

**Recording Requested By:**  
INTEL CORPORATION  
2200 Mission College Blvd.  
Santa Clara, CA 95052

RECORDED  
NOTED  
SANTA CLARA COUNTY  
1351

**When Recorded, Mail To:**  
Executive Officer  
California Regional Water Quality Control Board  
San Francisco Bay Region  
1515 Clay Street, Suite 1400  
Oakland, California 94612

COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY  
(Civil Code section 1471)

Re: Assessor's Parcel F (480 PM 27), Intel Corp Santa Clara III  
2880 Northwestern Parkway, Santa Clara, CA

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 9<sup>th</sup> day of January, 2008, by Intel Corporation ("Covenantor") who is the Owner of record of that certain property situated at 2880 Northwestern Parkway, in the City of Santa Clara, County of Santa Clara, State of California, which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference (such portion hereinafter referred to as the "Burdened Property"), for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region (the "Board"). Covenantor and the Board further intend that the provisions of this Covenant also be for the benefit of the U.S. Environmental Protection Agency ("U.S. EPA") as a third-party beneficiary. This Covenant is based on the following facts:

A. Nature of Covenant. This Covenant is an environmental covenant provided for by Civil Code section 1471 and required by the Board because the Burdened Property is contaminated by hazardous materials as defined in section 25260 of the Health and Safety Code

B. Contamination of the Burdened Property. Soil at the Burdened Property was contaminated by unknown spill or leak containing volatile organic compounds, principally trichloroethylene which resulted in contamination of groundwater by TCE and associated daughter products. These substances constitute hazardous materials as that term is defined in Health & Safety Code Section 25260. Site remediation through groundwater treatment commenced in 1985 and was terminated as a continuous pumping remedy due to diminishing contamination recovery in 1991, wherein five years of pulse pumping trials began followed by monitored natural attenuation.

C. Exposure Pathways. The residual contaminants addressed in this Covenant are present in the groundwater on the Burdened Property. There are no known pathways of exposure as the

groundwater is not a source of drinking water. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein.

D. Adjacent Land Uses and Population Potentially Affected. The Burdened Property is used for industrial research and development and general office use and is adjacent to other industrial/commercial properties.

E. Disclosure. Full and voluntary disclosure to the Board of the presence of hazardous materials on the Burdened Property has been made and extensive sampling of the Burdened Property has been conducted.

F. Use of Burdened Property. Covenantor desires and intends that in order to benefit the Board (and the U.S. EPA as third-party beneficiary), and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that may result from hazardous materials that may have been deposited on portions of the Burdened Property.

## ARTICLE I GENERAL PROVISIONS

1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as "Restrictions") upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. The Restrictions set forth in Article III are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of hazardous materials. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof, for the benefit of the Board and all Owners and Occupants, as well as for the benefit of U.S. EPA as a third-party beneficiary. Each and all of the Restrictions are imposed upon the entire Burdened Property unless expressly stated as applicable to a specific portion of the Burdened Property. Each and all of the Restrictions run with the land pursuant to section 1471 of the Civil Code. Each and all of the Restrictions are enforceable by the Board and U.S. EPA; provided, however, that in the event of conflict between the decisions of the Board and the U.S. EPA the decisions of the U.S. EPA shall control.

1.2 Concurrence of Owners and Lessees Presumed. All purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, leasing, or possession of the Burdened Property, to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the Board, all Owners and Occupants of the Burdened Property, and U.S. EPA (as a third-party beneficiary), and that the interest of all Owners and Occupants of the Burdened Property shall be subject to the Restrictions contained herein.

1.3 Apportionment of Burden among Multiple Owners. Where ownership of the Burdened Property is held by multiple persons, holding by several titles, the burdens imposed by this Covenant shall be apportioned between them proportionate to the value of the property held by each owner, if such value can be ascertained, and if not, then according to their respective interests in point of quantity. (Cal. Civ. Code, § 1467)

1.4 Incorporation into Deeds and Leases. Covenantor desires and covenants that the Restrictions set out herein shall be incorporated in and attached to each and all deeds and leases of any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and lessees, regardless of whether a copy of this Covenant and Agreement has been attached to or incorporated into any given deed or lease.

1.5 Purpose. The purpose of this Covenant is to set forth the use restrictions necessary to prevent potential human exposure to existing contamination, as well as to prevent interference with the ongoing remediation. In 1990, the Board and U.S. EPA issued separate decision documents detailing the selected remedy for this Site. Both remedies required implementation of institutional controls in the form of a deed restriction. This restrictive covenant implements that element of the selected remedy.

