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

THIS INDENTURE made this 30 day of December 2008, between Owner(s) Garlock Sealing Technologies LLC (Fee Interest), having an office at 1666 Division Street, Palmyra, New York 14522 (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 of ensuring the potential 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 1666 Division Street in the Town of Palmyra, County of Wayne, New York, known and designated on the tax map of the County Clerk of Wayne as tax map parcel: Section 64.111 Block 00 Lot 839,937 being the same as that property conveyed to Grantor by deeds on June 29, 1912, recorded in Liber 226, page 299; April 19, 1918, recorded in Liber 246, page 428; July 19, 1929, recorded in Liber 288, page 251; April 22, 1936, recorded in Liber 313, page 435; August 26, 1960, recorded in Liber 485, page 576 and Leaseback recorded February 28, 2006 in Document No. R 9069041 in the Land Records of the Wayne County Clerk, comprised of approximately 8.74 acres, and hereinafter more fully described in Schedule "A" property description and Survey dated November 11, 2008, by Labella Associates, P.C. attached hereto and made a part hereof (the "Controlled Property"); and

WHEREAS, the Commissioner does hereby acknowledge that the Department accepts this Environmental Easement in order to ensure the protection of human health and the environment and to achieve the requirements for remediation established at this 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 covenants and mutual promises contained herein and the terms and conditions of Brownfield Site Cleanup Agreement Index Number B8-0690-05-04A, Grantor grants, conveys and releases to Grantee a permanent Environmental Easement pursuant to Article 71, Title 36 of the ECL in, on, over, under, and upon the Controlled Property as more fully described herein ("Environmental Easement").

[Signature]
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 potential restriction of future uses of the land that are inconsistent with the above-stated purpose.

2. **Institutional and Engineering Controls.** The following controls 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. The Controlled Property may be used for industrial use, identified future uses in accordance with 6 NYCRR Part 375-1.8 (g)(2)(iv), as long as the following long-term engineering controls are employed:

      - The Site Management Plan (SMP), dated December 2008, must be implemented for the Controlled Property;
      - Engineering Controls will be installed and/or maintained to prevent contact with site subsurface soils. The existing soil and crushed stone surfaces (minimum one foot thick), asphalt-paved surfaces, concrete-paved surfaces, and buildings act as a cover system at the Controlled Property. Disturbances and incidental damage to this cover system shall be repaired upon discovery with cover materials approved by the NYSDEC and the New York State Department of Health (NYSDOH);
      - All new site buildings will have soil vapor mitigation systems installed, or have Soil Vapor Intrusion (SVI) investigations performed as per NYSDOH guidance;
      - All existing buildings that will remain on site will have soil vapor mitigation systems installed, or have SVI investigations performed as per NYSDOH guidance. However, existing site buildings that will be unoccupied by December 2010 may have quarterly indoor air monitoring in lieu of mitigation systems or SVI investigations;
      - Future groundwater use is prohibited without treatment and written approval from NYSDEC and the NYSDOH;
      - Soils at the Controlled Property shall be managed in accordance with the SMP. The SMP includes requirements for the characterization, handling, and disposal/re-use of media (e.g. soil, excavation dewatering) and requirements for soils imported to the site;
      - The Grantor and its successors and assigns must provide all persons who acquire any interest in the Controlled Property a true and complete copy of the Site Management Plan, dated December 2008, and all Department-approved amendments to the Site Management Plan;

The Grantor hereby acknowledges receipt of a copy of the NYSDEC-approved Site Management Plan, dated December, 2008 ("SMP"). 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 on the Controlled Property, 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. Upon notice of not less than thirty (30) days the Department in exercise of its discretion and consistent with applicable law may revise the SMP. The notice shall be a final agency determination. 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:

Regional Remediation Engineer: or Site Control Section
Region 8 Division of Environmental Remediation
B. The Controlled Property may not be used for a higher level of use such as residential, unrestricted residential or commercial use and the above-stated engineering controls may not be discontinued without an amendment or extinguishment of this Environmental Easement.

C. Grantor covenants and agrees that until such time as the Environmental Easement is extinguished in accordance with the requirements of 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 of Title 36 to Article 71 of the Environmental Conservation Law.

