

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

**THIS INDENTURE** made this 28<sup>th</sup> day of May, 2013, between Owner(s) Kaplan Scrap Yard, Inc., having an office at 104 East Woodlawn Avenue, Elmira, County of Chemung, 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 104 East Woodlawn Avenue in the City of Elmira, County of Chemung and State of New York, known and designated on the tax map of the County Clerk of Chemung as tax map parcel numbers: Section 079.18 Block 4 Lot 23, being part of [redacted] that property conveyed to Grantor by deed dated August 1, 1995 and recorded on September 29, 1995 [redacted] in the Chemung County Clerk's Office in Instrument No. Fiche 526, Page 41, comprising approximately 1.664 +/- acres, and hereinafter more fully described in the Land Title Survey dated October 10, 2012 and revised December 12, 2012, prepared by Twin Tiers Land Surveyors, which will be attached to the Site Management Plan. The property description (the "Controlled Property") 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, 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:

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

(5) 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;

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

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

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

(9) Access to the site must be provided to agents, employees or other representatives of the State of New York with reasonable prior notice to the property owner to assure compliance with the restrictions identified by this Environmental Easement.

B. The Controlled Property shall not be used for Residential, Restricted Residential or Commercial purposes as defined in 6NYCRR 375-1.8(g)(2)(i), (ii) and (iii), 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 annually, or such time as NYSDEC may allow, submit to NYSDEC a written statement certifying under penalty of perjury, in such form and manner as the Department may require, that:

(1) 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 by 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;
- (2) the owner will continue to allow access to such real property;
  - (3) nothing has occurred that would constitute a violation or failure to comply with any site management plan for such controls; and
  - (4) 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.

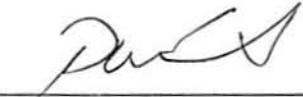
B. If any person violates this Environmental Easement, the Grantee may revoke the Certificate of Completion with respect to the Controlled Property.

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.





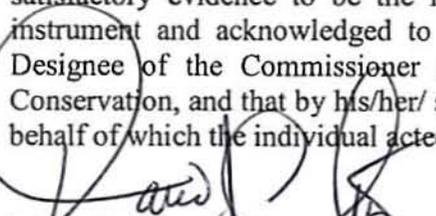
**THIS ENVIRONMENTAL EASEMENT IS HEREBY ACCEPTED BY THE PEOPLE OF THE STATE OF NEW YORK**, Acting By and Through the Department of Environmental Conservation as Designee of the Commissioner,

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

**Grantee's Acknowledgment**

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

On the 28<sup>th</sup> day of May, 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

