

GRANTOR: Delbar Products Incorporated Liquidating Trust.
PROPERTY ADDRESS: 601 West Spruce Streets Perkasio, PA 18944

ENVIRONMENTAL COVENANT

This Environmental Covenant is executed pursuant to the Pennsylvania Uniform Environmental Covenants Act, Act No. 68 of 2007, 27 Pa.C.S. §§ 6501-6517 ("UECA"). This Environmental Covenant subjects the Property identified in Paragraph 1 to the activity and/or use limitations in this document. As indicated later in this document, this Environmental Covenant has been approved by the Pennsylvania Department of Environmental Protection ("Department").

1. **Property affected.** The property affected ("Property") by this Environmental Covenant is located in Perkasio Borough, Bucks County.

The postal street address of the Property is: 601 West Spruce Street, Perkasio, PA 18944

The County Parcel Identification Numbers of the Property are: 33-005-36-1, 33-005-36-2, 33-005-94, 33-005-107-1, 33-005-125, and 33-005-135.

The latitude and longitude of the center of the Property affected by this Environmental Covenant is: Latitude +40° 22' 19.022" Longitude -75° 17' 55.838"

The Property has been known by the following name: Delbar Products.
eFACTS PF# 620302

A complete description of the Property is attached to this Environmental Covenant as Exhibit A. A map of the Property is attached to this Environmental Covenant as Exhibit B.

2. **Property Owner / GRANTOR.** Delbar Products Incorporated Liquidating Trust is the owner of the Property. The mailing address of the Owner is:

Delbar Products Incorporated Liquidating Trust
c/o Thomas M. Karabinos and R. Eric Gerhart, Trustees
P.O. Box 212
Coopersburg, PA 18036

3. **Holder(s)/GRANTEE.** The following is a "holder", as that term is defined in 27 Pa.C.S. § 6501, of this Environmental Covenant:

Delbar Products Incorporated Liquidating Trust
c/o Thomas M. Karabinos and R. Eric Gerhart, Trustees
P.O. Box 212
Coopersburg, PA 18036

ENVIRONMENTAL COVENANT

PROPERTY ADDRESS: 601 West Spruce Street, Perkasie, PA 18944

Page 2 of 8

4. Description of Contamination and Remedy.

Grantor identified and investigated chlorinated solvents in the groundwater in the bedrock aquifer beneath the Property that are unrelated to activities within the Property. These conditions are: (1) evident within the bedrock underlying the entire Property and its general area of Perkasie Borough; (2) the result of activities at up gradient facilities; and, (3) will be remediated by others. Also, Grantor identified localized concentrations of contaminants known as RCRA metals which are sufficient to warrant remedial action to prevent infiltration of precipitation should the current building slab be removed.

In February 2008, Grantor submitted a Final Report to the Department. In accordance with the Final Report, Grantor attained the Background Standard for chlorinated solvents in groundwater. The Department issued a Final Report Approval Letter, dated April 28, 2008. A map depicting the extent and type of contamination is attached to this Environmental Covenant as Exhibit B.

The remedy includes an annual inspection and maintenance program to ensure that building floor integrity is maintained and the maintenance of a carbon filtration system to treat groundwater that enters the elevator shaft in the building. The treated water is discharged pursuant to a NPDES Permit to a storm drain located on 5th Avenue.

5. Activity and Use Limitations. The Property is subject to the following activity and use limitations, which the Grantor and each subsequent owner of the Property shall abide by:

- a. The Property use shall be limited to non-residential uses.
- b. Groundwater use shall be prohibited.
- c. The concrete floor of the building shall remain in place unless the Department approves in writing an Act 2 Final Report submission of the soils and groundwater underlying the building that determines the concentrations of RCRA metals in the soil are below the applicable Statewide Health Standards for the intended Property use; or the Department approves in writing an Act 2 Final Report of the soils and groundwater underlying the building and, a plan describing the intended property uses and the engineering controls that will be implemented to eliminate potential exposure pathways.
- d. The annual inspection of the concrete floor of the building to ensure that the integrity of the floor is maintained.
- e. The maintenance of the water treatment system treating the groundwater that enters the elevator shaft, and the compliance with the NPDES permit until such time that the Department approves in writing an Act 2 Final Report submission of the

ENVIRONMENTAL COVENANT

PROPERTY ADDRESS: 601 West Spruce Street, Perkasie, PA 18944

Page 3 of 8

groundwater underlying the Property that determines the concentrations of contaminants in the groundwater are below the applicable groundwater standards for that aquifer or engineering controls, previously approved by the Department have eliminated the need to remove and discharge water accumulating in the elevator shaft and have eliminated any potential exposure pathway.

Revisions to these prohibitions shall be allowed only upon the written approval of the Department via the Act 2 program.

6. **Notice of Limitations in Future Conveyances.** Each instrument hereafter conveying any interest in the Property subject to this Environmental Covenant shall contain a notice of the activity and use limitations set forth in this Environmental Covenant and shall provide the recorded location of this Environmental Covenant.

