ENVIRONMENTAL EASEMENT GRANTED PURSUANT TO ARTICLE 71, TITLE 36 OF THE NEW YORK STATE ENVIRONMENTAL CONSERVATION LAW

THIS INDENTURE made this 26th day of August, 2013, between Owner(s) New York State Electric & Gas Corporation, having an office at 18 Link Drive, Binghamton, County of Broome, State of New York (the "Grantor"), and The People of the State of New York (the "Grantee."), acting through their Commissioner of the Department of Environmental Conservation (the "Commissioner", or "NYSDEC" or "Department" as the context requires) with its headquarters located at 625 Broadway, Albany, New York 12233,

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to encourage the remediation of abandoned and likely contaminated properties ("sites") that threaten the health and vitality of the communities they burden while at the same time ensuring the protection of public health and the environment; and

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to establish within the Department a statutory environmental remediation program that includes the use of Environmental Easements as an enforceable means of ensuring the performance of operation, maintenance, and/or monitoring requirements and the restriction of future uses of the land, when an environmental remediation project leaves residual contamination at levels that have been determined to be safe for a specific use, but not all uses, or which includes engineered structures that must be maintained or protected against damage to perform properly and be effective, or which requires groundwater use or soil management restrictions; and

WHEREAS, the Legislature of the State of New York has declared that Environmental Easement shall mean an interest in real property, created under and subject to the provisions of Article 71, Title 36 of the New York State Environmental Conservation Law ("ECL") which contains a use restriction and/or a prohibition on the use of land in a manner inconsistent with engineering controls which are intended to ensure the long term effectiveness of a site remedial program or eliminate potential exposure pathways to hazardous waste or petroleum; and

WHEREAS, Grantor, is the owner of real property located at the address of 43 and 45 Charles Street in the City of Cortland, County of Cortland and State of New York, known and designated on the tax map of the County Clerk of Cortland as tax map parcel numbers: Section 86.42 Block 2 Lots 28 and 29, being the same as that property conveyed to Grantor by deed dated August 31, 2007 and recorded in the Cortland County Clerk's Office in Instrument No. 1066458-001, and deed dated July 31, 2007 and recorded in the Cortland County Clerk's Office in instrument No. 1065193-001. The property subject to this Environmental Easement (the "Controlled Property") comprises approximately 0.171 +/- acres, and is hereinafter more fully described in the Land Title Survey dated August 2, 2011 prepared by Reagan Land Surveying, which will be attached to the Site Management Plan. The Controlled Property description is set forth in and attached hereto as Schedule A; and

WHEREAS, the Department accepts this Environmental Easement in order to ensure the protection of public health and the environment and to achieve the requirements for remediation established for the Controlled Property until such time as this Environmental Easement is extinguished pursuant to ECL Article 71, Title 36; and

NOW THEREFORE, in consideration of the mutual covenants contained herein and the terms and conditions of Order on Consent Index Number: D0-0002-9309, Grantor conveys to Grantee a permanent Environmental Easement pursuant to ECL Article 71, Title 36 in, on, over, under, and upon the Controlled Property as more fully described herein ("Environmental Easement")

1. Purposes. Grantor and Grantee acknowledge that the Purposes of this Environmental Easement are: to convey to Grantee real property rights and interests that will run with the land in perpetuity in order to provide an effective and enforceable means of encouraging the reuse and redevelopment of this Controlled Property at a level that has been determined to be safe for a specific use while ensuring the performance of operation, maintenance, and/or monitoring requirements; and to ensure the restriction of future uses of the land that are inconsistent with the above-stated purpose.

2. Institutional and Engineering Controls. The controls and requirements listed in the Department approved Site Management Plan ("SMP") including any and all Department approved amendments to the SMP are incorporated into and made part of this Environmental Easement. These controls and requirements apply to the use of the Controlled Property, run with the land, are binding on the Grantor and the Grantor's successors and assigns, and are enforceable in law or equity against any owner of the Controlled Property, any lessees and any person using the Controlled Property.