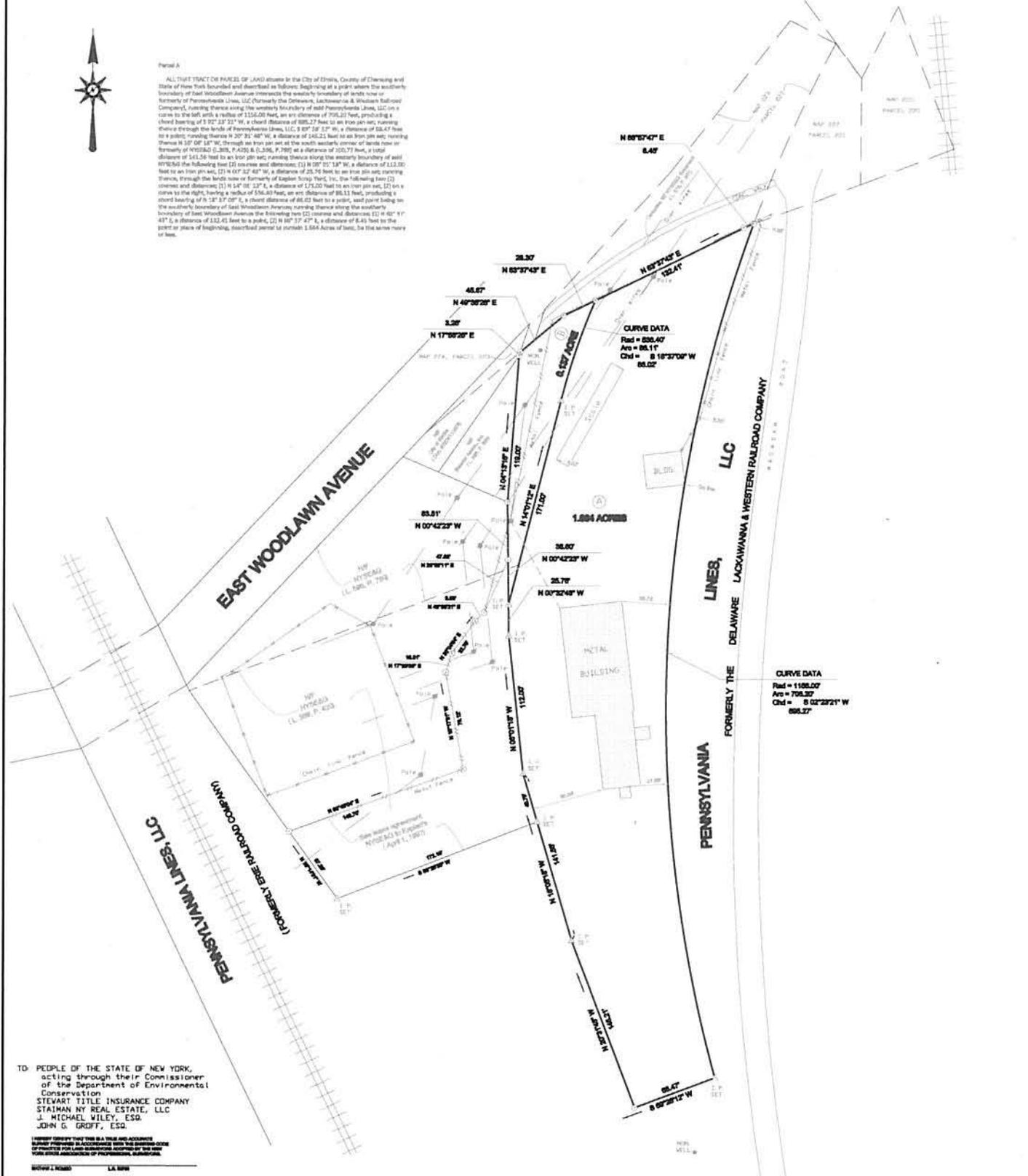
### SCHEDULE "A" PROPERTY DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND situate in the City of Elmira, County of Chemung and State of New York bounded and described as follows: Beginning at a point on the southerly boundary of East Woodlawn Avenue intersects the westerly boundary of lands now or formerly of Pennsylvania Lines, LLC (formerly Delaware, Lackawanna & Western Railroad Company), running thence along the westerly boundary of said Pennsylvania Lines, LLC on a curve to the left with a radius of 1156.00 feet, an arc distance of 706.20 feet, producing a chord bearing of S 02° 23' 21" W, a chord distance of 695.27 feet to an iron pin set; running thence through the lands of Pennsylvania Lines, LLC, S 69° 28' 12" W, a distance of 68.47 feet to a point; running thence N 20° 31' 48" W, a distance of 145.21 feet to an iron pin set; running thence N 16° 06' 18" W, through an iron pin set at the south easterly corner of lands now or formerly of NYSE&G (L.369, P.429) & (L.596, P.789) at a distance of 100.77 feet, a total distance of 141.56 feet to an iron pin set; running thence along the easterly boundary of said NYSE&G the following two (2) courses and distances; (1) N 06° 01' 18" W, a distance of 112.00 feet to an iron pin set, (2) N 00° 32' 48" W, a distance of 25.76 feet to an iron pin set; running thence, through the lands now or formerly of Kaplan Scrap Yard, Inc. the following two (2) courses and distances; (1) N 14° 01' 12" E, a distance of 171.00 feet to an iron pin set, (2) on a curve to the right, having a radius of 536.40 feet, an arc distance of 86.11 feet, producing a chord bearing of N 18° 37' 09" E, a chord distance of 86.02 feet to a point, said point being on the southerly boundary of East Woodlawn Avenue; running thence along the southerly boundary of East Woodlawn Avenue the following two (2) courses and distances; (1) N 63° 37' 43" E, a distance of 132.41 feet to a point, (2) N 66° 57' 47" E, a distance of 8.45 feet to the point or place of beginning, described parcel to contain 1.664 Acres of land, be the same more or less.



