records of Multnomah County in P.S. Deed Book 1 at Page 114; thence North 31°16'10" East along the boundary of said Union Oil Company Tract 596.69 feet, more or less, to the true point of beginning in the Westerly boundary line of N.W. Front Avenue.

PARCEL III:

A tract of land in the City of Portland, County of Multnomah and State of Oregon, being in Sections 18 and 19, Township 1 North, Range 1 East of the Willamette Meridian, being described as follows:

Commencing at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a brass cap being Southwesterly 0.18 feet from the right-of-way of N.W. Front Avenue, said cap being a witness corner to the Milton Doane Donation Land Claim line; thence continuing North 31°16'10" East 0.18 feet to a point on the Southwesterly right-of-way of N.W. Front Avenue; thence South 41°41'00" East a distance of 1444.58 feet along said Southwesterly right-of-way line to the point of beginning of the tract herein to be

EXHIBIT B (continued)

described; thence continuing South 41°41'00" East a distance of 1066.51 feet; thence South 48°19'45" West a distance of 720.76 feet to a point on the Northeasterly line of a tract conveyed by Multnomah County to the City of Portland by Deed recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 1103.96 feet to a brass screw in a concrete wall; thence North 48°19'33" East a distance of 412.06 feet to a brass screw in a concrete wall; thence continuing North 48°19'33" East a distance of 593.68 feet to the point of beginning.

PARCEL IV:

A tract of land situated in Section 19, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and Slate of Oregon, more particularly described as follows:

Commencing at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a brass cap being Southwesterly 0.18 feet from the right-of-way of N.W. Front Avenue, said cap being a witness corner on the Milton Doane Donation Land Claim line; thence continuing North 31°16'10" East 0.18 feet to a point in the right-of-way of N.W. Front Avenue; thence South 41°41'00" East 2511.14 feet along the Southwesterly line of N.W. Front Avenue to the true point of beginning of the tract of land herein to be described; thence continuing South 41°41'00" East along said Southwesterly line a distance of 483.26 feet to the most Northerly corner of a tract of land described in Deed to Air Reduction Sales Co., recorded in Book 683, Page 497; thence South 48°19'33" West along the Northwesterly line of said Air Reduction Sales Co. Tract a distance of 591.67 feet to a point in the Northeasterly line of a tract described in Deed to the City of Portland recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 500.23 feet; thence North 48°19'33" East a distance of 720.79 feet to the true point of beginning.

EXHIBIT C
TO
SERVICES AGREEMENT

* * *

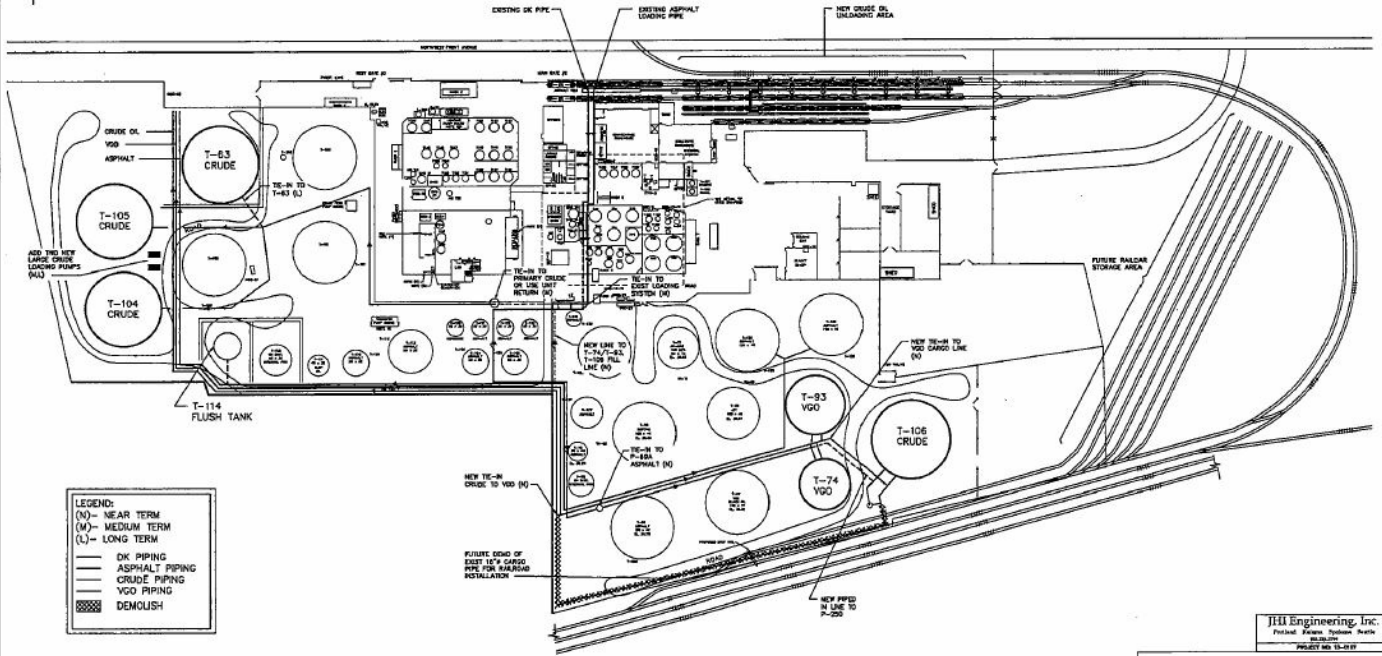
DESCRIPTION OF SERVICES

Below is a representative, but not exclusive, list of the services that are to be provided by Services Provider in operation of the Terminal Facility pursuant to this Agreement:

- o Accounting;
 - o Administrative; o Engineering; o Environmental;
 - o Land Administration;
 - o Legal;
 - o Operations; and
 - o Regulatory Management.
-

