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

**THIS INDENTURE** made this 4<sup>th</sup> day of June, 2012, between Owner(s) Greenpac Mill, LLC, having an office at 4400 Royal Avenue, County of Niagara, 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 4400 Royal Avenue in the City of Niagara Falls, County of Niagara and State of New York, known and designated on the tax map of the County Clerk of Niagara as tax map parcel numbers: Section 160.09 Block 1 Lot 3 and 5; Section 700.00 Block: 41 Lot: 2 and part of Section 160.05 Block: 2 Lot 5.1 being the same as that property conveyed to Grantor by deed dated June 24, 2011 and recorded in the Niagara County Clerk's Office in Instrument No. 2011-10836 and by deed dated December 2, 2011 and recorded in the Niagara County Clerk's Office as Instrument No. : 2011-21550. The property subject to this Environmental Easement (the "Controlled Property") comprises approximately 18.52 +/- acres, and hereinafter more fully described in the Land Title Survey dated March 8, 2011 and revised on May 23, 2012, prepared by D.W. Hannig L.S., P.C. Surveyors, Planners, Consultants, 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 human 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 Brownfield Cleanup Agreement Number: C932150-03-10, 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; and

(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)(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 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 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;

(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; and

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.



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.



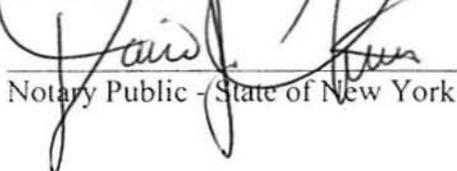
**THIS ENVIRONMENTAL EASEMENT IS HEREBY ACCEPTED BY THE PEOPLE OF THE STATE OF NEW YORK, Acting By and Through the Department of Environmental Conservation as Designee of the Commissioner,**

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

**Grantee's Acknowledgment**

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

On the 4<sup>th</sup> day of JUNE, in the year 2012, before me, the undersigned, personally appeared Robert W. 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"**  
**ENVIRONMENTAL EASEMENT**

ADDRESS: 4400 Royal Avenue, Niagara Falls, New York  
TAX MAP: 160.09-1-3; 160.09-1-5; 700.00-41-2 and P/O 160.05-2-5.1

**LEGAL DESCRIPTION**

DESCRIPTION OF 18.52+- ACRE PARCEL ( DEC ALTA PARCEL), CITY OF NIAGARA FALLS, NIAGARA COUNTY, NEW YORK.

**BEGINNING AT A POINT**, said point being N. 85-56-00 W a distance of 1441.15 feet from the intersection of the northerly line Royal Avenue and the westerly line of 47<sup>th</sup> Street.

**THENCE** North 04 degrees 14 minutes 45 seconds East for a distance of 1158.52 feet to a point;

**THENCE** South 85 degrees 44 minutes 15 seconds East for a distance of 146.58 feet to a point;

**THENCE** South 04 degrees 15 minutes 45 seconds West for a distance of 98.89 feet to a point;

**THENCE** South 85 degrees 44 minutes 43 seconds East for a distance of 199.99 feet to a point;

**THENCE** South 04 degrees 15 minutes 45 seconds West for a distance of 114.92 feet to a point;

**THENCE** South 85 degrees 44 minutes 15 seconds East for a distance of 700.33 feet to a point;

**THENCE** South 04 degrees 33 minutes 19 seconds West for a distance of 240.66 feet to a point;

**THENCE** South 85 degrees 56 minutes 00 seconds East for a distance of 400.00 feet to a point;

**THENCE** South 04 degrees 33 minutes 19 seconds West for a distance of 32.00 feet to a point;

**THENCE** North 85 degrees 56 minutes 00 seconds West for a distance of 460.21 feet to a point;

**THENCE** South 82 degrees 12 minutes 30 seconds West for a distance of 38.35 feet to a point;

**THENCE** along a curve to the left having a radius of 291.67 feet and an arc length of 68.82 feet, being subtended by a chord of South 76 degrees 00 minutes 16 seconds West for a distance of 68.66 feet to a point;

**THENCE** South 04 degrees 14 minutes 45 seconds West for a distance of 344.20 feet to a point;

**THENCE** North 85 degrees 56 minutes 00 seconds West for a distance of 469.80 feet to a point;

**THENCE** South 04 degrees 14 minutes 45 seconds West for a distance of 295.13 feet to a point on the north line of Royal Avenue;

**THENCE** North 85 degrees 56 minutes 00 seconds West for a distance of 412.64 feet along the north line of Royal Avenue **TO THE POINT AND PLACE OF BEGINNING.**

Together with and subject to covenants, easements, and restrictions of record.