Parcel A

ALL THAT TRACT OR PARCEL OF LAND situated in the City of Elmira, County of Chemung and State of New York bounded and described as follows: Beginning at a point where the westerly boundary of East Woodlawn Avenue intersects the westerly boundary of lands now or formerly of Pennsylvania Lines, LLC (formerly the Delaware, Lackawanna & Western Railroad Company), running thence along the westerly boundary of said Pennsylvania Lines, LLC on a curve to the left with a radius of 1156.00 feet, an arc distance of 705.20 feet, producing a chord bearing of  $S 22^{\circ} 23' 21'' W$ , a chord distance of 698.22 feet to an iron pin set, running thence through the lands of Pennsylvania Lines, LLC,  $S 82^{\circ} 28' 22'' E$ , a distance of 28.47 feet to a point; running thence  $N 20^{\circ} 21' 40'' W$ , a distance of 145.21 feet to an iron pin set; running thence  $S 27^{\circ} 06' 14'' W$ , through an iron pin set at the south westerly corner of lands now or formerly of NYSEG (L-309, P-429) & (L-350, P-795) at a distance of 202.77 feet, a total distance of 141.28 feet to an iron pin set; running thence along the westerly boundary of said NYSEG the following feet (1) course and distance: (1)  $N 02^{\circ} 02' 14'' W$ , a distance of 112.00 feet to an iron pin set, (2)  $N 07^{\circ} 37' 48'' W$ , a distance of 25.76 feet to an iron pin set; running thence, through the lands now or formerly of Empire State, Inc. the following feet (1) course and distance: (1)  $N 14^{\circ} 01' 23'' E$ , a distance of 173.00 feet to an iron pin set, (2) on a curve to the right, having a radius of 576.60 feet, an arc distance of 85.11 feet, producing a chord bearing of  $S 12^{\circ} 12' 05'' E$ , a chord distance of 85.02 feet to a point, said point being on the westerly boundary of East Woodlawn Avenue; running thence along the westerly boundary of East Woodlawn Avenue the following feet (1) course and distance: (1)  $N 02^{\circ} 02' 14'' W$ , a distance of 112.41 feet to a point, (2)  $N 07^{\circ} 37' 47'' E$ , a distance of 6.43 feet to the point or place of beginning, described parcel to contain 1.684 Acres of land, be the same more or less.



TO: PEOPLE OF THE STATE OF NEW YORK,  
acting through their Commissioner  
of the Department of Environmental  
Conservation  
STEWART TITLE INSURANCE COMPANY  
STAIMAN NY REAL ESTATE, LLC  
J. MICHAEL WILEY, ESQ.  
JOHN G. GRIFF, ESQ.

I HEREBY CERTIFY THAT THIS IS A TRUE AND ACCURATE  
SURVEY PREPARED IN ACCORDANCE WITH THE STATUTES  
OF THIS STATE FOR LAND SURVEYING, APPROVED BY THE NEW  
YORK STATE ASSOCIATION OF PROFESSIONAL SURVEYORS.

BOYD J. ROSS      L.A. 8298

DATE OCT. 16, 2012		REVISION	
DSDO REF. File# 88-0414		DCL MAP REF. 7L 10-4-03	
JOB NO. 1368		SHEET 1' = 82'	
<b>MAP OF LANDS OF</b> <b>KAPLAN SCRAP YARD, INC.</b> LOCATED AT <b>104 EAST WOODLAWN AVENUE</b> <b>CITY OF ELMIRA      CHEMUNG COUNTY</b> <b>NEW YORK</b> <b>TWIN TERS LAND SURVEYING</b> 118 SOUTH MAIN STREET    FORTHOVALE, NEW YORK			

- Notes:
1. Maps 222, 223 & 224, shown hereon, refer to highway appropriations for the City of Elmira, North-South Arterial Washington Avenue to Thurston Street.
  2. Parcel B, shown hereon, being a portion of the former Chemung Canal, not included in conveyances to any adjoining land.