A. (1) The Controlled Property may be used for:
Restricted Residential as described in 6 NYCRR Part 375-1.8(g)(2)(ii), Commercial as described in 6 NYCRR Part 375-1.8(g)(2)(iii) and Industrial as described in 6 NYCRR Part 375-1.8(g)(2)(iv)

(2) All Engineering Controls must be operated and maintained as specified in the Site Management Plan (SMP);

(3) All Engineering Controls must be inspected at a frequency and in a manner defined in the SMP;

(4) The use of groundwater underlying the property is prohibited without necessary water quality treatment as determined by the NYSDOH or the Cortland County Department of Health to render it safe for use as drinking water or for industrial purposes, and the user must first notify and obtain written approval to do so from the Department;

(5) Groundwater and other environmental or public health monitoring must be performed as defined in the SMP;

(6) Data and information pertinent to Site Management of the Controlled Property must be reported at the frequency and in a manner defined in the SMP;

(7) All future activities on the property that will disturb remaining contaminated material must be conducted in accordance with the SMP;

(8) Monitoring to assess the performance and effectiveness of the remedy must be performed as defined in the SMP;

(9) Operation, maintenance, monitoring, inspection, and reporting of any mechanical or physical components of the remedy shall be performed as defined in the SMP;

B. The Controlled Property shall not be used for raising livestock or producing animal products for human consumption, and the above-stated engineering controls may not be discontinued without an amendment or extinguishment of this Environmental Easement.

C. The SMP describes obligations that the Grantor assumes on behalf of Grantor, its successors and assigns. The Grantor's assumption of the obligations contained in the SMP which may include sampling, monitoring, and/or operating a treatment system, and providing certified reports to the NYSDEC, is and remains a fundamental element of the Department's determination that the Controlled Property is safe for a specific use, but not all uses. The SMP may be modified in accordance with the Department's statutory and regulatory authority. The Grantor and all successors and assigns, assume the burden of complying with the SMP and obtaining an up-to-date version of the SMP from:

Site Control Section
Division of Environmental Remediation
NYSDEC
625 Broadway
Albany, New York 12233
Phone: (518) 402-9553

D. Grantor must provide all persons who acquire any interest in the Controlled Property a true and complete copy of the SMP that the Department approves for the Controlled Property and all Department-approved amendments to that SMP.

E. Grantor covenants and agrees that until such time as the Environmental Easement is extinguished in accordance with the requirements of ECL Article 71, Title 36 of the ECL, the property deed and all subsequent instruments of conveyance relating to the Controlled Property shall state in at least fifteen-point bold-faced type:

This property is subject to an Environmental Easement held by the New York State Department of Environmental Conservation pursuant to Title 36 of Article 71 of the Environmental Conservation Law.

F. Grantor covenants and agrees that this Environmental Easement shall be incorporated in full or by reference in any leases, licenses, or other instruments granting a right to use the Controlled Property.

G. Grantor covenants and agrees that it shall, at such time as NYSDEC may require, submit to NYSDEC a written statement by an expert the NYSDEC may find acceptable certifying under penalty of perjury, in such form and manner as the Department may require, that:

(1) the inspection of the site to confirm the effectiveness of the institutional and engineering controls required by the remedial program was performed under the direction of the individual set forth at 6 NYCRR Part 375-1.8(h)(3).

(2) the institutional controls and/or engineering controls employed at such site:

(i) are in-place;

(ii) are unchanged from the previous certification, or that any identified changes to the controls employed were approved b the NYSDEC and that all controls are in the Department-approved format; and

(iii) that nothing has occurred that would impair the ability of such control to protect the public health and environment;

(3) the owner will continue to allow access to such real property to evaluate the continued maintenance of such controls;

(4) nothing has occurred that would constitute a violation or failure to comply with any site management plan for such controls;

(5 the report and all attachments were prepared under the direction of, and reviewed by, the party making the certification;

(6) to the best of his/her knowledge and belief, the work and conclusions described in this certification are in accordance with the requirements of the site remedial program, and generally accepted engineering practices; and

(7) the information presented is accurate and complete.