Said property contains 18.52+- acres ( 806.859+- sq. ft.) more or less.

J090155 1/26/2012 RMP Rev'd 1/31/2012 Rev'd 2-13-2012 Rev'd 5-17-2012



Greenpac Description

PROJECT DESCRIPTION OF 17.84+/- ACRES PARCEL, CITY OF NIAGARA FALLS, NIAGARA COUNTY, NEW YORK

Beginning at a point, and point being a 80'-00" x 30' a distance of 1441.15 feet from the intersection of the Northern Line of Road Avenue 45th the westerly line of 47th Street;

THENCE North 04 degrees 14 minutes 43 seconds East for a distance of 1138.12 feet to a point;

THENCE South 85 degrees 44 minutes 18 seconds East for a distance of 148.54 feet to a point;

THENCE South 04 degrees 15 minutes 43 seconds West for a distance of 88.89 feet to a point;

THENCE South 85 degrees 44 minutes 43 seconds East for a distance of 114.80 feet to a point;

THENCE North 24 degrees 18 minutes 43 seconds West for a distance of 202.12 feet to a point;

THENCE South 85 degrees 44 minutes 18 seconds East for a distance of 242.84 feet to a point;

THENCE North 85 degrees 58 minutes 33 seconds West for a distance of 242.84 feet to a point;

THENCE South 04 degrees 14 minutes 43 seconds West for a distance of 281.10 feet to a point;

THENCE South 85 degrees 58 minutes 33 seconds East for a distance of 186.75 feet to a point;

THENCE South 04 degrees 14 minutes 43 seconds West for a distance of 1.84 feet to a point;

THENCE South 85 degrees 58 minutes 33 seconds East for a distance of 178.84 feet to a point;

THENCE South 85 degrees 58 minutes 33 seconds West for a distance of 281.10 feet to a point;

THENCE using a curve to the left having a radius of 201.87 feet and an arc length of 48.82 feet, being subtended by a chord of South 19 degrees 03 minutes 18 seconds West for a distance of 48.82 feet to a point;

THENCE South 04 degrees 14 minutes 43 seconds West for a distance of 244.23 feet to a point;

THENCE South 85 degrees 58 minutes 33 seconds West for a distance of 488.82 feet to a point;

THENCE South 04 degrees 14 minutes 43 seconds West for a distance of 229.12 feet to a point on the north line of Road Avenue

THENCE North 85 degrees 58 minutes 33 seconds West for a distance of 612.84 feet along the north line of Road Avenue TO THE POINT AND PLACE OF BEGINNING.

Together with and subject to easements, encumbrances, and restrictions of record.

Said property contains 17.84 acres more or less.

Notes Corresponding to Schedule B Section 8 for Greenpac Base upon Title Commitment No. HSE 10-2479 of Stewart Title Insurance Company having an effective date of June 16, 2011

1 Easements, encumbrances, conditions and agreements contained in deed to Greenpac Parcel recorded in Liber 871 of Deeds in Page 178 and 179, 1930. Refer to map.

2 Easements, encumbrances, conditions and agreements contained in deed to Liberty Clock Corporation recorded in Liber 563 of Deeds in Page 478 as Supplement 4, 1931.

3 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

4 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

5 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

6 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

7 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

8 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

9 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

10 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

11 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

12 Easements, encumbrances, conditions and agreements contained in deed to Kinberly-Cork Corporation recorded in Liber 518 of Deeds in Page 176 as 1929. Refer to map.

Sheet 2 of 2
ALTA/ASCM Land Title Survey
Pt of Lot 47, Mile Reserve
City of Niagara Falls, Niagara Co., N.Y.



