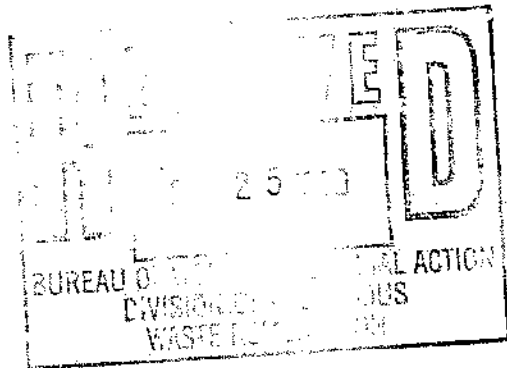


New York State Department of Environmental Conservation
50 Wolf Road, Albany, New York 12233

V/N
PLUS COPY
REASON. ALSO
LET
I OBJECT
KNOW THAT
THIS IS
AN ACTUAL
START FOR
SEPT.

Thomas C. Jorling
Commissioner



September 21, 1990

Mr. Dennis Harkawik, Esq.
LeBoeuf, Lamb, Leiby & MacRae
520 Madison Avenue
New York, NY 10022

RE: Accurate Die Casting - Fayetteville, New York

Dear Mr. Harkawik:

Enclosed with this letter is a copy of the executed Order on Consent. Pursuant to paragraph I of the Order ITT should be preparing to submit the IRM Work Plan to the Department within 60 days.

I am given to understand by the Department technical staff that a report has been prepared on ITT's behalf concerning the conditions at and activities that have been undertaken at the Site. It would be most useful to us in reviewing the IRM Work Plan if the Department had a copy of that Report (I assume it would be a draft) as soon as possible - it may save us all some time and effort on this particular site since much of the work has already taken place.

Thank you for your cooperation.

Sincerely,

Norman Parratt
Norman Parratt
Division of Environmental
Enforcement

See: Chris Allen w/a check. ✓

STATE OF NEW YORK:
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

In the Matter of the
Development and Implementation
of an Interim Remedial Measure
Program, Pursuant to Article 27,
Title 13, of the Environmental
Conservation Law of the State of
New York (the "ECL") by

ORDER
ON
CONSENT

ITT COMMERCIAL FINANCE CORP.

INDEX #A7-0223-90-02
SITE # 7-34-052

Respondent.

1. The New York State Department of Environmental Conservation (the "Department") is responsible for enforcement of Article 27, Title 13 of the Environmental Conservation Law of the State of New York ("ECL"), entitled "Inactive Hazardous Waste Disposal Sites."

2. ITT Commercial Finance Corp. ("Respondent"), formerly known as ITT, Industrial Credit Company, is a corporation organized and existing under the laws of the State of Nevada, and is doing business in the State of New York.

3. Respondent foreclosed on the property (the "Site") at 547 East Genessee Street, Fayetteville, New York on December 20, 1988, but has not yet recorded the deed on the property. At the time of the foreclosure the Site was owned by Mr. George J. Slyman and Theresa A. Slyman and had been operated by the former Accurate Die Casting Corporation and others including Precision Die

Casting Company; F&R Die Casting Co., Inc.; Aurora Corporation of Illinois; and Allied Products Corp.

4. During 1989, Respondent retained Stearns & Wheeler, engineering consultants, to conduct an environmental assessment at the Site.

5. Stearns & Wheeler completed a preliminary environmental assessment in June of 1989 and found among other things:

a. Approximately 100 containers of various sizes of waste, abandoned at the Site, some of which contained hazardous substances; and

b. A trichloroethylene degreaser system inside the Site building that had not been decommissioned.

6. In September 1989, evidence of trichloroethylene contamination of the groundwater at the Site was found by Stearns & Wheeler, of which DEC was notified at that time.

7. The Site has been classified by DEC as an inactive hazardous waste disposal site, as that term is defined at ECL Section 27-1301(2) and it has been listed in the Registry of Inactive Hazardous Waste Disposal Sites in New York State as Site Number 738012. The Department has classified the Site as a Classification "2" pursuant to ECL Section 27-1305(4)(b), having found that the site presents a "significant threat to the public health or environment - action required."

