

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

THIS INDENTURE made this 31st day of October, 2013, between Owner(s) Town of Amsterdam, having an office at 283 Manny's Corners Road, Amsterdam, New York, 12010 (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 188 Pioneer Street in the Town of Amsterdam, County of Montgomery and State of New York, known and designated on the tax map of the County Clerk of Montgomery as tax map parcel numbers: Section 40.06 Block 1 Lot 8.1, being the same as that property conveyed to Grantor by deed dated December 27, 2007 and recorded in the Montgomery County Clerk's Office on February 8, 2008 in Book 1631 of Deeds at page 192. The property subject to this Environmental Easement (the "Controlled Property") comprises approximately 1.296 +/- acres, and is hereinafter more fully described in the Land Title Survey dated November 2009 and updated April 2013 prepared by Matson Land Surveying, PLLC, 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 State Assistance Contract Number: C303791, 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 Montgomery 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;

(10) 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 purposes as defined in 6NYCRR 375-1.8(g)(2)(i), 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;

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

[2/12]

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: E429013
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 [2/12]

SCHEDULE "A" PROPERTY DESCRIPTION

Property Address: 188 Pioneer Street, Amsterdam, NY 12010

Tax Map: 40.6-1-8.1

Beginning at a capped iron pin set on the southerly boundary line of a city road named Pioneer Street at the division line between lands of The People of New York State (reputed Owner) on the east and lands now or formerly of William J. Stanley and Karen M. Stanley (reputed owner) on the west; Thence from said Point of Beginning along the southerly boundary line of Pioneer Street and the herein described parcel of the southeast the following two (2) courses;

1. North 35° 16' 41" East a distance of 158.47 feet to a PKnail set in pavement;
2. North 56° 32' 41" East a distance of 190.05 feet to a capped iron pin set on the division line between lands now or formerly of Ronald LaMori and Sophie LaMori on the east and the herein described parcel on the south; thence the following three (3) courses are along the last mentioned division line:
 1. North 85° 01' 41" East a distance of 106.80 feet to a capped iron pin set;
 2. South 15° 30' 19" East a distance of 48.00 feet to a capped iron pin set;
 3. South 22° 13' 48" West a distance of 48.49 feet to a capped iron pin set on the division line between lands now or formerly of Sergio Delavega (reputed owner) on the south and the herein described parcel on the northwest;
Thence the following three (3) courses are along the last mentioned division line:
 1. South 56° 07' 41" West a distance of 89.00 feet to a point;
 2. South 34° 27' 19" West a distance of 18.03 feet to a point;
 3. South 49° 02' 41" West a distance of 290.11 feet to a capped iron pin set on the division line between lands now or formerly of William J. Stanley and Karen M. Stanley (reputed owner) on the northwest and the herein described parcel on the northeast;
Thence along the last mentioned division line North 33° 52' 19" West a distance of 123.06 feet to the point and place of beginning. Containing 56,460± square feet (or 1.296± acres) of land, more or less.
Bearings refer to deed Instrument No. 2008 Page 00025134.

Being and intending to describe the same parcel conveyed to the Town of Amsterdam from Ricardo Baez by deed dated December 27, 2007 and recorded on February 8, 2008 in Book 1631 at Page 192 at the Montgomery County Clerk's Office.

County: Montgomery

Site No: E429013

SAC Index: C303791

SURVEY

LEGEND:

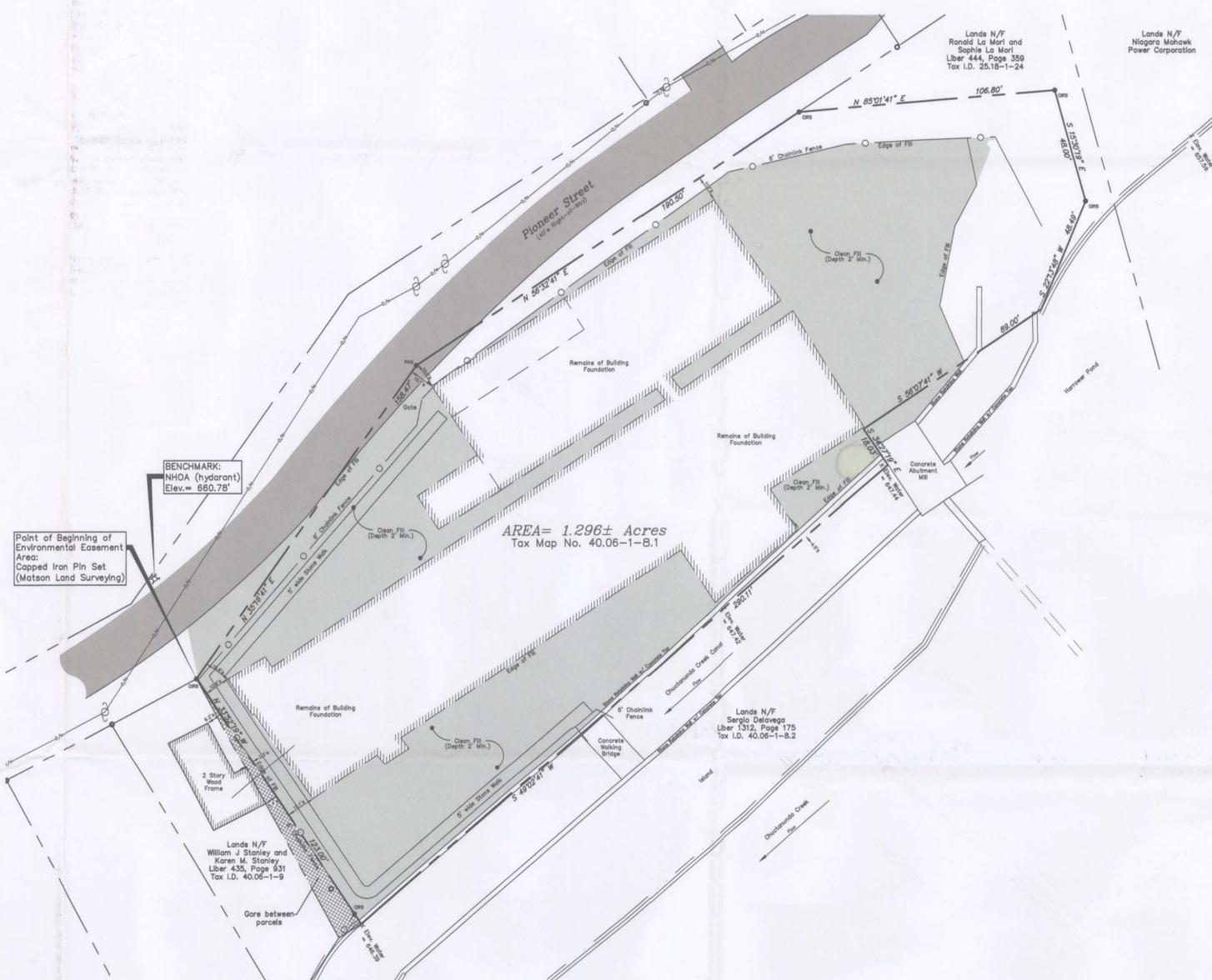
- IPF ○ Iron Pipe Found
- CIRS ● Capped Iron Rod Set
- WUP ○ Wood Utility Pole
- W/F Wood Frame
- N/F Now or Formerly

MAP REFERENCES:

1. Map entitled "L.E. Harrower Est. Town of Amsterdam Montgomery Co. N.Y. 1936" prepared by J.E. Carroll and traced by J.J. Ochal P.L.S. and filed in the Montgomery County Clerk's Office December 7, 1982.
2. Map entitled "L.E. Harrower Est. Town of Amsterdam Montgomery Co. N.Y. 1936" prepared by J.E. Carroll and filed in the Montgomery County Clerk's Office on June 11, 1936.
3. Map entitled "Map of Lands of Frank Kraft (423-D116)" prepared by Richard A. Papa P.L.S. June 23, 1953, last revised on September 16, 1953 and filed in the Montgomery County Clerk's Office in Liber 444, Page 362.
4. Map entitled "Survey of Portion of Lands of Niagara-Mohawk Power Corporation to be conveyed to Frank Kraft" prepared by Richard A. Papa P.L.S. on February 21, 1984 and filed in the Montgomery County Clerk's Office in Liber 444, Page 361.

DEED REFERENCE:

1. Instrument No. 2008-00025134 Ricardo Baez to the Town of Amsterdam deed recorded February 6, 2008 in the Montgomery County Clerk's Office.



ENVIRONMENTAL EASEMENT DESCRIPTION (NYSDEC Site ID No. E429013)

Beginning at a capped iron pin set on the southerly boundary line of a city road named Pioneer Street at the division line between lands of The People of New York State (reputed owner) on the east and lands now or formerly of William J. Stanley and Karen M. Stanley (reputed owner) on the west; Thence from said Point of Beginning along the southerly boundary line of Pioneer Street and the herein described parcel on the southeast the following two (2) courses;

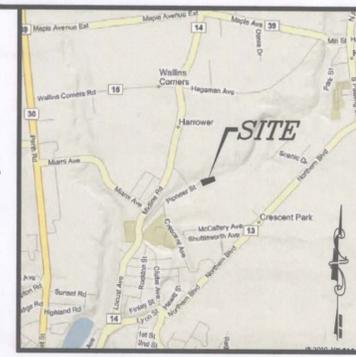
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3. South 49° 02' 41" West a distance of 290.11 feet to a capped iron pin set on the division line between lands now or formerly of William J. Stanley and Karen M. Stanley (reputed owner) on the northwest and the herein described parcel on the northeast; thence along the last mentioned division line North 33° 52' 19" West a distance of 123.05 feet to the point and place of beginning, containing 56,465± square feet (or 1.296± acres) of land, more or less. Bearings refer to deed Instrument No. 2008 Page 00025134.