3. Right to Enter and Inspect. Grantee, its agents, employees, or other representatives of the State may enter and inspect the Controlled Property in a reasonable manner and at reasonable times to assure compliance with the above-stated restrictions.

4. Reserved Grantor's Rights. Grantor reserves for itself, its assigns, representatives, and successors in interest with respect to the Property, all rights as fee owner of the Property, including:

A. Use of the Controlled Property for all purposes not inconsistent with, or limited by the terms of this Environmental Easement;

B. The right to give, sell, assign, or otherwise transfer part or all of the underlying fee interest to the Controlled Property, subject and subordinate to this Environmental Easement;

5. Enforcement

A. This Environmental Easement is enforceable in law or equity in perpetuity by Grantor, Grantee, or any affected local government, as defined in ECL Section 71-3603, against the owner of the Property, any lessees, and any person using the land. Enforcement shall not be defeated because of any subsequent adverse possession, laches, estoppel, or waiver. It is not a defense in any action to enforce this Environmental Easement that: it is not appurtenant to an interest in real property; it is not of a character that has been recognized traditionally at common law; it imposes a negative burden; it imposes affirmative obligations upon the owner of any interest in the burdened property; the benefit does not touch or concern real property; there is no privity of estate or of contract; or it imposes an unreasonable restraint on alienation.

B. If any person violates this Environmental Easement, the Grantee may revoke the

Certificate of Completion with respect to the Controlled Property.

C. Grantee shall notify Grantor of a breach or suspected breach of any of the terms of this Environmental Easement. Such notice shall set forth how Grantor can cure such breach or suspected breach and give Grantor a reasonable amount of time from the date of receipt of notice in which to cure. At the expiration of such period of time to cure, or any extensions granted by Grantee, the Grantee shall notify Grantor of any failure to adequately cure the breach or suspected breach, and Grantee may take any other appropriate action reasonably necessary to remedy any breach of this Environmental Easement, including the commencement of any proceedings in accordance with applicable law.

D. The failure of Grantee to enforce any of the terms contained herein shall not be deemed a waiver of any such term nor bar any enforcement rights.

6. Notice. Whenever notice to the Grantee (other than the annual certification) or approval from the Grantee is required, the Party providing such notice or seeking such approval shall identify the Controlled Property by referencing the following information:

County, NYSDEC Site Number, NYSDEC Brownfield Cleanup Agreement, State Assistance Contract or Order Number, and the County tax map number or the Liber and Page or computerized system identification number.

Parties shall address correspondence to:

Site Number: 712012
Office of General Counsel
NYSDEC
625 Broadway
Albany New York 12233-5500

With a copy to:

Site Control Section
Division of Environmental Remediation
NYSDEC
625 Broadway
Albany, NY 12233

All notices and correspondence shall be delivered by hand, by registered mail or by Certified mail and return receipt requested. The Parties may provide for other means of receiving and communicating notices and responses to requests for approval.

7. Recordation. Grantor shall record this instrument, within thirty (30) days of execution of this instrument by the Commissioner or her/his authorized representative in the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.

8. Amendment. Any amendment to this Environmental Easement may only be executed by the Commissioner of the New York State Department of Environmental Conservation or the Commissioner's Designee, and filed with the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.

9. Extinguishment. This Environmental Easement may be extinguished only by a release by the Commissioner of the New York State Department of Environmental Conservation, or the Commissioner's Designee, and filed with the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.

10. Joint Obligation. If there are two or more parties identified as Grantor herein, the obligations imposed by this instrument upon them shall be joint and several.

IN WITNESS WHEREOF, Grantor has caused this instrument to be signed in its name.