**EXHIBIT D
TO
SERVICES AGREEMENT
* * ***

MAP OF TERMINAL FACILITIES



J.H.I. Engineering, Inc.
Portland, Oregon, U.S.A.
PROJECT NO. 13-017



PRELIMINARY

DATE	BY	CHK	APP
12/18/2013	JK	JK	JK
1/16/13	JK	JK	JK

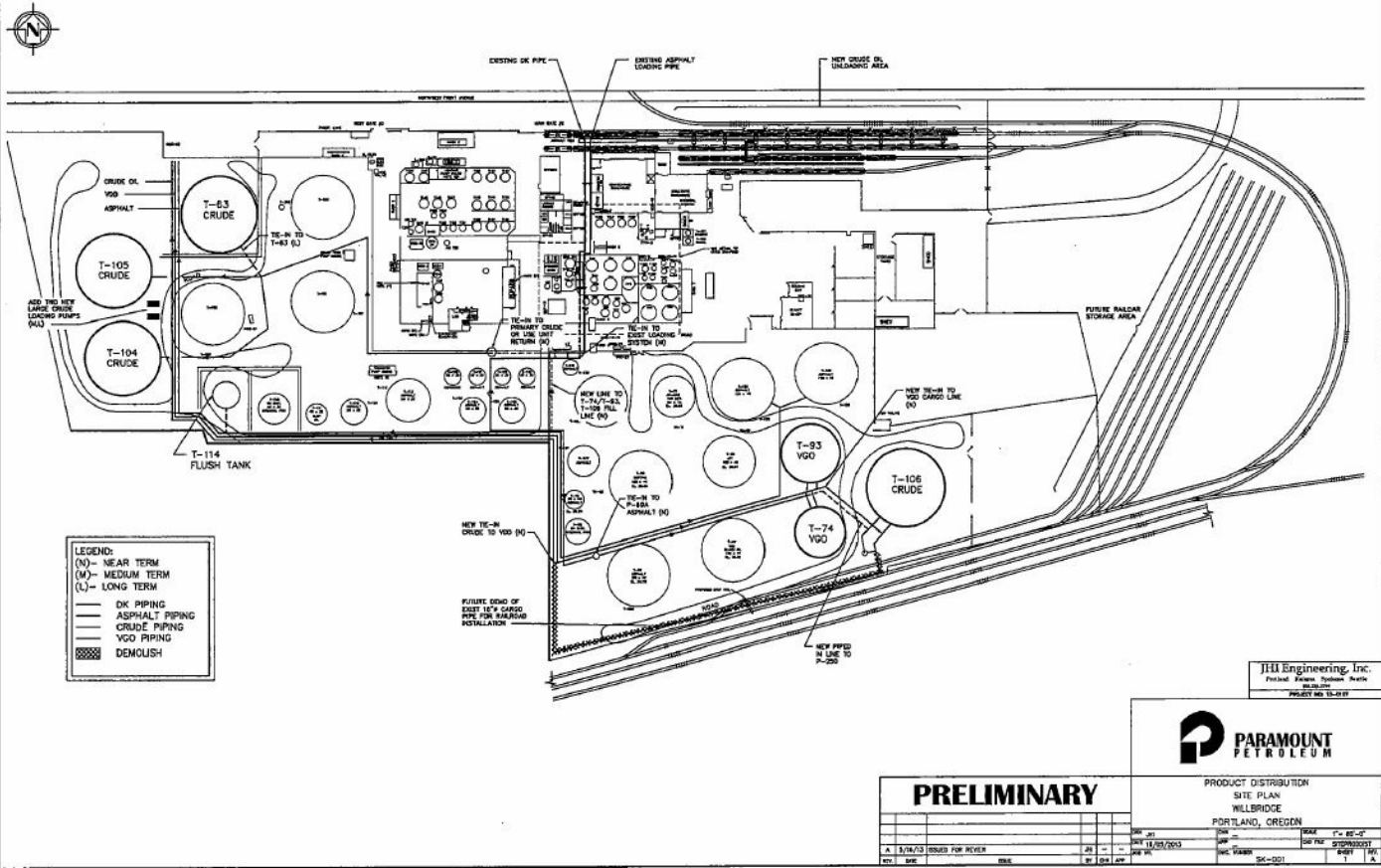
PRODUCT DISTRIBUTION
SITE PLAN
WILLBRIDGE
PORTLAND, OREGON

SCALE: 1" = 80'-0"

DATE: 12/18/2013
BY: JK
CHK: JK
APP: JK

EXHIBIT E
to Lease

Map of Terminal Facilities



JHI Engineering, Inc.
 Project: Kinross System Revise
 800-300-0000
 PROJECT NO. 13-010



PRELIMINARY		PRODUCT DISTRIBUTION			
		SITE PLAN			
		WILLBRIDGE			
		PORTLAND, OREGON			
DATE	BY	CHKD BY	DATE	SCALE	PROJECT NO.
11/16/13	MSB	12/11/13	12/11/13	AS SHOWN	13-010

EXHIBIT F
to Lease

Legal Description of Land

EXHIBIT "F"

Description of Leased Property

PARCEL I:

A tract of land in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Beginning at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a 2 inch iron pipe at the intersection of the Southeasterly line of N.W. Doane Avenue and the Southwesterly line of N.W. Front Avenue, which pipe is also described as the initial point on N. Front Street and Doane Street (see Page 29 in Book 1133, Plat Records of Multnomah County); thence South 41°41' East 699.56 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; making the true point of beginning of the tract of land herein described; thence continuing South 41°41' East 745.05 feet along the Southwesterly line of N.W. Front Avenue to an iron pipe; thence South 48°19' West 593.84 feet to a 3/4 inch iron pipe; thence North 42°06'10" West 646.05 feet to a point which bears South 42°06'10" East 0.20 feet from a concrete monument; thence North 31°16'10" East 31.31 feet to a half inch iron pipe; thence North 42°06'10" West 89.83 feet to a 1/2 inch iron pipe; thence North 48°19' East 569.30 feet to the true point of beginning, the above property lying in Section 19, Township 1 North, Range 1 East of the Willamette Meridian.

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A tract of land in the City of Portland, County of Multnomah and State of Oregon, being in Sections 18 and 19, Township 1 North, Range 1 East of the Willamette Meridian, being described as follows:

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EXHIBIT F (continued)

described; thence continuing South 41°41'00" East a distance of 1066.51 feet; thence South 48°19'45" West a distance of 720.76 feet to a point on the Northeasterly line of a tract conveyed by Multnomah County to the City of Portland by Deed recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 1103.96 feet to a brass screw in a concrete wall; thence North 48°19'33" East a distance of 412.06 feet to a brass screw in a concrete wall; thence continuing North 48°19'33" East a distance of 593.68 feet to the point of beginning.

PARCEL IV:

A tract of land situated in Section 19, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and Slate of Oregon, more particularly described as follows:

Commencing at the angle point in the line common to the Milton Doane and the George Kittridge Donation Land Claim; thence North 31°16'10" East 1611.96 feet to a brass cap being Southwesterly 0.18 feet from the right-of-way of N.W. Front Avenue, said cap being a witness corner on the Milton Doane Donation Land Claim line; thence continuing North 31°16'10" East 0.18 feet to a point in the right-of-way of N.W. Front Avenue; thence South 41°41'00" East 2511.14 feet along the Southwesterly line of N.W. Front Avenue to the true point of beginning of the tract of land herein to be described; thence continuing South 41°41'00" East along said Southwesterly line a distance of 483.26 feet to the most Northerly corner of a tract of land described in Deed to Air Reduction Sales Co., recorded in Book 683, Page 497; thence South 48°19'33" West along the Northwesterly line of said Air Reduction Sales Co. Tract a distance of 591.67 feet to a point in the Northeasterly line of a tract described in Deed to the City of Portland recorded in Book 702, Page 332; thence North 56°38'30" West along said line a distance of 500.23 feet; thence North 48°19'33" East a distance of 720.79 feet to the true point of beginning.

EXHIBIT G
to Lease

Form of Estoppel Certificate

Form of Estoppel Certificate

_____, 20__

Re: Lease (the "**Original Lease**") dated _____, 2014 by and between **LCP OREGON HOLDINGS, LLC**, a Delaware limited partnership, as "**Lessor**", and **ARC TERMINALS HOLDINGS LLC**, a Delaware limited liability company, as "**Lessee**", covering the "**Leased Property**" defined therein (as amended, altered, supplemented, or otherwise modified to date, the "**Lease**"). Each capitalized terms used in this letter and not otherwise defined herein shall have the meaning assigned to such term in the Lease.