## ARTICLE II DEFINITIONS

2.1 Board. "Board" shall mean the California Regional Water Quality Control Board for the San Francisco Bay Region and shall include its successor agencies, if any.

2.2 Improvements. "Improvements" shall mean all buildings, roads, driveways, regradings, and paved parking or paved areas, constructed or placed upon any portion of the Burdened Property.

2.3 Occupants. "Occupants" shall mean Owners and those persons entitled by ownership, leasehold, or other legal relationship to the exclusive right to use and/or occupy all or any portion of the Burdened Property.

2.4 Owner or Owners. "Owner" or "Owners" shall mean Covenantor and/or its successors in interest, who hold title to all or any portion of the Burdened Property.

2.5 U.S. EPA. "U.S. EPA" shall mean the United States Environmental Protection Agency and shall include its successor agencies, if any.

## ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor promises to restrict the use of the Burdened Property as follows:

- a. No residence for human habitation shall be permitted on the Burdened Property;
- b. No hospitals shall be permitted on the Burdened Property;
- c. No schools for persons under 21 years of age shall be permitted on the Burdened Property;
- d. No day care centers for children or day care centers for senior citizens shall be permitted on the Burdened Property;
- e. No Owners or Occupants of the Burdened Property or any portion thereof shall conduct any excavation work at depths of greater than 3 feet below ground surface on the Property, unless expressly permitted in writing by the Board, except when necessary to address an emergency or to repair any Improvements. Any contaminated soils at depths greater than 3 feet below ground surface brought to the surface by grading, excavation, trenching, or backfilling shall be managed by the Owner or its agent or the Occupant or its agent in accordance with all applicable provisions of local, state and federal law. If the excavation work resulted from an emergency, the Owner or Occupant shall notify the Board by registered mail within ten (10) business days of both the commencement date of such excavation and after the date of completion;
- f. All uses and development of the Burdened Property shall be consistent with any applicable Board Order or Risk Management Plan, each of which is hereby incorporated by reference including future amendments thereto. All uses and development shall preserve the integrity of any cap, any remedial measures taken or remedial equipment installed, and any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Board, unless otherwise expressly permitted in writing by the Board.
- g. No Owners or Occupants of the Burdened Property or any portion thereof shall drill, bore, otherwise construct, or use a well for the purpose of extracting water for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the Board.
- i. Covenantor agrees that the Board, and/or any persons acting pursuant to Board orders, shall have reasonable access to the Burdened Property for the purposes of inspection, surveillance, maintenance, or monitoring, as provided for in Division 7 of the Water Code.
- j. No Owner or Occupant of the Burdened Property shall act in any manner that will aggravate or contribute to the existing environmental conditions of the Burdened Property. All use and development of the Burdened Property shall preserve the integrity of any capped areas.

3.2 Enforcement. Failure of an Owner or Occupant to comply with any of the restrictions, as set forth in Paragraph 3.1 above, shall be grounds for the Board, by reason of this Covenant, to have the authority to require that the Owner modify or remove any Improvements constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the Board to file civil actions against the Owner as provided by law.

3.3 Notice in Agreements. After the date of recordation hereof, all Owners and Occupants shall execute a written instrument which shall accompany all purchase agreements or leases relating to the property. Any such instrument shall contain the following statement:

The land described herein contains hazardous materials in soils and in the ground water under the property, and is subject to a Covenant and Environmental Restriction on Property dated as of January 9, 2008, and recorded on January, 2008, in the Official Records of Santa Clara County, California, as Document No. \_\_\_\_\_, which Covenant and Environmental Restriction imposes certain covenants, conditions, and restrictions on usage of the Property described herein. This statement is not a declaration that a hazard exists.

3.4 Conveyance of Property. The Owner shall provide notice to the Board and to U.S. EPA not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances). The Board and U.S. EPA shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law, by administrative order, or by a specific provision of this Covenant.

#### ARTICLE IV VARIANCE AND TERMINATION

4.1 Variance. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or any portion thereof may apply to the Board for a written variance from the provisions of this Covenant. Unless or until the State of California assumes CERCLA Lead Agency responsibility for Site operation and maintenance, no variance may be granted under this Paragraph 4.1 without prior review and prior concurrence of the variance by U.S. EPA. If requested by the Board or U.S. EPA, any approved variance shall be recorded in the land records by the person or entity granted the variance.