8. Pursuant to ECL Section 27-1313(3)(a), whenever the Commissioner of Environmental Conservation (the "Commissioner") "finds that hazardous wastes

at an inactive hazardous waste disposal site constitute a significant threat to the environment, he may order the owner of such site and/or any person responsible for the disposal of hazardous wastes at such site (i) to develop an inactive hazardous waste disposal site remedial program, subject to the approval of the Department, at such site, and (ii) to implement such program within reasonable time limits specified in the order."

9. The Department and Respondent agree that the goals of this Order shall be the expeditious development and implementation of an Interim Remedial Measure Program ("IRM Program") for the Site, which program shall address: (1) the testing, identification, removal and disposal of the approximately 100 containers of potentially hazardous waste abandoned and left at the Site; (2) the decommissioning of the trichloroethylene degreaser system and the removal and disposal of all waste generated during the decommissioning process; and (3) the withdrawal pumping (to the extent practicable), removal and disposal of the free product pool of trichloroethylene beneath the groundwater in the vicinity of monitoring well No. 3 (ss) at the Site.

10. Respondent, having waived its right to a hearing herein as provided by law, except as specifically provided under this Order, and having consented to the issuance and entry of this Order without any admission or denial of liability, and reserving the right to deny that it is an owner or person responsible under ECL §27-1313(3)(a), agrees to be bound by its terms.

NOW, having considered this matter and being duly advised, IT IS ORDERED THAT:

I. Within 60 days after the effective date of this Order, Respondent shall submit to the Department an IRM Work Plan ("IRM Work Plan").

The Work Plan shall include the following:

a. A report summarizing all field and analytical data previously generated which is relevant to the undertaking of the IRM Program;

b. A detailed description of the means by which each essential element of the IRM Program will be or has been performed;

c. A time schedule for all IRM Program activities, including construction, and provisions for periodic work-in-progress reports during the IRM Program;

d. The parameters, conditions, procedures and protocols to determine the effectiveness of the IRM Program, including, if appropriate, a schedule for periodic sampling of groundwater monitoring wells on-Site and off-Site;

e. A health and safety plan for the protection of persons at and in the vicinity of the Site during implementation of the IRM Work Plan. The plan shall be prepared in accordance with 29 C.F.R. Section 1910 by a qualified safety professional;

II. The IRM Work Plan shall be consistent with the National Contingency Plan ("NCP") and shall fully comply with all applicable Federal, State and local

laws, regulations, standards and/or requirements.

III. All analytical testing shall be performed by a laboratory which is determined to be technically acceptable to the Department. All analytical sampling and testing shall be performed by persons who are properly qualified by training and experience. All analytical and sampling programs shall receive the prior review and approval of the Department's Project Engineer or Geologist and the Department's Quality Assurance/Quality Control (QA/QC) Officer.

IV. The Department reserves the right to require Respondent, subject to the provisions set forth in Paragraph XXII, to generate additional data with respect to the Site if the Department determines, as a result of reviewing data previously generated or as a result of reviewing any other data or facts, that further investigation is necessary before the IRM Work Plan can be approved by the Department.

V. Within 60 days after receipt of the IRM Work Plan, the Department shall notify Respondent in writing of its approval or disapproval of the IRM Work Plan. If the Department approves the IRM Work Plan, the Respondent shall implement the IRM Program in accordance with it.

If the Department disapproves the IRM Work Plan, the Department shall notify Respondent in writing of the Department's objections. Within 30 days after receipt of notice of disapproval, Respondent shall revise the IRM Work Plan in accordance with the Department's specific comments and submit a revised IRM

Work Plan.

Within 30 days after receipt of the revised IRM Work Plan, the Department shall notify Respondent in writing of its approval or disapproval of the revised IRM Work Plan. If the Department approves the revised IRM Work Plan, Respondent shall timely implement the IRM Program in accordance with it.

If the Department disapproves the revised Work Plan, it shall so notify the Respondent in writing, and shall state the reasons therefor. If within the following 15 days, the parties cannot resolve their differences, either party may request that the dispute be settled in accordance with the dispute resolution procedures set forth in Paragraph XXII of this Order.