Ladies and Gentlemen:

The undersigned is the current owner and holder of the rights of the [lessee] [lessor] under the Lease and, in such capacity, hereby acknowledges the following information with respect to the Lease:

1. The Original Lease has not been amended, altered, supplemented, or otherwise modified except as set forth below:

2. The Lease is in full force and effect. Lessee has accepted possession of the Leased Property [add if correct: and is presently in possession of the Leased Property].

3. The expiration of the current Term of the Lease is _____.

4. Base Rent commenced to accrue under the Lease as of the Effective Date of the Lease and the most recent monthly payment of Base Rent due on _____ was in the amount of \$ _____. Base Rent accruing under the Lease has been paid through _____.

5. To the current Actual Knowledge of Lessee, there are no offsets or credits against the Base Rent and/or Additional Rent payable by Lessee under the Lease nor are there any defenses, offsets or counterclaims against the Base Rent and/or Additional Rent payable by Lessee under the Lease except as set forth below:

6. No installment of Base Rent and/or Additional Rent payable under the Lease is past due or has been prepaid more than three (3) months in advance.
7. To the current Actual Knowledge of Lessee, no Lessor Event of Default has occurred and no event has occurred that, with the giving of notice or passage of time or both, would become a Lessor Event of Default.

It is understood that this Estoppel Certificate may be given in [contemplation of a Permitted Sale and/or Permitted Indebtedness secured by a Permitted Lessor Lien on the Leased Property] [a Permitted Lease Assignment or Permitted Sublease or secured or unsecured Indebtedness of Lessee] and, if so, it is intended that this Estoppel Certificate may be relied upon by any such named [purchaser with respect to any such Permitted Sale and/or Lessor Lender with respect to such Permitted Indebtedness and Permitted Lessor Liens] [Permitted Lessee Transferee and/or lender with respect to such Lessee Indebtedness]. Notwithstanding the foregoing, nothing contained herein shall be deemed to constitute a waiver of any of [Lessee's] [Lessor's] rights under the Lease.

LESSEE:

ARC TERMINALS HOLDINGS LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT H
to Lease

Form of Office Lease Agreement

-

LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease" or "Agreement") is made as of January 21, 2014, between LCP Oregon Holdings, LLC, a Delaware limited liability company ("Landlord"), and Paramount of Oregon, LLC, a Delaware limited liability company ("Tenant").

WHEREAS, Landlord recently acquired the Willbridge facility from Tenant (the "Willbridge Facility"), and related assets and real property (the "Property") pursuant to the Purchase and Sale Agreement between Tenant and Landlord dated October 17, 2013 (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Landlord agreed to lease and demise to Tenant, and Tenant agreed to lease from Landlord, certain office space located on the Property described on Exhibit A attached hereto (the "Leased Premises") for nominal additional consideration, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Grant of Leasehold Estate. Landlord hereby leases and demises to Tenant and Tenant hereby leases from Landlord, all right, title and interest of Landlord in and to the Leased Premises for the purposes hereinafter provided for the Term (defined below). The leasehold estate shall also include a non-exclusive license to use all such portions of the Property reasonably required for Tenant's ingress to and egress from the Leased Premises.
 2. As Is; Condition of Leased Premises. Tenant has inspected and is familiar with the Leased Premises and accepts the same in its "as is" condition and state of repair as of the Commencement Date (defined below). Landlord shall not be required to perform any work or furnish any materials in order to prepare the Leased Premises for Tenant's occupancy.
 3. Term. The term of this Agreement (the "Term") shall commence on January 21, 2014 (the "Commencement Date") and shall terminate ninety (90) days after the Commencement Date (the "Expiration Date").
 4. Rent. Tenant shall pay rent (the "Rent") for the Leased Premises in the amount of One and 00/100 Dollars (\$1.00). The Rent shall be payable on the Commencement Date. Except for the Rent, Tenant shall not be required to make any other payments to Landlord for this Lease.
 5. Use. The Leased Premises shall be used for office space purposes and any ancillary uses related thereto for the conduct of Tenant's business unrelated to the Willbridge Facility.
 6. Utilities. The Leased Premises will not be separately metered for electricity and water utilities, and Landlord shall be responsible for utility usage attributable to the Leased
-

Premises. Landlord shall also be responsible for providing restroom, janitorial and trash removal services to the Leased Premises.

7. Compliance with Laws and Regulations. Tenant shall comply with all present and future applicable laws and regulations of all state, federal, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law (collectively "Laws") having jurisdiction which shall impose any obligation or duty upon Tenant with respect to its specific use and occupancy of the Leased Premises.

8. Access. Tenant shall permit Landlord and its contractors, agents or representatives to enter into and upon any part of the Leased Premises to inspect and maintain the same and make repairs, as Landlord may deem reasonably necessary, and Tenant shall not be entitled to any compensation by reason thereof. Landlord shall not be required to give Tenant any notice prior to entry into the Leased Premises. Except in the case of an emergency, Landlord shall not cause or make any modifications, repairs or alterations to the Leased Premises which may interfere with the business of Tenant without reasonable written notice and shall cooperate with Tenant to minimize any such interference.

9. Repairs. Throughout the Term, Tenant shall take good care of the Leased Premises and shall keep the Leased Premises in a clean and orderly manner. During the Term, Tenant shall, at its sole expense, make all necessary repairs and replacements to the Leased Premises and the fixtures and appurtenances located therein to keep the Leased Premises in good working order and condition.

10. Damage and Destruction; Eminent Domain. If the Leased Premises is damaged by fire or other casualty, or taken by any governmental entity under the power of eminent domain, so that Tenant cannot use the Leased Premises for its intended use, this Agreement shall, at Tenant's election, terminate as of the date of such damage, subject to any provisions hereof which by their terms shall survive such termination. Landlord shall have no obligation to provide substitute premises, or to repair or restore the Leased Premises in the event of a casualty, although Landlord may at its election do so.

11. Indemnification. Tenant shall indemnify and hold Landlord and any partner, manager, member, shareholder, agent, employee and director of Landlord (the "Landlord Indemnities") harmless from and shall defend Landlord Indemnities against all claims made or judicial or administrative actions filed which allege that any one of the Landlord Indemnities is liable to the claimant by reason of: (i) any injury to or death of any person, or damage to or loss of property, or any other thing occurring on or about any part of the Leased Premises, or in any manner growing out of, resulting from or connected with the use, condition or occupancy of, the Leased Premises if, in each case, caused by any negligent or willful misconduct of Tenant or its agents, partners, contractors, employees; and (ii) violation of or failure to observe or perform any condition, provision or agreement of this Agreement on Tenant's part to be observed or performed hereunder. Landlord shall

indemnify and hold Tenant and any partner, manager, member, shareholder, agent, employee and director of Tenant (the “Tenant Indemnities”) harmless from and shall defend Tenant Indemnities against all claims made or judicial or administrative actions filed which allege that any one of the Tenant Indemnities is liable to the claimant by reason of: (i) any injury to or death of any person, or damage to or loss of property, or any other thing occurring on or about any part of the Leased Premises, or in any manner growing out of, resulting from or connected with the condition or operation of, the Leased Premises if, in each case, caused by any negligent or willful misconduct of Landlord or its agents, partners, contractors, employees; and (ii) violation of or failure to observe or perform any condition, provision or agreement of this Agreement on Landlord's part to be observed or performed hereunder.