March 08, 2011 - ALTA Survey
Rev'd 2/12/2011
Rev'd 6/17/2011



D. W. HANNIG L.S., P.C.
SURVEYORS - PLANNERS - CONSULTANTS
THE MARKET PLACE, BUILDING #1
MANLIUS, NEW YORK 13354
PHONE: (315) 642-5225 FAX: (315) 642-7774

CSX Schedule A Description

ALL THAT TRACT OR PARCELS OF LAND situate in the City of Niagara Falls, County of Niagara State of New York, being part of Lots 47 and 48 of the Mile Reserve, bounded and described as follows: BEGINNING at a nail monument set on the east line of 47th Street, at the southeast corner of lot described under the caption "Parcel B" in the deed from Power Company to the Union Carbide Corporation, December 15, 1928, recorded in Niagara County Clerk's Office in Liber 558 of Deeds of Page 1; thence southerly along the east line of 47th Street, 33 feet more or less to an iron pin set on the northwestern side of the street, as shown on Page 136, thence southerly along the east line of lands conveyed to Power Company by said deed dated January 30, 1928, recorded in Niagara County Clerk's Office in Liber 518 of Deeds of Page 272, thence easterly along the north line of lands as conveyed to the Kinberly-Cork Company and thence southerly along the north line of lands conveyed to the Kinberly-Cork Company, as described under the caption "Parcel A" in the deed dated April 30, 1932, recorded in the Niagara County Clerk's Office in Liber 563 of Deeds of Page 426, a distance of 142.28 feet more or less to the southeast corner of lands conveyed to Power Company to Kinberly-Cork Company, Inc. by deed dated March 21, 1929, recorded in Niagara County Clerk's Office in Liber 457 of Deeds of Page 136, thence northerly along the east line of lands conveyed to Kinberly-Cork Company by said deed dated March 21, 1929, a distance of 22 feet more or less to the southeast corner of lands conveyed to the Union Carbide Company as aforesaid, thence northerly along the south line of lands as conveyed, 145.54 feet more or less to the point of beginning.

EXCEPTING THEREFROM, lands conveyed to Kinberly-Cork Corporation by Deed recorded in Liber 567 of Deeds of Page 1 on 10-24-1946.

Revised CSX Description

PROJECT DESCRIPTION OF THE CSX PARCEL TO BE CONVEYED - SITUATE AT 47th STREET, CITY OF NIAGARA FALLS, NIAGARA COUNTY, NEW YORK

BEGINNING AT A POINT, and point being the southwest corner of the parcel Partnership L, 1952 P. 2 at the west line of 47th Street;

THENCE South 04 degrees 22 minutes 18 seconds West for a distance of 32.80 feet along the west line of 47th Street to a point;

THENCE North 85 degrees 58 minutes 33 seconds West for a distance of 378.83 feet to a point;

THENCE North 04 degrees 14 minutes 43 seconds East for a distance of 2.81 feet to a point;

THENCE North 85 degrees 58 minutes 33 seconds West for a distance of 188.72 feet to a point;

THENCE North 04 degrees 14 minutes 43 seconds East for a distance of 281.10 feet to a point;

THENCE South 85 degrees 58 minutes 33 seconds East for a distance of 145.54 feet to the POINT AND PLACE OF BEGINNING.

Together with and subject to easements, encumbrances, and restrictions of record.

Said property contains 22.434 ac. ft. more or less.

Notes Corresponding to Schedule B Section 8 for CSX Parcel Base upon Title Commitment No. HSE 10-2479 of Stewart Title Insurance Company having an effective date of June 16, 2011

1 Easements in Gull Dam Deed recorded January 8, 1946 in L. 888 P. 189

2 Easement in nature

3 Easement from Consolidated Rail to Niagara Mohawk Power Corporation recorded October 22, 1953 in L. 2475 P. 196. Situated in nature

4 Easement in nature

5 Easement in nature

6 Easement in nature

7 Easement in nature

8 Easement in nature

9 Easement in nature

10 Easement in nature

11 Easement in nature

12 Easement in nature

13 Easement in nature

14 Easement in nature

15 Easement in nature

16 Easement in nature

17 Easement in nature

18 Easement in nature

19 Easement in nature

20 Easement in nature

21 Easement in nature

22 Easement in nature

23 Easement in nature

24 Easement in nature

25 Easement in nature

26 Easement in nature

27 Easement in nature

28 Easement in nature

29 Easement in nature

30 Easement in nature

31 Easement in nature

32 Easement in nature

33 Easement in nature

34 Easement in nature

35 Easement in nature

36 Easement in nature

37 Easement in nature

38 Easement in nature

39 Easement in nature

40 Easement in nature

41 Easement in nature

42 Easement in nature

43 Easement in nature

44 Easement in nature

45 Easement in nature