4.2 Termination. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or a portion thereof may apply to the Board for a termination of the Restrictions as they apply to all or any portion of the Burdened Property. Unless and until the State of California assumes CERCLA Lead Agency responsibility for Site operation and maintenance, no termination may be granted under this Paragraph 4.2 without prior review and prior written concurrence of the termination by U.S. EPA.

4.3 Term. Unless terminated in accordance with Paragraph 4.2 above, or in the Board's discretion, with U.S. EPA's prior review and concurrence, this Covenant shall continue in effect in perpetuity.

ARTICLE V  
MISCELLANEOUS

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

5.2 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (1) when delivered, if personally delivered to the person being served or official of a government agency being served, or (2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

*If To: "Covenantor"*  
Intel Corporation  
Attention: Tom Cooper or Corporate Environmental Manager  
2200 Mission College Blvd, MS:SC12-324  
Santa Clara CA 95052

*If To: "Board"*  
Regional Water Quality Control Board  
San Francisco Bay Region  
Attention: Executive Officer  
1515 Clay Street, Suite 1400  
Oakland, California 94612

*If To: "U.S. EPA"*  
U.S. Environmental Protection Agency, Region 9  
Attention: Penelope McDaniel  
75 Hawthorne St.  
San Francisco, CA 94105

5.3 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

5.4 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.

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

5.6 Third-Party Beneficiary. U.S. EPA's rights as a third-party beneficiary of this Covenant shall be construed pursuant to principles of contract law under the statutory and common law of the State of California.

5.7 References. All references to Code sections include successor provisions.

5.8 Construction. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to effect the purpose of this instrument and the policy and purpose of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it invalid.

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

Covenantor: INTEL CORPORATION

By: [Signature]

Title: Sunil K. Das, Director of Corporate Real Estate

Date: 12/6/07

CORP. R.E. OK	
[Signature]	12/6/07

LEGAL OK	
[Signature]	12/5/07

Kevin M. Kreuser

Agency: STATE OF CALIFORNIA  
REGIONAL WATER QUALITY BOARD,  
SAN FRANCISCO BAY REGION

By: [Signature]

Title: Executive Officer

Date: 1/9/08

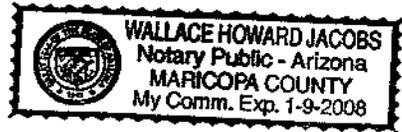
STATE OF ARIZONA )  
COUNTY OF MARICOPA )

On 12/6, 2007 before me, <sup>Sunil K. Das, Director of Corporate Real Estate</sup> the undersigned a Notary Public in and for said state, personally appeared [Covenantor], personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument.

*Handwritten signature*

WITNESS my hand and official seal.

Wallace H. Jacobs  
Notary Public in and for said  
County and State



STATE OF CALIFORNIA )  
COUNTY OF SANTA CLARA )

On \_\_\_\_\_, 20\_\_ before me, the undersigned a Notary Public in and for said state, personally appeared [EXECUTIVE OFFICER], personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said  
County and State

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Alameda

On Jan 9, 2008

before me,

Howard Leong, Notary Public

(Here insert name and title of the officer)

personally appeared

BRUCE H WOLFE

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

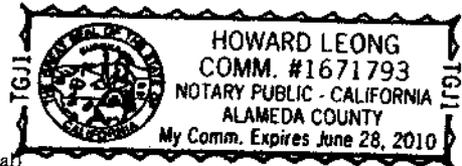
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public



(Notary Seal)



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

COVENANT AND ENV. RESTRICTION

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

(Additional information)

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)  
 Corporate Officer

(Title)

- Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/~~they~~, is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Legal Description for T.I. Zone at the Intel SC3 Facility

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

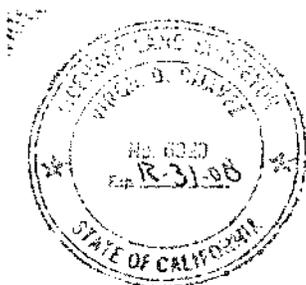
Portion of Parcel F as shown on that certain Parcel Map entitled "Lands of Intel Corporation", said map being filed for record on February 27, 1981, in Book 480 of Parcel Maps, at Page 27, in the office of the County Recorder for Santa Clara County, more particularly described as follows:

Commencing on the centerline of Northwestern Parkway, at a monument as shown on the herein above referenced Parcel Map (480 PM 27), from which a monument bears South 0°54'05" West, 1038.50 feet as shown on said parcel Map (480 PM 27); thence North 76°37'51" West, 294.37 feet to the True Point of Beginning; thence North 89°43'57" West, 245.82 feet to the northerly terminus of the west line of said Parcel F; thence South 00°54'05" West, 327.46 feet along said west line of said Parcel F; thence South 89°43'57" East, 245.82 feet; thence North 00°54'05" East, 327.46 feet to the True Point of Beginning.