12. Assignment or Subleasing. This Lease is personal to Tenant and shall not be assigned, nor shall Tenant sublease or otherwise permit or suffer the occupancy of the Leased Premises by any third party.

13. Alteration. No material alterations may be made by Tenant to the Leased Premises without first obtaining the prior written consent of Landlord, such consent not to be unreasonably withheld, delayed or conditioned.

14. Default. This Agreement may be terminated by Landlord, without prejudice to any other right or remedy Landlord may have under this Agreement or at law or in equity, upon ten (10) business days prior written notice to Tenant, if Tenant: (i) fails to perform its obligations in accordance with the terms of this Agreement, which failure is not cured within said ten (10) business day period (provided that if such default is non-monetary in nature and outside of Tenant's reasonable control, and cannot reasonably be cured by Tenant within such ten (10) business day period, then Tenant shall have such additional period of time to cure such default as is reasonably necessary, so long as Tenant is diligently proceeding to cure the same and is using all reasonable efforts to do so as soon as reasonably practicable), or (ii) shall be dissolved or otherwise liquidated. Notwithstanding anything to the contrary contained herein, in the event of any default by Tenant hereunder beyond applicable cure periods, Landlord shall have the right to terminate this Agreement or to pursue all rights and remedies available at law and in equity.

15. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, PUNITIVE, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES WHATSOEVER, INCLUDING LOSS OF GOODWILL OR LOSS OF PROFITS.

16. Notices.

(a) All notices and communications hereunder shall be in writing and signed by a duly authorized representative of the party making the same. All notices shall be given by personal delivery or by the United States mail, registered or certified,

return receipt requested, postage prepaid, or by a recognized overnight carrier, addressed to the addresses set forth as follows:

If to Landlord:

LCP Oregon Holdings, LLC

Attn: President
4200 W. 115th Street, Suite 210
Leawood, KS 66211

If to Tenant:

Paramount Petroleum Corporation
12700 Park Central Drive, Suite 1600

Dallas, TX 75251 Attention: General Counsel

Notices shall be deemed effective upon receipt or when delivery is refused.

(b) Such names and addresses for the purpose of this Section 16 may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such written notice is actually received, the last name and address stated by written notice or provided herein, if no such written notice of change has been received, shall be deemed to continue in effect for a) purposes hereunder.

17. Waiver of Subrogation. Anything in this Agreement to the contrary notwithstanding, Landlord and Tenant each hereby waives any and all rights of recovery, claims, actions or causes of action against the other and such other party's members, officers, directors, or partners, as the case may be, and the respective agents and employees of each of them, and Tenant hereby waives any and all rights of recovery, claims, actions or causes of action against Landlord and any members, officers, directors, partners, agents and employees of Landlord, for any loss or damage that may occur to the Leased Premises or any improvements thereto, or any personal property of such person therein or in the Leased Premises, by reason of fire, the elements, or any other cause insured against under valid and collectible fire and extended coverage insurance policies, regardless of cause or origin, including negligence (except in any case which would render this waiver void under law), to the extent that such loss or damage is recovered under any insurance policies maintained by Landlord or Tenant.

18. Surrender. On or before the termination of the Term, Tenant shall surrender full and complete possession of all of the Leased Premises to Landlord in vacant and substantially clean condition. Except as expressly provided in this Section 18, Tenant shall not be required to restore, alter or improve the Leased Premises, upon or in connection with, the expiration of this Agreement.

19. Inability To Perform. Neither party shall be responsible for delays in the performance of its obligations caused by events beyond that party's reasonable control, including, but not limited to, acts of God.

20. Miscellaneous.

(a) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

(b) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) Section Headings. The Section titles herein are for convenience only and do not define, limit or construe the contents of such Sections.

(d) Attachments and Exhibits. All attachments and exhibits to this Agreement are hereby made a part hereof as if fully set out herein.

(e) Severability. If any provision in this Agreement is found to be in violation of any Law or otherwise unenforceable, all other provisions will remain unaffected in full force and effect to the maximum extent permitted by Law.

21. No Liability. Landlord and Tenant agree that neither their respective directors, officers, members, managers, employees, shareholders nor any of their respective agents shall have any personal obligation hereunder, and that Landlord and Tenant shall not seek to assert any claim or enforce any of their rights hereunder against such directors, officers, members, managers, employees, shareholders or agents.

22. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall not be modified except by an express written agreement signed by duly authorized representative of both parties.

Signatures on Following Page

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

LANDLORD:

LCP OREGON HOLDINGS, LLC,
a Delaware limited liability company

Name: David J. Schulte
Title: President

TENANT:

PARAMOUNT OF OREGON, LLC,
a Delaware limited liability company

Name: _____
Title: _____

[Signature Page - Lease Agreement]

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 21st day of January, 2014 by and among LCP OREGON HOLDINGS, LLC, a Delaware limited liability company ("Seller"), and ARC TERMINALS HOLDINGS LLC, a Delaware limited liability company ("Buyer"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Willbridge Facility PSA (as defined below).

RECITALS

A. Seller is a party to that certain Purchase and Sale Agreement, dated as of October 17, 2013 (the "Willbridge Facility PSA"), with Paramount of Oregon, LLC ("Paramount Oregon"), pursuant to which Seller has agreed, subject to specified terms and conditions, to purchase (i) a terminal facility located in Portland, Oregon, (the "Willbridge Facility") and (ii) certain other assets, contracts, and rights relating to the Willbridge Facility (the "Ancillary Assets").

B. On January 14, 2014, CorEnergy Infrastructure Trust, Inc., a Maryland corporation ("CORR"), and Lightfoot Capital Partners, L.P., a Delaware limited partnership ("Lightfoot"), entered into a Membership Interest Purchase Agreement, pursuant to which CORR has agreed, subject to specified terms and conditions, to purchase the membership interests of Seller from Lightfoot, such purchase to occur immediately prior to the closing of the transactions contemplated by the Willbridge Facility PSA (the "Willbridge Facility Closing").

C. On the date hereof, Seller and Buyer have entered into a Lease (the "Willbridge Facility Lease"), pursuant to which the Seller has agreed, subject to specified terms and conditions, to lease the Willbridge Facility and appurtenant rights (as defined with more particularity in the Willbridge Facility Lease, the "Willbridge Leasehold Estate") to Arc Lessee, with the Willbridge Facility Lease to commence immediately after the Willbridge Facility Closing.

D. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, all of the Ancillary Assets not included in the Willbridge Leasehold Estate (the "Willbridge Purchased Assets"), and Buyer agrees to assume from Seller, the Willbridge Assumed Liabilities (as defined below), in each case subject to and in accordance with the terms and conditions of this Agreement, with such sale, purchase, assignment, and assumption to occur immediately after the Willbridge Facility Closing.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

1. Sale and Transfer of Willbridge Purchased Assets. Subject to the terms and conditions set forth in this Agreement, at the Closing (as defined below), Seller shall sell,

transfer, convey, grant, and assign to Buyer, and Buyer shall purchase and receive, all right, title, and interest of Seller in and to the Willbridge Purchased Assets, including the following:

(a) The contracts and agreements described in Schedule 1(a) attached hereto;

(b) The vehicles listed on Schedule 3 of the Willbridge Facility PSA (the "Vehicles"), and the additional personal property described in Schedule 1(b) attached hereto;

(c) To the extent transferable, the licenses, permits (including all permit transfer applications), and other forms of similar governmental consents required to be held by Buyer to operate the Willbridge Facility as contemplated by the Willbridge Facility Lease, including the licenses, permits, and consents listed in Schedule 1(c) attached hereto (the "Permits");

(d) The Inventory, if any; and all revenues and credits associated with the Willbridge Purchased Assets to which Seller is entitled under Section 3.3 of the Willbridge Facility PSA.

2 . Assumption of Willbridge Assumed Liabilities. Subject to the terms and conditions set forth in this Agreement, at the Closing (as defined below), Buyer shall assume from Seller, the following liabilities, obligations, and responsibilities of Seller (the "Willbridge Assumed Liabilities");

(a) All liabilities and obligations arising under or in connection with the Willbridge Purchased Assets to the extent not covered by any contractual indemnity arrangements for which Seller is the beneficiary; and

(b) The following liabilities, obligations, and responsibilities of Seller under the Willbridge Facility PSA:

(i) All liabilities, obligations, and responsibilities for charges, expenses, and costs for which Seller is responsible under Section 3.3 of the Willbridge Facility PSA;

(ii) All liabilities, obligations, and responsibilities of Seller under Article 5 of the Willbridge Facility PSA (relating to employee matters);

(iii) All liabilities, obligations, and responsibilities of Seller under Section 8.12 of the Willbridge Facility PSA (relating to Seller Tank Inventory);

(iv) All liabilities, obligations, and responsibilities for (i) transfer taxes payable by Seller under Section 11.2 of the Willbridge Facility PSA, (ii) Excise Taxes payable by Seller under Section 11.3 of the Willbridge Facility PSA and arising from the transactions contemplated by the Willbridge Facility PSA, and (iii) Property Taxes for which Seller is responsible under Section 11.4 of the Willbridge Facility PSA; and

(v) All indemnification obligations under Article 12 of the Willbridge Facility PSA for indemnity claims made (i) pursuant to Section 12.1(b)(i) of the Willbridge Facility PSA or (ii) pursuant to Section 12.1(b)(ii) or Section 12.1(b)(iii) of the Willbridge Facility PSA (in the case of this clause (ii), to the extent arising from any breach by Buyer under this Agreement or the Willbridge Facility Lease).

For clarity, the parties agree that, (x) as between Buyer and Seller, Buyer shall be solely liable and responsible for the Willbridge Assumed Liabilities (irrespective of whether Paramount Oregon or any other relevant party has acknowledged or consented to Buyer's assumption thereof), and (y) accordingly, Buyer shall indemnify Seller in full against any and all damages, liabilities, losses, costs, or expenses in respect of or attributable to any Willbridge Assumed Liabilities, whether incurred directly by Buyer or resulting from any claim by Paramount Oregon or any other party; provided, however, that Buyer shall have no obligation for any of the Willbridge Assumed Liabilities that arise (i) after the termination of the Willbridge Facility Lease as a result of or arising from the ownership or operation of the Willbridge Facility or the Willbridge Ancillary Assets after the termination of the Willbridge Facility Lease, unless Buyer or one of its affiliates purchases the Willbridge Facility upon the termination of the Willbridge Facility Lease (in which case, between Buyer and Seller, Buyer shall be liable and responsible for such Willbridge Assumed Liabilities); or (ii) with respect to the Willbridge Assumed Liabilities described in Section 2(b)(v) above, as a result of a breach of a covenant of Seller under the Willbridge Facility PSA as a result of any actions taken by Seller after the Closing Date. If Seller receives any written notice regarding an environmental claim, Seller shall timely make a claim to the indemnifying party under any contractual indemnity arrangement acquired under the Willbridge Facility PSA and shall deliver copies of all such notices and claims to Buyer. Seller shall include Buyer in all discussions and negotiations with any parties involved in such contractual indemnity arrangements.

3. Purchase Price.

(a) The purchase price for the Willbridge Purchased Assets shall be One Hundred Sixteen Thousand Dollars (\$116,000) (the "Purchase Price"). At the Closing, Buyer shall pay the Purchase Price to Seller by wire transfer of immediately available funds to an account specified by Buyer.

(b) The parties agree to allocate the Purchase Price among the Willbridge Purchased Assets in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations. Consistent with the purchase price allocation process contemplated by Section 3.2 of the Willbridge Facility PSA, Seller shall prepare and deliver to Buyer a copy of an allocation of the Purchase Price among the Willbridge Facility Assets within ninety (90) days after the Closing Date, based on, to the extent applicable, the third-party appraisals on the basis of which the purchase price allocation was prepared under the Willbridge Facility PSA. No party shall file any Tax Return which is inconsistent with such allocation. The parties hereto shall promptly inform one another of any challenge by any Governmental Authority to any allocation made pursuant to this Section 3(b) and agree to consult with and keep one another

informed with respect to the state of, and any discussion, proposal, or submission with respect to, such challenge.

4. Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place immediately after the Willbridge Facility Closing. The day on which the Closing occurs is referred to herein as the “Closing Date.” The Closing shall take place at the offices of Husch Blackwell LLP in Kansas City, Missouri, or at such other place as the parties agree.

5. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer, as of the date hereof and as of the Closing Date, as follows:

(a) Authority; Execution and Delivery; Enforceability. Seller is a limited liability company duly organized and in good standing under the laws of the States of Delaware and Oregon. Seller has all requisite power and authority to execute, deliver, and perform its obligations under this Agreement. The execution, delivery, and performance by Seller under this Agreement have been duly authorized by all necessary action on the part of Seller. Seller has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms (subject to applicable legal and equitable limitations).

(b) Disclaimer. Except as otherwise set forth in this Agreement, Seller expressly disclaims any representations or warranties of any kind or nature, whether express or implied, as to the title, condition, value, quality, validity, or effectiveness of the Willbridge Purchased Assets, or any particular Willbridge Purchased Asset, and Seller SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, USAGE, SUITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE WILLBRIDGE PURCHASED ASSETS OR ANY PART THEREOF, OR AS TO WORKMANSHIP THEREOF, OR AS TO THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, IT BEING UNDERSTOOD THAT THE WILLBRIDGE FACILITY ASSETS ARE BEING ACQUIRED “AS IS, WHERE IS” ON THE CLOSING DATE, AND IN THEIR PRESENT CONDITION, WITH ALL FAULTS, AND THAT BUYER SHALL RELY SOLELY ON ITS OWN EXAMINATION AND INVESTIGATION THEREOF.

6. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller, as of the date hereof and as of the Closing Date, as follows:

(a) Authority; Execution and Delivery; Enforceability. Buyer is a limited liability company duly organized and in good standing under the laws of the State of Delaware. Buyer has all requisite power and authority to execute, deliver, and perform its obligations under this Agreement. The execution, delivery, and performance by Buyer under this Agreement have been duly authorized by all necessary action on the part of Buyer. Buyer has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms (subject to applicable legal and equitable limitations).