New York State Electric & Gas Corporation

By: _____

Print Name: Franklyn Reynolds

Title: Vice President – General Services Date: 3.30.12

By: Tamara Feck (Control)

Print Name: Tamara Feck

Title: Manager - Projects Date: 3-28-12

Grantor's Acknowledgment

STATE OF NEW YORK)
) ss:
COUNTY OF Monroe)

On the 30th day of March, in the year 20 12 before me, the undersigned, personally appeared **Franklyn Reynolds**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Anna M Sabers
Notary Public - State of New York

ANNA M. SABERS
Notary Public, State of New York
No. 01SA6072590
Qualified in Monroe County
Commisson Expires April 08, 20 14

THIS ENVIRONMENTAL EASEMENT IS HEREBY ACCEPTED BY THE PEOPLE OF THE STATE OF NEW YORK, Acting By and Through the Department of Environmental Conservation as Designee of the Commissioner,

By: _____
Robert W. Schick, Acting Director
Division of Environmental Remediation

Grantee's Acknowledgment

STATE OF NEW YORK)
) ss:
COUNTY OF ALBANY)

On the 26th day of August, in the year 2013, before me, the undersigned, personally appeared Robert Schick, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is (are) subscribed to the within instrument and acknowledged to me that he/she/ executed the same in his/her/ capacity as Designee of the Commissioner of the State of New York Department of Environmental Conservation, and that by his/her/ signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public - State of New York

David J. Chiusano
Notary Public, State of New York
No. 01CH5032146
Qualified in Schenectady County
Commission Expires August 22, 2014

SCHEDULE "A" PROPERTY DESCRIPTION

ALL that tract or parcel of land, situate in the City of Cortland, County of Cortland, and State of New York, bounded and described according to a Survey Map prepared by Reagan Land Surveying, Michael J. Reagan, P.L.S., dated 08/20/2010, as follows:

BEGINNING at a point in the east street line of Charles Street, said point being located 207.25' southerly as measured along said street line, from its projected intersection with the south walk line of Grant Street, said point also being located S76°- 59'-55" E, a distance of 0.73' from an existing iron pipe, and running thence on the following courses and distances:

1.) S76°-59'-55"E, a distance of 69.36' to an existing iron pin and cap;

2.) S13°-20'-12"W, a distance of 53.70' to an existing buried dock spike;

3.) S13°-13'-00"W, a distance of 53.73' to an existing iron pin and cap;

4.) N76°-47'-08"W, a distance of 69.36' to a point in the east street line of Charles Street. Said point being located S76°-47'-08"E, a distance of 0.61' from an existing iron pipe;

5.) N13°-16'-30"E, along the east street line of Charles Street, at 53.59' passing 0.87' east of an existing spike, for a total distance of 107.17' to the POINT OR PLACE OF BEGINNING.

CONTAINING 7,440 square feet, or 0.171 acre of land, more or less.

SUBJECT TO any easements, rights and/or restrictions of record.

ALTA/ACSM LAND TITLE SURVEY

NO. 43 & 45 CHARLES STREET
CITY OF CORTLAND ~ COUNTY OF CORTLAND
STATE OF NEW YORK
TAX MAP NO. 86.42-02-28 (No. 43 Charles Street)
INSTRUMENT NO. 1065193-001
TAX MAP NO. 86.42-02-29
INSTRUMENT NO. 1066458-001 (No. 45 Charles Street)
(CURRENT OWNER : NEW YORK STATE ELECTRIC & GAS CORPORATION)