The approved IRM Work Plan shall be attached as Appendix "A" and incorporated into this Order, and shall be deemed to be consistent with the NCP.

VI. Respondent shall complete the IRM Program in accordance with the approved IRM Work Plan. Respondent must obtain prior written approval from the Department prior to deviating from the approved IRM Work Plan in any way. During construction, Respondent shall have on-Site a full time representative who is qualified by training and experience to inspect the work and is authorized by Respondent to do so.

Within 90 days after completion of the IRM Program, Respondent shall submit a final engineering report and a certification that the construction was completed in accordance with the approved IRM Work Plan and any deviations

that have been approved in writing, both by an engineer licensed to practice by the State of New York.

VII. Within 60 days after receipt of the final engineering report and certification, the Department shall notify Respondent in writing whether it is satisfied with the quality and completeness of the IRM Program as being protective of human health and the environment, and approval shall be deemed to indicate that the program is consistent with the NCP.

VIII. Within 300 days after the effective date of this Order, or 30 days after receipt of an invoice from the Department, whichever is later, Respondent shall reimburse the Department for the Department's expenses including, but not limited to, direct labor, overhead, travel, analytical costs and contractor costs incurred by the State of New York for reviewing submittals made pursuant to, and after the effective date of, this Order, overseeing activities conducted pursuant to this Order, and collecting and analyzing samples. Such payment shall be by check payable to the Hazardous Waste Remedial Fund established under Section 97-b of the State Finance Law. Payment shall be sent to the Director, Division of Environmental Enforcement, N.Y.S.D.E.C., 50 Wolf Road, Albany, New York 12233. The final invoice from the Department shall be submitted within 60 days of the date of the notification pursuant to Paragraph VII of this Order. The final invoice from the Department shall be submitted within 60 days of the date of notification pursuant to paragraph VII of the Order.

The Department shall itemize costs incurred. The itemization of labor costs shall include the time period during which the labor cost was incurred, the name of the person who performed the labor, and the time expended.

IX. The Department shall have the right to obtain split samples, duplicate samples, or both, of all substances and materials sampled by Respondent. The results of analyses of such samples shall be supplied to Respondent.

X. Respondent shall provide notice to the Department at least 5 working days in advance of any field activities to be conducted pursuant to this Order.

XI. Respondent shall obtain whatever permits, easements, rights-of-way, rights-of-entry, approvals or authorizations are necessary in order to perform Respondent's obligations under this Order. If these mechanisms are denied by others, then, subject to the Department's approval, the IRM Work Plan will be modified.

XII. Respondent shall, upon reasonable notice, permit any duly designated, properly trained, employee, consultant, contractor or agent of the Department or any State agency to enter upon the Site or areas in the vicinity of the Site which may be under the control of Respondent for purposes of inspection, sampling and testing and to assure Respondent's compliance with this Order.

XIII. Any professional consultants, contractors, or laboratories retained by Respondent must be capable of performing the technical, engineering and analytical obligations required by this Order.

XIV. Respondent shall not suffer any penalty under this Order, or be subject to any proceeding or action, if it cannot comply with any requirements hereof because of an act of God, war or riot. Respondent shall immediately notify the Department in writing when it obtains knowledge of any such condition and request an appropriate extension or modification of this Order.

XV. The failure of the Respondent to comply with any term of this Order shall be a violation of this Order and the ECL.

XVI. Nothing contained in this Order shall be construed as barring, diminishing, adjudicating or in any way affecting:

a. the Department's right to bring any action or proceeding against anyone other than Respondent, its directors, officers, employees, servants, agents, successors and assigns;

b. the Department's right to enforce this Order against Respondent, its successors and assigns in the event that Respondent shall fail to satisfy any of the terms hereof;

c. the Department's right to bring any action or proceeding against Respondent, its successors and assigns with respect to areas or resources that may have been affected or contaminated as a result of the release or threatened release of hazardous wastes or constituents at or from the Site or areas in the vicinity of the Site, including but not limited to claims for natural resources damages;

- d. any action or proceeding to which the Department may be entitled in connection with, relating to, or arising out of the presence of hazardous wastes at the Site, or the release or migration of hazardous waste from the Site; and
- e. any of Respondent's defenses against any such claims, proceedings or actions.