(b) No Conflicts. Except as set forth in Schedule 6(b) (the “Required Consents”), no authorization, consent, notice, registration, or filing with any governmental, regulatory, administrative, judicial entity or authority or any other person or entity is required for or in connection with the execution, delivery, and performance of this Agreement by Buyer, and Buyer is not subject to any legal, regulatory, administrative, judicial, contractual, equitable or other prohibition, restriction, limitation, or impediment of any nature whatsoever relating to or in respect of the execution, delivery, or performance of this Agreement by Buyer.

(c) No Proceedings. Buyer is not a party to any action, suit, claim, litigation, investigation, or other proceeding relating to this Agreement (or the transactions contemplated hereby). To Buyer’s knowledge, no such action, suit, claim, litigation, investigation, or other proceeding is threatened.

(d) Buyer’s Due Diligence. Buyer is a sophisticated party, and Buyer has conducted to its satisfaction a full due diligence investigation of the Willbridge Purchased Assets and the Willbridge Assumed Liabilities.

(e) Financial Capability. As of the date hereof Buyer has, and at the Closing Buyer will have, sufficient funds available to pay the Purchase Price.

7. Covenants. In addition to other covenants of the parties in this Agreement, the parties agree as follows:

(a) Transfer Taxes. Buyer agrees to pay any transfer taxes, charges, or fees payable with respect to the sale and transfer of the Willbridge Purchased Assets pursuant to this Agreement.

(b) Transfer Instruments. At the Closing, (i) Seller will duly sign and deliver to Buyer a bill of sale, in form and substance reasonably acceptable to Buyer, transferring and conveying the Willbridge Purchased Assets to Buyer, and (ii) Buyer will duly sign and deliver to Seller an assumption instrument, in form and substance reasonably acceptable to Seller, assuming the Willbridge Assumed Liabilities.

(c) Cooperation. From and after the Closing, the parties agree to cooperate to ensure that (i) Seller complies with its obligations under the Willbridge Facility PSA and (ii) Buyer carries out its obligations in respect of, and otherwise satisfies, the Willbridge Assumed Liabilities.

(d) Consents. Buyer and Seller shall cooperate and use commercially reasonable efforts to obtain each Required Consent as soon as practicable after the date hereof (if not obtained as of the date hereof); provided, however, that neither party shall be required to make any payment to any Governmental Authority or other third party or incur any other economic burden to obtain any Required Consent (except that Buyer shall be required to pay any consideration, and to assume any liability, specified as of the date hereof in the relevant contract, agreement, permit, license, or other Willbridge Purchased Asset as a condition to obtaining such Required Consent). If any Required Consent is not obtained by the Closing, the parties will continue to cooperate and use commercially

reasonable effort to obtain such Required Consent after the Closing, and until such Required Consent is obtained, the parties will cooperate and use commercially reasonable efforts (without either party being required to make any payment to any Governmental Authority or other third party, or to act in contravention of any contractual obligation or legal or regulatory requirement) to enter into arrangements to provide Buyer the benefits and burdens of the relevant contract, agreement, permit, license, or other Willbridge Purchased Asset. However, notwithstanding the foregoing provisions of this Section 7(d), the obtaining of any Required Consent shall not be a condition precedent to either party's obligation to proceed with the Closing.

(e) Permits. Buyer shall be responsible for the payment of all required fees, the making of all filings, and the taking of all other actions necessary or appropriate to effect and register, record, or otherwise properly confirm the transfer of the Permits to Buyer, including by identifying, as appropriate, Seller as the owner of the Willbridge Facility.

(f) Willbridge Pier Agreement. At the written request of Seller made at any time after the Closing, Buyer will use commercially reasonable efforts to obtain Chevron's consent to the re-assignment by Buyer to Seller of the Willbridge Pier Agreement dated March 1, 2005, between ChevronTexaco Products Company ("Chevron") and Paramount of Oregon, as amended (the "Pier Agreement") , such that the Pier Agreement will be included in the Willbridge Leasehold Estate. If such consent is obtained, Buyer and Seller will execute such documents as either party may reasonably request to confirm the addition of the Pier Agreement to the Willbridge Leasehold Estate, with no increase in rent under the Willbridge Facility Lease. If such consent is not obtained within 90 days of such request, then at the written request of Seller, Buyer agrees to promptly:

(i) form a wholly-owned, sole purpose subsidiary of Buyer ("Newco"), the charter documents of which will (A) require the ownership interests of Newco to be certificated, (B) grant Seller the right to appoint at least one member of the board of directors or managers (or similar governing body) of Newco (the "Seller Manager"), (C) prohibit Newco from holding any assets or liabilities other than its rights and obligations under the Pier Agreement, (D) prohibit Newco from issuing additional ownership interests, and (E) require the Seller Manager's approval for any (1) amendment to Newco's charter documents, (2) liquidation or dissolution event, (3) merger, consolidation, or other combination transaction, (4) assignment by Newco of the Pier Agreement or any rights or obligations thereunder, (5) termination of the Pier Agreement, or amendment of the Pier Agreement in a way that would shorten its term, reduce access to the pier thereunder, or change the nature or specifications of the products that can be processed through the pier (such approval by Seller's Manager for purposes of this clause (i)(E) (5) not to be unreasonably withheld), or (6) other action that would contravene Newco's continuing existence for the sole purpose of holding the Pier Agreement;

(ii) assign the Pier Agreement to Newco;

(iii) pledge the ownership interests in Newco to Seller as security for Buyer's obligations under the Willbridge Facility Lease, such pledge to be promptly perfected by the delivery by Buyer to Seller of the certificate(s) representing such ownership interests; and

(iv) sign and deliver to Seller an assignment instrument, assigning all of the ownership interests in Newco to Seller, free and clear of any and all encumbrances, with such assignment to become effective automatically upon the expiration or termination of the Willbridge Facility Lease other than under circumstances in which Seller acquires ownership of the Willbridge Leasehold Estate upon such expiration or termination.

Buyer and Seller shall cooperate in good faith to draft all documents necessary to implement the requirements of the immediately preceding sentence, and all such documents shall be in form and substance reasonably acceptable to Buyer and Seller. Buyer agrees not to terminate the Pier Agreement, or to amend the Pier Agreement in a way that would shorten its term, reduce access to the pier thereunder, or change the nature or specifications of the products that can be processed through the pier, without Seller's prior written consent, not to be unreasonably withheld.

(g) Harbor Sublease Premises. At the written request of Seller made at any time after Closing, Buyer will use commercially reasonable efforts to obtain a written agreement signed by Chevron U.S.A. Inc. to afford Seller the right to use the "Sublease Premises" (as defined in that certain Portland Harbor Sublease Agreement, dated March 1, 2005, between Chevron U.S.A. Inc. and Paramount Petroleum Corporation (the "Sublease")) on terms and conditions substantially similar to the terms and conditions of the Sublease, including for a term not shorter than the term of the Pier Agreement.