D. 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.

E. Grantor covenants and agrees that it shall annually, or such time as NYSDEC may allow, submit to NYSDEC a written statement by an expert the NYSDEC may find acceptable certifying under penalty of perjury that the controls employed at the Controlled Property are unchanged from the previous certification or that any changes to the controls employed at the Controlled Property were approved by the NYSDEC, and that nothing has occurred that would impair the ability of such control to protect the public health and environment or constitute a violation or failure to comply with any Soil Management Plan for such controls and giving access to such Controlled Property to evaluate continued maintenance of such controls.

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 Controlled Property, including:

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

2. The right to give, sell, assign, or otherwise transfer the underlying fee interest to the Controlled Property by operation of law, by deed, or by indenture, 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 intentionally violates this Environmental Easement, the Grantee may revoke the Certificate of Completion provided under ECL Article 27, Title 14, or Article 56, Title 5 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. Grantor shall then have a reasonable amount of time from receipt of such notice to cure. At the expiration of said second period, Grantee may commence any proceedings and take any other appropriate action reasonably necessary to remedy any breach of this Environmental Easement in accordance with applicable law to require compliance with the terms of this Environmental Easement.

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 its enforcement rights in the event of a subsequent breach of or noncompliance with any of the terms of this Environmental Easement.

6. Notice. Whenever notice to the State (other than the annual certification) or approval from the State 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 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:

If for Grantee: Site No. C859027
   Environmental Easement Attorney
   Office of General Counsel
   NYSDEC
   625 Broadway
   Albany New York 12233-5500

If for Grantor to: Attn: Christopher Rockwell
   Environmental Services Manager
   Garlock Sealing Technologies, LLC
   1666 Division Street
   Palmyra, New York 14522

Such correspondence shall be delivered by hand, or 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. This Environmental Easement may be amended only by an amendment executed by the Commissioner of the New York State Department of Environmental Conservation 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 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.

**Grantor's Name:** Garlock Sealing Technologies LLC

By: [Signature]

Paul Baditti - President

Title: President
Date: 12.14.08

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

by: [Signature]

Alexander B. Grannis, Commissioner
Grantor's Acknowledgment

STATE OF NEW YORK  
COUNTY OF Monroe  

On the 14th day of December, in the year 2008, before me, the undersigned, personally appeared Paul R. Krock, 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.

Julie E. Frank  
Notary Public - State of New York

Grantee's Acknowledgment

STATE OF NEW YORK  
COUNTY OF Albany  

On the 29th day of December, in the year 2008, before me, the undersigned, personally appeared Alexander B. Grannis, 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 as Commissioner of the State of New York Department of Environmental Conservation, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

CindyLou M. Frinks-Dixon  
Notary Public - State of New York

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ENVIRONMENTAL EASEMENT
CONTROLLED PROPERTY DESCRIPTION

Address: 1666 Division Street, Town of Palmyra, NY 14522.
Tax Id No: 064.111-00-839.937

Gylon Building Parcel Boundary Description

Beginning at a point in a northerly boundary line of tax account number 064.111-00-821.867, said point being a southeast property corner of Klozure Building Lot 1 as shown on a map entitled “Klozure Building Lot Creation” by Labella Associates, P.C. dated August 14, 2006