XVII. This Order shall not be construed to prohibit the Commissioner or his duly authorized representative from exercising any summary abatement powers.

XVIII. This Order shall not be construed as relieving Respondent of its duty, if any, nor obligating Respondent to undertake a complete Remedial Investigation/Feasibility Study (RI/FS), and related activities, and an inactive hazardous waste disposal site remedial program designed to effect a complete cleanup of the Site.

XIX. Respondent shall indemnify and hold the Department, the State of New York, and their representatives and employees harmless for all claims, suits, actions, damages and costs of every name and description arising out of or resulting from actions by Respondent in the course of the fulfillment or attempted fulfillment of this Order by Respondent, its successors or assigns. Respondents do not assume liability for the negligent or intentionally tortious acts of the Department, the State of New York or their representatives or employees.

XX. The effective date of this Order shall be the date it is signed by the Commissioner or his designee, and written notice thereof is given to Respondent

as herein provided.

XXI. If Respondent desires that any provision of this Order be changed, it shall make timely written application to the Commissioner, setting forth reasonable grounds for the relief sought.

XXII. If after conferring in good faith, there is still a dispute between Respondent and the Department concerning matters related to Paragraph II, III, V, VI, VII and XI such matters shall be settled in accordance with the following procedures:

Either party, upon written notice to the other, may request the Commissioner of Environmental Conservation to appoint an Administrative Law Judge ("ALJ"). Upon receipt of such request the Commissioner shall appoint an ALJ who shall convene a hearing to settle the dispute. If the ALJ deems it necessary to convene an evidentiary hearing, the taking of evidence shall be concluded as soon as practicable after receipt of the written request to appoint an ALJ. If the ALJ deems it unnecessary to convene an evidentiary hearing, he shall, as soon as practicable after receipt of the notice of request to appoint an ALJ, nevertheless convene a conference at which the issues may be presented and a record made.

In all proceedings hereunder:

1. The parties shall be Respondent and the Department.
2. The burden of going forward shall be on the Respondent.

3. The ALJ shall have all powers conferred by 6 NYCRR §622.12.

4. All proceedings conducted pursuant to this Paragraph shall be stenographically recorded. The Respondent shall arrange, at its expense, for an expedited stenographic transcript to be made within three working days after conclusion of the proceeding, and for the original and two copies of the transcript to be delivered to the ALJ.

5. The ALJ shall prepare, as soon as practicable after receipt of the transcript of the proceeding, a written summary of the documentation and testimony received during the proceeding and a recommended decision. The summary and recommendation shall be hand-delivered to the Department's representative and sent by certified mail, return receipt requested, and another copy by express mail, to Respondent.

6. The ALJ's recommended decision shall become the final determination of the Commissioner unless, within fifteen working days from receipt of the recommended decision, either Respondent or the Department objects in writing. Any objections shall be submitted in writing to the ALJ with a copy by express mail, telecopier or hand-delivered to the other party, which shall serve and file its response, if any, within ten working days of receipt of the objection by express mail, telecopier or hand-delivery. Upon receipt of the objections and any response, the ALJ shall refer the matter to the Commissioner for final determination.

7. The final determination of the Commissioner shall be made as soon as practicable after receipt of the referral by the ALJ.

8. With respect to the final determination of the Commissioner, Respondent shall have those rights granted pursuant to Article 78 of the Civil Practice Law and Rules (CPLR) of New York, provided however that the period of four months for petitioning thereunder shall be limited to one month.

XXIII. All written communications required by this Order shall be transmitted by United States Postal Service, by private courier service, or hand delivered as follows:

A. Communication from Respondent to the Department shall be made as follows:

1. Division of Hazardous Waste Remediation, Room 212, New York State Department of Environmental Conservation, 50 Wolf Road, Albany, New York 12233, Attention: Michael J. O'Toole, Jr., P.E., Director.