8. Miscellaneous.

(a) Assignment. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, provided that neither this Agreement nor any of the rights, interests, or obligations hereunder may be assigned by either party without the prior written consent of the other party. Notwithstanding the foregoing, Buyer may, without the consent of Seller, assign this Agreement and Buyer's rights, interests, and obligations hereunder to one or more of Buyer's Affiliates; provided that, notwithstanding any such assignment, Buyer shall not be released from its obligations hereunder. Buyer agrees to notify Seller promptly following any such assignment.

(b) Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to the conflicts of laws provisions thereof. Each party hereby submits to the non-exclusive jurisdiction of the United States District Court and the courts of the State of New York, in either case sitting in the Borough of Manhattan for the purposes of all actions or proceedings arising out of or relating to this Agreement or the transactions contemplated hereby. Each party irrevocably waives, to the fullest extent

permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such action or proceeding brought in such a court has been brought in an inconvenient forum.

(c) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(d) Entire Agreement: Amendments. This Agreement, together with the Willbridge Facility Lease, contains the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings relating to such subject matter. This Agreement may not be modified or amended other than by an agreement in writing signed by both parties.

(e) Schedules. All schedules hereto are deemed a part of this Agreement and are incorporated herein and made a part hereof for all purposes.

(f) Severability. The provisions of this Agreement will be deemed severable, and the invalidity or unenforceability of any provision in any jurisdiction will, as to that jurisdiction, be ineffective only to the extent of such invalidity or unenforceability, and will not affect the validity or enforceability of that or any other provision in any other jurisdiction. If any provision of this Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision will be substituted for the invalid or unenforceable provision in order to carry out in that jurisdiction, so far as may be valid and enforceable, the intent and purpose of the invalid or unenforceable provision, and (ii) the remainder of this Agreement, and the application of that provision to other persons or circumstances or in other jurisdictions, will not be affected.

(g) Waiver. Any waiver by any party of any breach of this Agreement by any other party, or of any condition under this Agreement, must be in writing, and shall not be construed as or constitute a waiver of any subsequent breach or any other condition.

(h) Specific Performance. In the event of any default under this Agreement, or any breach of any of the terms, conditions and provisions of this Agreement, the party who is thereby aggrieved will have the right of specific performance and injunctive relief giving effect to its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies will be cumulative. The parties agree that any such default or breach would cause irreparable injury, that the remedies at law for any such default or breach, including monetary damages, would be inadequate compensation for any loss, and that any defense in any action for specific performance that a remedy at law would be adequate is waived.

(i) Further Assurances. Each party will take such action as the other party may reasonably request to carry out or perfect the transactions contemplated by this Agreement, including such actions as may be required to obtain titles to the Vehicles in Buyer's name.

(j) Execution and Delivery. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement. This Agreement may be delivered by the electronic exchange, receipt confirmed, of executed signature pages (e.g., by fax transmission or email), and any printed or copied version of any signature page so delivered will have the same force and effect as an originally executed version of such signature page.

(k) Headings. The captions and headings in this Agreement are for convenience of reference only and shall not be utilized in construing or interpreting this Agreement.

(l) Construction. This Agreement will be construed as the joint and equal work product of each party and will not be construed more or less favorably on account of its preparation or drafting. In this Agreement, (i) the word "including" means "including without limitation" and (ii) words such as "herein," "hereof," "hereby," and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

BUYER:

Arc Terminals Holdings LLC

By: /s/ John Blanchard

Name: John Blanchard

Title: President

SELLER:

LCP Oregon Holdings, LLC

By: /s/ David J. Schulte

Name: David J. Schulte

Title: President

[Signature Page - Asset Purchase Agreement]

Schedule 1(a)

Contracts and Agreements

1. Terminal Service Agreement by and between Chevron Products Company and Paramount Petroleum Corporation, dated as of July 12, 2013.
 2. Willbridge Pier Agreement dated March 1, 2005, by and between Chevron Texaco Products Company and Paramount of Oregon, Inc., as amended.
 3. Direxx Energy Agency Agreement between Cost Management Services, Inc. (successor in interest to Direxx Energy, Inc.), and Paramount Petroleum Corporation, for Supply of Natural Gas, dated August 4, 2008, as amended on December 18, 2012.
 4. Willbridge Aviation Fuel Tank Usage Agreement (Tank 71) dated March 1, 2005, between Chevron Texaco Products and Paramount of Oregon, Inc.
 5. Lease Agreement dated September 9, 2008, Xerox and Paramount Petroleum Corporation.
 6. Bylaws of the Clean Rivers Cooperative.
 7. Agreement for Storage of Private Railcars dated March 1, 2005, by and between BNSF Railway Company and Paramount Petroleum Corporation.
 8. Switching Contract dated March 6, 2007, between The Burlington Northern and Santa Fe Railway Company and Paramount Petroleum, as amended to date.
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Schedule 1(b)

Personal Property

1. Vehicles

Make	VIN #
FORD/BOOM TRUCK	F70HVJA8576
FORD/BOOM TRUCK	1FDPF82H8CVA27948
CHEVROLET/1500 PICK-UP	1GCDC14Z8LZ235947
CHEVROLET/2500 PICK-UP	1GCGC24K1NE111986
JOHN DEERE GATOR 6x4 (Diesel)	Serial # WOW6X4D001868
JOHN DEERE GATOR 4x2 (Gas)	Serial # WOO4X2040476
YALE FORKLIFT Model # GLP050VX	Serial# B875V02740G

2. Other Personal Property

1 computer projector, Infocus

1 DVD/VCR

1 25" TV, Samsung

Group of lab equipment

Group of office furniture and equipment

Group of machinery and equipment:

¹Paramount Oregon has acknowledged that each of the vehicles listed on Schedule 1(b)(1) other than the Yale Forklift Model #GLP050VX are owned vehicles and, as of the Closing Date, Paramount Oregon has been unable to locate copies of title documents for such vehicles. Paramount Oregon has agreed to cooperate with the reasonable requests of Buyer after the Closing Date which related to obtaining new title documentation for the owned vehicles.

² The Yale Forklift is leased by Paramount Oregon from Materials Handling Group with a monthly payment of \$464.90 per month. Paramount Oregon has acknowledged that a copy of the lease agreement for the Yale Forklift has not been obtained prior to the Closing Date. Paramount Oregon has agreed to cooperate with the reasonable requests of Buyer after the Closing Date which are required to transfer the lease agreement for the Yale Forklift from Paramount Oregon to Buyer.

- drill press, Wilden
- hydraulic press, Dake
- hydraulic crane, WRC-3
- company tools
- specialty tools

Group of plant furniture and equipment

Group of office machines:

- 1 - time clock, hand punch
- 28 – desktops
- 6 – notebooks
- 5 - hand-built workstations
- 11 - non-domain computers
- 1 - Pelco DX8000 digital VR
- 1 - Silver Peak network unit
- 20 - inkjet printers
- 1 - Minolta 2300N color printer
- 1 - Hewlett Packard 2430N printer
- 4 - laser printers
- 3 - Xerox M20i, multifunction
- 1 - Xerox Workcenter 225 Pro
- 2 - Cisco Catalyst 2950 switches
- 1 - Cisco Catalyst 3550 switch

33 - hand-held radios and chargers

Schedule 1(c)

Licenses and Permits

Oregon DEQ Title V Air Discharge Permit, #26-2025

Oregon DEQ General Stormwater Discharge Permit, 1200-Z

City of Portland Industrial Wastewater Discharge Permit, #419.002

FCC Radio Station License

Device License-Type E Scale License No. 00849, issued by Oregon Dept of Agriculture

Boiler/Pressure Vessel Operating Permit No. 268, Vessel 268

Certificate of Inspection of Commercial Building Account NO. 5755-228

Fire Marshall's Permit for Storage of Hazardous Materials Permit No 1240

Oil Spill Contingency Plan Certificate from Oregon Department of Environmental Quality dated October 1, 2008, as amended to date.

