could, shall or may have against each other arising out of or relating to the Disputes or the Pension Agreement, and to compromise and eliminate the remainder of the Casualty Reserve Limit available as of December 31, 1996 with respect to the Henley Properties Category

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing facts and the terms and conditions set forth in this Agreement, the Parties agree as follows,

3. Payment Concurrently with the execution of this Agreement, MAFCO shall pay KREG the sum of $2,250,000 in cash via wire transfer to:

Wells Fargo Bank, San Francisco
ABA # 121000248
WFB Account # 4068-000769
For Further Credit to A/C #324-143328 Account Name Koll Real Estate Group, Inc
Attn. Rod Ocmond - (415) 396-7179

4. Casualty Reserve Limits

A Accounting MAFCO represents and warrants that it has made all reasonable efforts to prepare in good faith a true, correct and complete accounting of all invoices or claims received as of December 31, 1996 under each category of the Uninsured Retention Liabilities as measured against the Casualty Reserves Limits (as set forth in Exhibit A to Schedule II of the Assignment and Assumption Agreement), a summary of which accounting is attached hereto as Exhibit 2 and that it has not received any further invoices or requests for payment related to the Henley Properties Category or any of the Categories through the Effective Date hereof except as set forth in Exhibit 2 KREG shall have no liability for any invoices not disclosed in Exhibit 2, and which the Abex Parties have received or had actual knowledge of prior to the Effective Date.

B Payments Under The Henley Properties Category. MAFCO shall pay, cause to be paid, or deliver to KREG a sufficient amount (in addition to the amount set forth in paragraph 1 above) so that it may pay all invoices and other requests for payment actually received by it on or prior to December 31, 1996 from any person with respect to the Henley Properties Category and the Exceeded Categories MAFCO shall deliver to KREG a sufficient amount (in addition to the amount set forth in paragraph 1 above) so that it may pay invoices totalling $38,554 received after December 31, 1996 with respect to the defense of certain Kellogg asbestos matters Other than

the obligation set forth in the preceding sentence, none of the Abex Parties shall have any obligation now or in the future with respect to the Henley Properties Category or any liability within the scope of the Henley Properties Category, including without limitation (a) any liability with respect to M W. Kellogg asbestos litigation, Whiting asbestos litigation, Signal Landmark construction defects litigation or Heat Research Corporation product liability litigation, or (b) any obligation to pay any amount that (i) may have been paid or incurred by KREG or (ii) may be invoiced to MAFCO subsequent to December