2. Bureau of Environmental Exposure Investigation, New York State Department of Health, 2 University Place, Albany, New York 12203, Attention: Ronald Tramontano, Director.

3. New York State Department of Health, 677 South Salina Street, Syracuse, New York 13202, Attention: Ron Heerkens.

4. Division of Environmental Enforcement, Albany Field Unit, Room 415, New York State Department of Environmental Conservation, 50 Wolf Road,

Albany, New York 12233, Attention, Norman Parratt, Esq.

5. New York State Department of Environmental Conservation, Region 7, 615 Erie Boulevard West, Syracuse, New York 13204, Attention: Tom Male, Regional Engineer.

B. Communication to be made from the Department to the Respondent shall be made as follows:

1. G.S. Peter Bergen, Esq., LeBoef, Lamb, Leiby and MacRae, 520 Madison Avenue, New York, New York 10022.

2. Alan C. Witte, Vice President, ITT Diversified Financial Corporation, 11885 Lackland Road, Suite 600, St. Louis, Missouri 63146-4270.

3. John N. Norris, Vice President, ITT Commercial Finance, 1400 North Central Life Tower, P.O. Box 64777, St. Paul, Minnesota 55164.

4. David W. Stoner, Stearns & Wheeler, One Remington Park Drive, Cazenovia, New York 13035.

C. The Department and Respondent respectively reserve the right to designate other or different addresses on notice to the other.

XXIV. The terms of this Order shall be deemed to bind Respondent, its successors and assigns. Nothing herein shall be construed to bind any other entity.

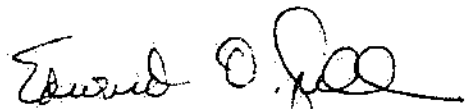
XXV. The terms hereof shall constitute the complete and entire Order between Respondent and the Department concerning the IRM Program for the Site. No

terms, conditions, understandings or agreements purporting to modify or vary the terms hereof shall be binding unless made in writing and subscribed by the party to be bound. No informal advice, guidance, suggestions or comments by the Department regarding reports, proposals, plans, specifications, schedules or any other submittals by Respondent shall be construed as relieving Respondent of its obligations to obtain such formal approvals as may be required by this Order.

DATED: Albany, New York
September 20, 1990

THOMAS C. JORLING
Commissioner
New York State Department of
Environmental Conservation

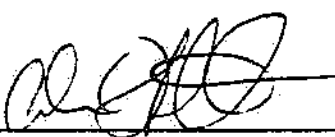
BY:

A handwritten signature in cursive script, appearing to read "Edward O. Sullivan", written over a horizontal line.

Edward O. Sullivan
Deputy Commissioner

CONSENT BY RESPONDENTS

Respondent hereby consents to the issuing and entering of this Order, waives its right to a hearing herein as provided by law, and agrees to be bound by the provisions, terms and conditions contained in this Order.

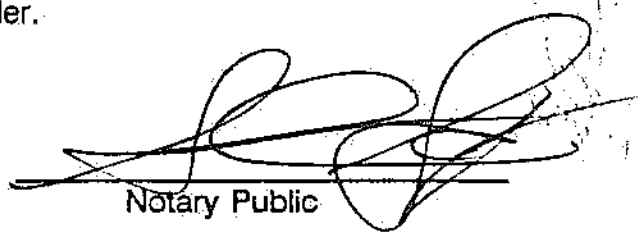
By: 

Title: Life President

Date: August 23, 1990

STATE OF MISSOURI)
) s.s.:
COUNTY OF ST. LOUIS)

On this 27th day of AUGUST, 1990, before me personally came ALAN C. WITTE, to me known, who being duly sworn, did depose and say that he resides in ST. LOUIS COUNTY; that he is the VICE PRESIDENT of the RESPONDENT corporation described in and which executed the foregoing instrument; that he knew the seal of said corporation; that the seal affixed to said instrument was such corporate seal; that it was so affixed with the authority of the Board of Directors of said corporation, and that he signed his name thereto by like order.


Notary Public

(C.O.#2(ITT.NDP)