Schedule 6(b)

Required Consents

1. Terminal Service Agreement by and between Chevron Products Company and Paramount Petroleum Corporation, dated as of July 12, 2013.
2. Willbridge Pier Agreement dated March 1, 2005, by and between Chevron Texaco Products Company and Paramount of Oregon, Inc., as amended.
3. Willbridge Aviation Fuel Tank Usage Agreement (Tank 71) dated March 1, 2005, between Chevron Texaco Products and Paramount of Oregon, Inc.
4. Agreement for Storage of Private Railcars dated March 1, 2005, by and between BNSF Railway Company and Paramount Petroleum Corporation.
5. Switching Contract dated March 6, 2007, between The Burlington Northern and Santa Fe Railway Company and Paramount Petroleum, as amended to date.
6. Consent to Assignment of the following Permits and Licenses:
Oregon DEQ Title V Air Discharge Permit, #26-2025
Oregon DEQ General Stormwater Discharge Permit, 1200-Z
City of Portland Industrial Wastewater Discharge Permit, #419.002



CorEnergy Completes \$40 Million Acquisition of the Portland Terminal Facility

CORR grows its energy infrastructure portfolio with an accretive acquisition

FOR IMMEDIATE RELEASE

LEAWOOD, Kan. – January 22, 2014 – CorEnergy Infrastructure Trust, Inc. (“CorEnergy”) (NYSE: CORR) today announced that it has closed its previously announced acquisition of a petroleum products terminal facility (the “Portland Terminal Facility”) for \$40 million in cash. The terminal will be leased to a subsidiary of Arc Logistics Partners LP (“Arc Logistics”) (NYSE: ARCX) under a long-term triple net lease. Located in Portland, Oregon, the terminal is strategically positioned to support the storage, throughput and transloading needs of the region.

“We are pleased to add our fourth energy infrastructure asset and execute another participating operating lease,” said David Schulte, Chief Executive Officer of CorEnergy. “We enabled Arc Logistics to assume full commercial control of the Portland Terminal Facility, while providing 100% of the acquisition and improvement capital.”

“Our entrance to the West Coast was facilitated by working with CorEnergy to expand our terminal business in a capital-efficient manner,” said Vince Cabbage, Chief Executive Officer of Arc Logistics.

Transaction Financing

CorEnergy paid \$40 million in cash for the purchase of the Portland Terminal Facility. The acquisition price was funded with the net proceeds from CorEnergy’s previously announced issuance of common stock. As a result of the transaction, CorEnergy’s ratio of total debt to total assets is now approximately 22 percent. Longer-term, CorEnergy expects to maintain a debt-to-asset ratio of between 25 and 50 percent.

The Portland Terminal Facility

The Portland Terminal Facility is a rail/marine facility property adjacent to the Willamette River in Portland, Oregon. The 39-acre site has 84 tanks with a total storage capacity of 1,466,000 barrels. The Portland Terminal Facility is capable of receiving, storing and delivering heavy and refined petroleum products. Products are received and/or delivered via railroad, marine (up to Panamax size vessels) or truck loading rack. The marine facilities are accessed through a neighboring terminal facility via an owned pipeline. The Portland Terminal Facility offers heating systems, emulsions and an on-site product testing laboratory as ancillary services.

Terminal Improvement Projects

CorEnergy anticipates funding an additional \$10 million of terminal-related improvement projects in support of Arc Terminals Holdings LLC’s (“Arc Terminals”) commercial strategy to optimize the Portland Terminal Facility and generate stable cash flows, including: i) clean, inspect and upgrade a portion of the existing storage assets; ii) enhance existing terminal infrastructure; and iii) develop, design, engineer and construct throughput expansion opportunities.

Lease Description

CorEnergy has entered into a 15-year triple net operating lease with Arc Terminals, a subsidiary of Arc Logistics. The base rent is reduced during the first seven months (prorated for the partial month of January 2014) and then increases in August 2014. Beginning in August 2014, minimum lease payments will be \$5 million per year and - once the improvement project is complete - minimum lease payments will be in excess of \$6 million per year. On the fifth anniversary of the lease and every year thereafter rent will be subject to an inflation adjustment. The

lease also includes an additional variable rent component based on the Portland Terminal Facility's throughput volumes.

Arc Terminals may renew the lease for additional, successive 5-year terms at its discretion. There are also other certain termination and purchase rights. Arc Terminals will operate the Portland Terminal Facility and will retain responsibility for maintenance and other capital expenditures required for its operation. Arc Logistics will unconditionally guarantee the lessee's obligations.

Guarantor Description

Arc Logistics is a fee-based, growth-oriented Delaware limited partnership formed by Lightfoot Capital Partners, LP and Lightfoot Capital Partners GP LLC to own, operate, develop and acquire a diversified portfolio of complementary energy logistics assets. Arc Logistics' public disclosures filed with the SEC indicate that Arc Logistics is principally engaged in the terminalling, storage, throughput and transloading of crude oil and petroleum products and is focused on growing its business through the optimization, organic development and acquisition of terminalling, storage, rail, pipeline and other energy logistics assets that generate stable cash flows.

CorEnergy Advisors

BofA Merrill Lynch is acting as exclusive structuring advisor in connection with CorEnergy's energy infrastructure real asset strategy.

About CorEnergy Infrastructure Trust, Inc.

CorEnergy Infrastructure Trust, Inc. (NYSE: CORR), primarily owns midstream and downstream U.S. energy infrastructure assets subject to long-term triple net participating leases with energy companies. These assets include pipelines, storage tanks, transmission lines and gathering systems. The Company's principal objective is to provide stockholders with an attractive risk-adjusted total return, with an emphasis on distributions and long-term distribution growth. CorEnergy is managed by Corridor InfraTrust Management, LLC, a real property asset manager focused on U.S. energy infrastructure and an affiliate of Tortoise Capital Advisors, L.L.C., an investment manager specializing in listed energy investments, with approximately \$14.2 billion of assets under management in NYSE-listed closed-end investment companies, open-end funds and other accounts as of December 31, 2013.

Forward-Looking Statements

This press release contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included herein are "forward-looking statements." Although CorEnergy believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in CorEnergy's reports that are filed with the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required by law, CorEnergy does not assume a duty to update any forward-looking statement. In particular, any distribution paid in the future to our stockholders will depend on the actual performance of CorEnergy, its costs of leverage and other operating expenses and will be subject to the approval of CorEnergy's Board of Directors and compliance with leverage covenants.

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