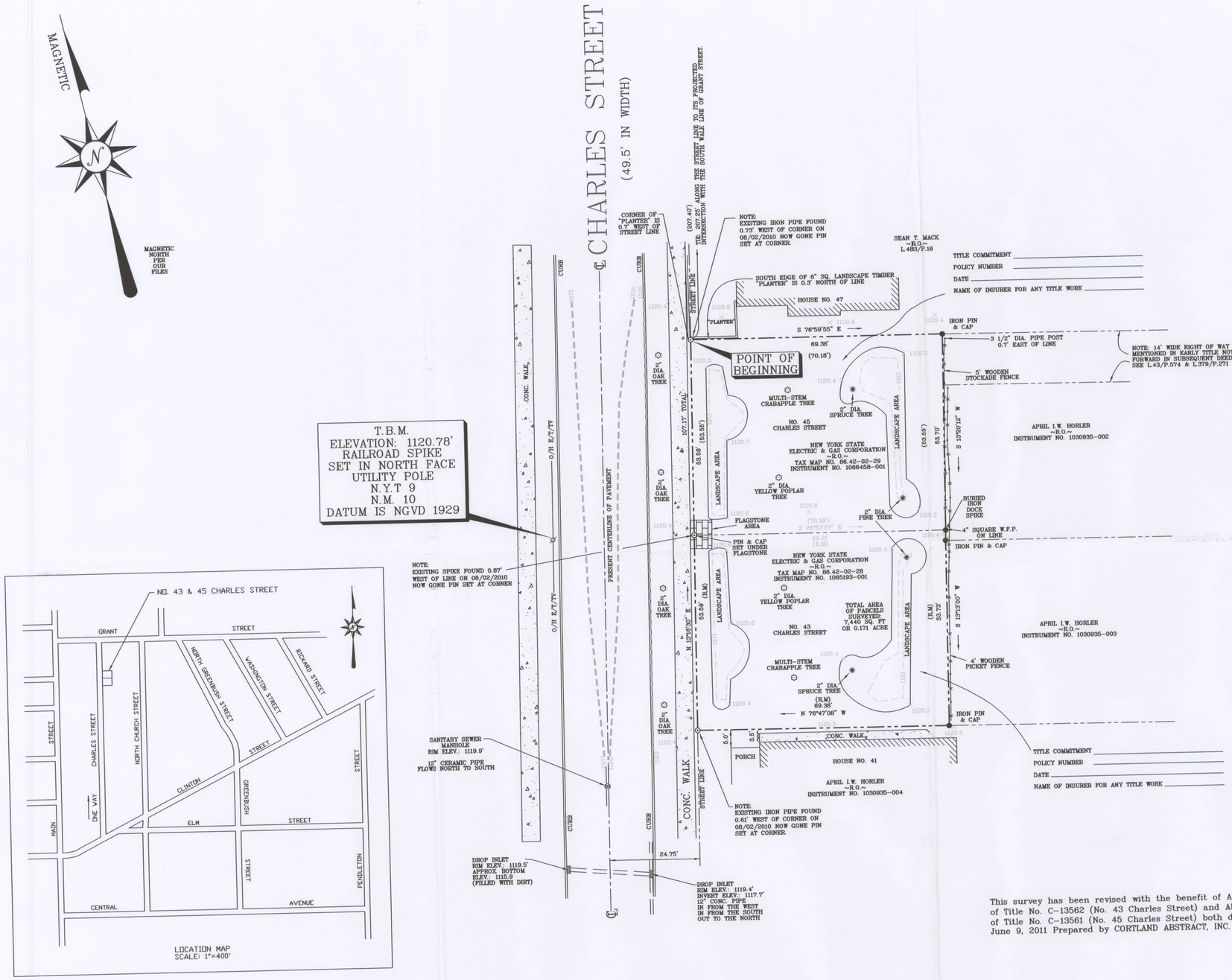
"NO BUILDINGS EXISTING ON THE SURVEYED PROPERTY"

This property is subject to an Environmental Easement held by the New York State Department of Environmental Conservation pursuant to Title 36 of Article 71 of the New York Environmental Conservation Law.

THE ENGINEERING AND INSTITUTIONAL CONTROLS for the Easement are set forth in more detail in the Site Management Plan ("SMP"). A copy of the SMP must be obtained by any party with an interest in the property. The SMP may be obtained from the New York State Department of Environmental Conservation, Division of Environmental Remediation, Site Control Section, 625 Broadway, Albany, N.Y. 12233 or at derweb@gw.dec.state.ny.us.