Being and intending to describe the same parcel conveyed to the Town of Amsterdam from Ricardo Baez by deed dated December 27, 2007 and recorded on February 8, 2008 in Book 1631 at Page 192 at the Montgomery County Clerk's Office.



Location Map Not To Scale

ENGINEERING / INSTITUTIONAL CONTROLS

- ALL ENGINEERING CONTROLS - must be operated and maintained as specified in the Site Management Plan ("SMP").
- ALL ENGINEERING CONTROLS on the Controlled Property must be inspected at a frequency and in a manner defined in the SMP.
- Groundwater monitoring and other environmental or public health monitoring must be performed as defined in the SMP.
- The use of groundwater underlying the property is prohibited without the treatment rendering it safe for intended use.
- The potential for vapor intrusion must be elevated for any buildings developed on the Site; and any potential impacts that are identified must be monitored or mitigated.
- Vegetable gardens and farming on the property are prohibited.
- LAND USE - The use and development of the site is limited to Restricted Residential, Commercial and Industrial uses only as defined in 6 NYCRR Part 372-1.8(g)(2)(ii), (iii) & (iv).
- Site Cover System - The existing cover will be maintained to allow for restricted residential use of the site. Any site redevelopment will maintain a site cover, which may consist either of the structures such as buildings, pavement, sidewalks comprising the site development or a soil cover in areas where the upper two (2) feet of exposed surface soil will exceed applicable soil cleanup objectives (SCOs).

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 OR BUILDING INGRESS/EGRESS ACCESS POINT.

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, NY 12233 OR BY SENDING A E-MAIL REQUEST TO DERWEB@DEC.STATE.NY.US



- CERTIFIED TO:
1. THE PEOPLE OF THE STATE OF NEW YORK ACTING THROUGH THEIR COMMISSIONER OF THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION.
 2. TOWN OF AMSTERDAM
 3. STEWART TITILE INSURANCE COMPANY

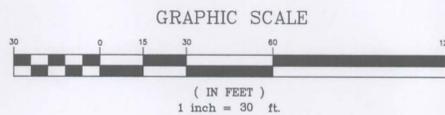
STATE OF NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION
 Division of Environmental Remediation
 MATSON LAND SURVEYING, PLLC - CONSULTANT
 1969 FERNDALE ROAD
 CASTLETON-ON-THE-HUDSON
 (518) 783-0070

MAP SHOWING AN ENVIRONMENTAL EASEMENT PURSUANT TO SECTION 71-3601 OF THE ENVIRONMENTAL CONSERVATION LAW.

BEING THE PIONEER STREET MILL (DEC Site# E429013) LOCATED AT 188 PIONEER STREET, TOWN OF AMSTERDAM, MONTGOMERY COUNTY, NEW YORK.

Field survey completed on: November 2009, updated April 2013

MAP CREATED BY: G. MATSON SHEET NO. 1



Only copies from the original survey marked with an original of the land surveyor's embossed seal and signed in red shall be considered to be valid true copies.

Revised: Added Title information, changed map name 8/13/13 GRM
 Revised: Added Site cover system note to Engineering Control Notes 7/12/13 GRM

Gordon R. Matson, P.L.S.
 New York Lic. No. 50570

NOTES:

1. Survey was prepared from an November 2009 field survey. Updated in April 2013.
2. This survey has been revised with the benefit of the Title Report prepared by Stewart Title Insurance Company, Commitment No. 62-163044 EC, dated April 19, 2013.
3. Survey shown is subject to any subsurface conditions that may exist, if any.
4. Unauthorized alteration or addition to a survey map bearing a licensed land surveyor's seal is a violation of section 7209, subdivision 2, of the New York State Education Law.
5. Only copies from the original of this survey marked with an original of the land surveyor's seal or embosser with a signature in red, shall be considered to be true and valid copies.
6. Certifications indicated or implied hereon signify that this survey was prepared in accordance with the existing code of practice for the land surveys adopted by the New York State Association of Professional Land Surveyors. Said certifications shall run only to the person or persons for whom this survey was prepared, and on his or their behalf to the title company, governmental agency and lending institution listed hereon, and to the assignees of the lending institution. Certifications are not transferrable to additional institutions or subsequent owners.

UNDERGROUND FACILITIES, STRUCTURES AND UTILITIES SHOWN HEREON ARE FROM ACTUAL FIELD LOCATION AND RECORD DATA. THEIR LOCATION SHOULD BE CONSIDERED APPROXIMATE. OTHER UNDERGROUND UTILITIES MAY EXIST. THE SIZE AND TYPE OF ALL UNDERGROUND UTILITIES MUST BE DETERMINED BY THE APPROPRIATE AUTHORITIES PRIOR TO ANY EXCAVATION, SOIL TESTING AND/OR CONSTRUCTION.