1) thence N 11°29'58" E, along an easterly boundary line of said Lot 1 a distance of 367.98 feet to an angle point
2) thence N 78°30'02" W, along a northerly boundary line of said Lot 1 a distance of 13.42 feet to a point
3) thence N 11°16'07" E, through the lands of tax account number 064.111-00-839.937 a distance of 247.13 feet to a point
4) thence N 52°09'40" E, continuing through the lands of tax account number 064.111-00-839.937 a distance of 134.45 feet to a point
5) thence N 11°20'28" E, continuing through the lands of tax account number 064.111-00-839.937 a distance of 42.50 feet to a point
6) thence S 68°59'04" E, continuing through the lands of tax account number 064.111-00-839.937 a distance of 60.71 feet to a point
7) thence S 76°30'58" E continuing through the lands of tax account number 064.111-00-839.937 a distance of 115.17 feet to a point
8) thence S 37°40'59" E, continuing through the lands of tax account number 064.111-00-839.937 a distance of 49.52 feet to a point
9) thence S 56°49'31" E, continuing through the lands of tax account number 064.111-00-839.937 a distance of 70.06 feet to a point
10) thence S 10°08'51" W, continuing through the lands of tax account number 064.111-00-839.937 a distance of 176.82 feet to a point, said point being the northwest corner of an existing building
11) thence N 88°04'56" E, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 72.23 feet to an angle point
11A) thence N 1°34'45" W, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 8.94 feet to an angle point
11B) thence N 87°57'57" E, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 13.49 feet to an angle point
11C) thence N 1°34'32" W, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 3.86 feet to an angle point
11D) thence N 87°27'09" E, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 14.54 feet to an angle point
11E) thence S 2°32'51" E, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 13.00 feet to an angle point
11F) thence N 87°27'09" E, continuing through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 16.30 feet to an angle point
12) thence N 2°32'51" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 9.00 feet to an angle point
13) thence N 88°31'54" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 46.23 feet to an angle point
14) thence S 1°06'16" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 21.22 feet to an angle point
15) thence S 88°12'39" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 19.15 feet to an angle point
16) thence S 1°47'21" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 3.00 feet to an angle point
17) thence S 1°33'36" E, through the lands of tax account number 064.111-00-839.937
continuing along the outer wall of said building a distance of 38.91 feet to an angle point 18) thence N 88°03'13" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 43.88 feet to an angle point 19) thence N 11°38'31" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 5.20 feet to an angle point 20) thence S 78°20'12" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 38.38 feet to an angle point 21) thence N 12°36'40" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 15.41 feet to an angle point 22) thence S 77°43'02" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 30.09 feet to an angle point 23) thence S 11°55'21" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 16.20 feet to an angle point 24) thence S 78°12'13" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 34.90 feet to an angle point 25) thence N 11°59'33" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 38.38 feet to an angle point 26) thence S 78°23'40" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 36.94 feet to an angle point 27) thence S 12°17'10" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 30.45 feet to a point 28) thence S 88°45'01" W, through the lands of tax account number 064.111-00-839.937 through said building along a partition wall a distance of 13.34 feet to a point in a partition wall 29) thence S 12°16'51" W, through the lands of tax account number 064.111-00-839.937 continuing through said building along a partition wall a distance of 38.40 feet to an angle point 30) thence S 77°49'47" E, through the lands of tax account number 064.111-00-839.937 continuing through said building along a partition wall and the extension of said partition wall a distance of 116.93 feet to a point in a partition wall 31) thence S 1°14'57" W, through the lands of tax account number 064.111-00-839.937 continuing through said building along a partition wall a distance of 137.32 feet to a point in the outer wall of said building 32) thence N 78°35'05" W, through the lands of tax account number 064.111-00-839.937 along the outer wall of said building a distance of 2.10 feet to an angle point 33) thence N 11°20'52" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 0.80 feet to an angle point 34) thence N 78°14'43" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 247.03 feet to an angle point 35) thence S 0°55'42" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 10.54 feet to an angle point 36) thence S 88°03'02" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 7.19 feet to an angle point 37) thence S 1°40'11" E, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 18.19 feet to an angle point 38) thence S 88°52'58" W, through the lands of tax account number 064.111-00-839.937 continuing along the outer wall of said building a distance of 69.69 feet to a point 39) thence S 11°10'24" W, continuing through the lands of tax account number 064.111-00-839.937 a distance of 250.68 feet to a point in a northerly boundary line of tax account number 064.111-00-821.867 40) thence N 78°31'45" W, along said northerly boundary line a distance of 283.50 feet to an angle point 41) thence S 11°28'15" W, continuing along said northerly boundary line a distance of 11.50 feet to an angle point 42) thence N 78°31'45" W, continuing along said northerly boundary line a distance of 193.44 feet to the point of beginning.

THE ABOVE DESCRIBED PARCEL CONTAINS 8.74 ACRES (380,534 SQ. FT.)