Containing an area of 80,492 square feet more or less.

A plat (Exhibit "B") showing the above described property is attached hereto and made a part hereof.

End of description



*Virgil D. Chavez*  
Virgil D. Chavez, PLS 6323

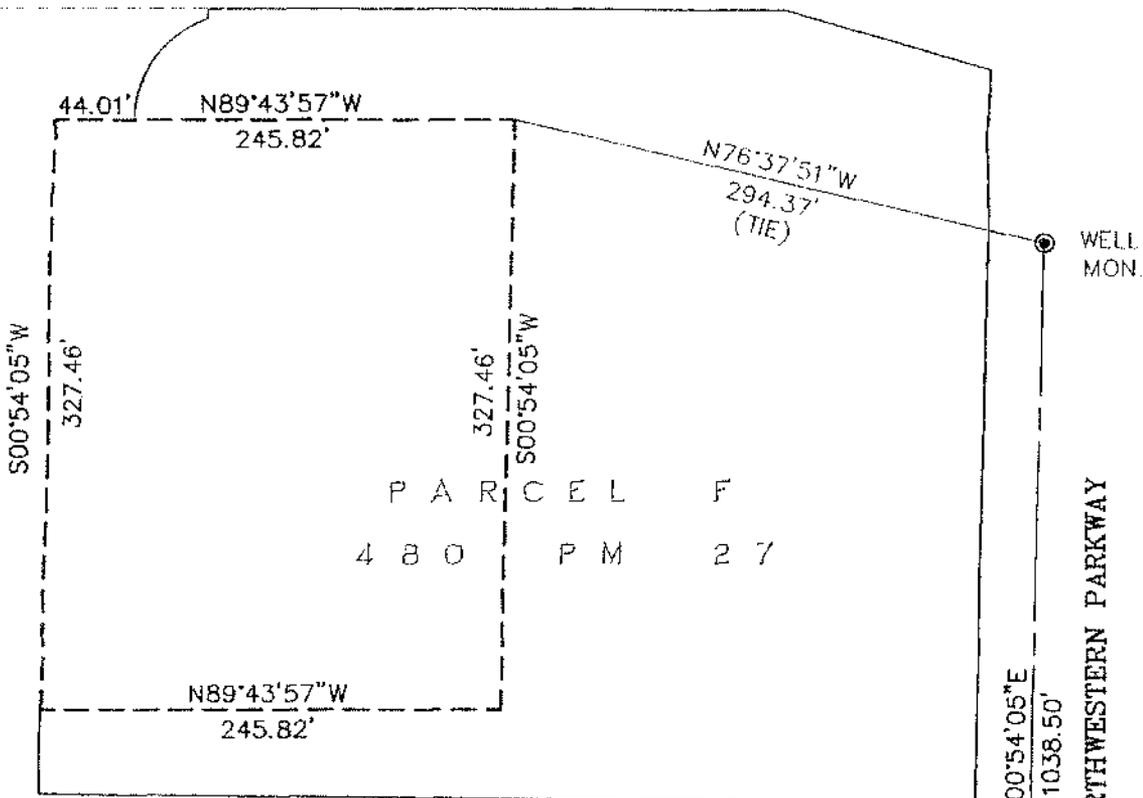
"EXHIBIT A"

"EXHIBIT B"

EXHIBIT PLAT TO  
ACCOMPANY LEGAL DESCRIPTION  
PORTION OF PARCEL F AS SHOWN  
IN BOOK 480 OF PARCEL MAPS, PAGE 27

CENTRAL EXPRESSWAY

PARCEL ONE  
394 PM 27



PARCEL ONE  
394 PM 27



*Virgil Chavez*

VIRGIL CHAVEZ LAND SURVEYING  
721 TUOLUMNE STREET  
VALLEJO, CALIFORNIA  
(707) 553-2478

SEPTEMBER, 2007 SCALE: 1" = 100' SHEET 2 OF 2