ENVIRONMENTAL EASEMENT AREA ACCESS

THE DEC OR THEIR AGENT MAY ACCESS THE ENVIRONMENTAL EASEMENT AREA AS SHOWN HEREON THROUGH ANY EXISTING STREET ACCESS OR BUILDING INGRESS/EGRESS ACCESS POINT



This survey has been revised with the benefit of Abstract of Title No. C-13562 (No. 43 Charles Street) and Abstract of Title No. C-13561 (No. 45 Charles Street) both dated June 9, 2011 Prepared by CORTLAND ABSTRACT, INC.

ENVIRONMENTAL EASEMENT AREA DESCRIPTION
LANDS OF
NEW YORK ELECTRIC & GAS CORPORATION

Environmental Easement Area Description Reference Instrument No. 1065193-001 (No. 43 Charles Street) and Instrument No. 1066458-001 (No. 45 Charles Street)

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LEGEND:

- ● EXISTING IRON MONUMENT AS SHOWN
- ⊙ SET 3/4" REBAR AND SURVEY CAP
- ø UTILITY POLE
- R.O. REPUTED OWNER
- (....) RECORD DISTANCE
- (R.M) RECORD DISTANCE, MEASURED DISTANCE
- O/H OVERHEAD UTILITIES
- —x— FENCE
- W.F.P. WOODEN FENCE POST
- 1120.6 × SPOT ELEVATION

NOTES:

1.) ELEVATION DATUM IS NGVD 1929

2.) ALL ELEVATIONS ARE IN FEET.

3.) UNDERGROUND UTILITIES NOT LOCATED BY THIS SURVEY. UNDERGROUND UTILITIES MAY EXIST ON THE SITE. UNDERGROUND UTILITIES MUST BE FIELD MARKED BY OTHERS TO DETERMINE THEIR EXACT LOCATION AND/OR EXISTENCE. (CALL DIG SAFELY 811)

4.) CURRENT USE AND LOCATION OF GAS PIPELINE AND EASEMENT MENTIONED IN L.43/P.574 AND L.43/P.577 NOT LOCATED OR VERIFIED BY THIS SURVEY.

0' 15' 30' 45'
GRAPHIC SCALE
1"=15'

REFERENCE MAPS:

- "SURVEY MAP NO. 43 & 45 CHARLES STREET..." MADE BY REAGAN LAND SURVEYING, DATED 8/20/2010.
- "SURVEY MAP NO. 43 CHARLES STREET..." MADE BY REAGAN LAND SURVEYING, DATED 1/29/2004.
- "MAP SHOWING LANDS OF STELLA J. GIBBONS..." MADE BY MILTON A. GREENE, P.L.S., DATED 2/18/1998.

DWG FILE 20111748

REAGAN LAND SURVEYING
P.O. Box 1124
Dryden, New York 13053
Phone/Fax (607) 844-8837

NOTE: Any revisions to this map must comply with section 7209, Subdivision 2 of the New York State Education Law. All certifications hereon are valid for this map and copies thereof only if said map or copies bear the embossed seal of the licensed land surveyor whose signature appears hereon. This map is not valid when used in conjunction with a "Survey Affidavit" or "Certificate of No-Change".

Date Surveyed: 8/2011	Drawn By: A. P.	Scale: 1"=15'	Job No.: 11-174

I hereby certify to : NEW YORK STATE ELECTRIC & GAS CORPORATION; THE PEOPLE OF THE STATE OF NEW YORK ACTING THROUGH ITS COMMISSIONER OF THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION; STEWART TITLE INSURANCE COMPANY,

This is to certify that this map or plat and the survey of which it is based were made in accordance with the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items---------- of Table A thereof. the field work was completed on August 2, 2011.

Signed: Michael J. Reagan Dated: AUG. 2, 2011

PROFESSIONAL LAND SURVEYOR MICHAEL J. REAGAN NO. 049802 STATE OF NEW YORK

"Copyright 2011: All Rights Reserved, Reagan Land Surveying"