7. **Compliance Reporting.** By the end of every January following the Department's approval of this Environmental Covenant, the then current owner of the Property shall submit, to the Department and any Holder listed in Paragraph 3, written documentation stating whether or not the activity and use limitations in this Environmental Covenant are being abided by. In addition, within 1 month after any of the following events, the then current owner of the Property shall submit, to the Department and any Holder listed in Paragraph 3, written documentation of: noncompliance with the activity and use limitations in this Environmental Covenant; transfer of the Property; changes in use of the Property; or filing of applications for building permits for the Property and any proposals for any site work, if the building or proposed site work will affect the contamination on the Property subject to this Environmental Covenant.

8. **Access by the Department.** In addition to any rights already possessed by the Department, this Environmental Covenant grants to the Department a right of access of the Property in connection with implementation or enforcement of this Environmental Covenant.

9. **Recordation and Proof of Notification.** Within 30 days after the date of the Department's approval, the Owner(s) shall file this Environmental Covenant with the Recorder of Deeds for each County in which the Property is located, and send a file-stamped copy of this Environmental Covenant to the Department within 60 days of recordation. Within that time period, the Owner also shall send a file-stamped copy to: Perkasie Borough; Bucks County; the Holder identified in this Environmental Covenant; each person holding a recorded interest in the Property; and each person in possession of the Property.

10. **Termination or Modification.** This Environmental Covenant may only be terminated or modified in accordance with Section 9 of UECA, 27. Pa.C.S. 6509.

11. **Department's address.** Communications with the Department regarding this Environmental Covenant shall be sent to:

ENVIRONMENTAL COVENANT

PROPERTY ADDRESS: 601 West Spruce Street, Perkasie, PA 18944

Page 4 of 8

Environmental Cleanup Program Manager
Pennsylvania Department of Environmental Protection
Southeast Regional Office
2 E. Main Street
Norristown, PA 19401

ENVIRONMENTAL COVENANT

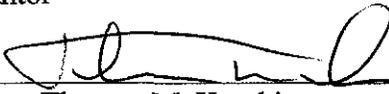
PROPERTY ADDRESS: 601 West Spruce Street, Perkasie, PA 18944

Page 5 of 8

ACKNOWLEDGMENTS by Owner and any Holder, in the following form:

Delbar Products Incorporated Liquidating Trust
"Grantor"

Date: 1/07/11

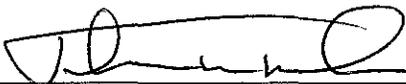
By: 
Name: Thomas M. Karabinos
Title: Trustee

Date: 1/7/11

By: 
Name: R. Eric Gerhart
Title: Trustee

Delbar Products Incorporated Liquidating Trust
"Grantee"

Date: 1/07/11

By: 
Name: Thomas M. Karabinos
Title: Trustee

Date: 1/7/11

By: 
Name: R. Eric Gerhart
Title: Trustee

:

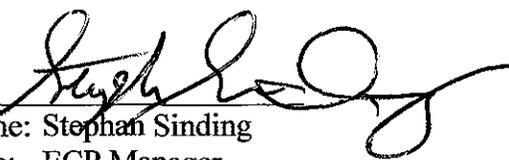
ENVIRONMENTAL COVENANT

PROPERTY ADDRESS: 601 West Spruce Street, Perkasie, PA 18944

Page 6 of 8

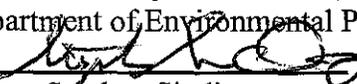
APPROVED, by Commonwealth of Pennsylvania,
Department of Environmental Protection

Date:

By: 
Name: Stephan Sinding
Title: ECP Manager

Property Owner: Delbar Products Incorporated Liquidating Trust
Property Address: 601 West Spruce Street
Perkasie Borough
Bucks County

APPROVED, by Commonwealth of Pennsylvania,
Department of Environmental Protection

By:  Date: 1-21-11

Name: Stephan Sinding

Title: Environmental Cleanup Program Manager

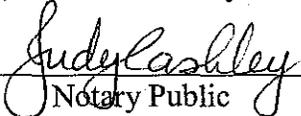
PADEP - SERO

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF BUCKS

On this 21st day of January, 2011, before me, the undersigned officer, personally appeared Stephan Sinding who acknowledged himself to be the Manager of the Environmental Cleanup Program of the Commonwealth of Pennsylvania, Department of Environmental Protection, Southeast Regional Office, whose name is subscribed to this Environmental Covenant, and acknowledged that he executed same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.



Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Judy Lashley, Notary Public
Norristown Boro, Montgomery County
My Commission Expires July 28, 2012
Member, Pennsylvania Association of Notaries

EXHIBIT A

PROPERTY DESCRIPTION

Parcel 33-005-36-001

ALL THAT tract of land on the West side of South Seventh Street, North of Park Avenue in Perkasio Borough, Bucks County, Pennsylvania, described according to a survey dated June 27, 1946, with revision dated January 19, 1948, as prepared by Stanley F. Moyer, Surveyor, and subsequently revised, as follows to wit:

BEGINNING at an iron pin in the West side line of South Seventh Street, 45 feet wide, said iron pin being 632.41 feet northeast of an iron pin at the intersection of the North side line of Park Avenue 45 feet wide, and the west sideline of South Seventh Street; thence

Along land of William R. Kramer and wife North 33 degrees 45 minutes West, the distance of 62.38 feet to an iron pin for a corner in line of land of the North Pennsylvania Railroad Company; thence

Along the same the next two courses and distances; North 61 degrees 17 minutes East, the distance of 118.71 feet to a rail monument a corner; thence

North 66 degrees 7 minutes East the distance of 178.0 feet to a rail monument a corner; thence

South 02 degrees 33 minutes East the distance of 18.13 feet to an iron pin a corner in the West sideline of South Seventh Street; thence

Along South Seventh Street the next two courses and distances; South 56 degrees 41 minutes West, the distance of 24.11 feet to an iron pin a corner; thence

South 54 degrees 41 minutes West, the distance of 260.61 feet to the point and place of beginning.

CONTAINING 12,688 square feet more or less.

Parcel 33-005-36-002

ALL THAT CERTAIN tract of land, situate in Perkasio Borough, Bucks County, Pennsylvania, bounded and described according to a survey dated June 20, 1966, as prepared by Eckert and Malone, Surveyors, as follows, to wit:

BEGINNING at a point, said point being the intersection of the westerly side of South Seventh Street and the northerly side of Park Avenue; thence

Along the westerly side of South Seventh Street, North 56 degrees 15 minutes East, a distance of 594.41 feet to an iron pipe, the true place of BEGINNING; thence

Along other land now or formerly of William R. Kramer, North 33 degrees 45 minutes West 65.72 feet to an iron pipe, a corner in line of lands of the Reading Railroad Company; thence

Along line of lands of the Reading Railroad Company North 61 degrees 17 minutes East 38.15 feet to an iron pipe, a corner in line of other lands of now or formerly of Delbar Sales Corporation, then along other lands now or formerly of Del bar Sales Corporation South 33 degrees 45 minutes East 62.38 feet to an iron pipe, a corner in the westerly side of South Seventh Street; thence

Along the westerly side of South Seventh Street South 56 degrees 15 minutes West 38.0 feet to an Iron pipe, the place of BEGINNING.

CONTAINING 2,394 square feet of land, more or less.

Parcel 33-005-94

ALL THAT MESSUAGE and tract of land, together with the factory buildings now thereon erected, along Spruce Street, between Fifth Street and Seventh Street, in the Borough of Perkasio, Bucks County, Pennsylvania, bounded and described according to a Plan dated April 18, 1963, prepared by George R. Nevells, Surveyor, as follows, to wit:

BEGINNING at a drill hole in a granite monument, a corner at the intersection of the southeast right-of-way line of Seventh Street (45 feet wide, 33 feet between curbs) and the northeast right-of-way line of Spruce Street (45 feet wide, 33 feet between curbs); thence

Along the said right-of-way line of said Seventh Street North 54 degrees 51 minutes East 257.07 feet to a pipe, a corner of lands of the Allentown-Bethlehem Gas Company; thence

Along said lands South 2 degrees 24 minutes East 185.35 feet to a pipe, a corner; thence

Along the lands of James DiRocco and Ira E. Cullen South 37 degrees 34 minutes East 424.35 feet to a pipe, a corner in the northwesterly right-of-way line of Fifth Street (45 feet wide, 33 feet between curbs); thence

Along said right-of-way line South 63 degrees 29 minutes West 152.89 feet to a point, a corner in the northeasterly right-of-way line of the aforementioned Spruce Street, thence

Along said right-of-way line North 37 degrees 34 minutes West 557.40 feet to the place of BEGINNING.

CONTAINING 2.15103 acres of land.

Parcel 33-005-107-001

ALL THAT CERTAIN tract of land situated in Perkasio Borough, Bucks County, Pennsylvania, described according to plan dated August 10, 1965, as prepared by Eckert & Malone, Surveyors. as follows, to wit:

BEGINNING at a concrete monument at the intersection of the southerly side of Seventh Street and the easterly side of Spruce Street; thence

Along the southerly side of Seventh Street North 54 degrees 51 minutes East 257.07 feet to an iron pipe; thence

Along land of the Allentown-Bethlehem Gas Company South 2 degrees 24 minutes 97.90 feet to an iron pipe, said iron pipe being the true place of beginning; thence

Along other lands of the Delbar Sales Corporation the following two courses and distances: South 2 degrees 24 minutes East 870.45 feet to an iron pipe, a corner and South 38 degrees 24 minutes East 166.35 feet to an iron pipe a corner; thence

Along land of Ira E. Cullen, Harold Detweiler and Herbert N. Wampole North 73 degrees 43 minutes 30 seconds East 196.36 feet to an iron pipe, a corner; thence

Along other lands now or formerly of James Dirocco, North 16 degrees 13 minutes 14 seconds West 223.28 feet to an iron pipe, a corner; thence

Along land of the Allentown-Bethlehem Gas Company South 77 degrees 30 minutes West 238.80 feet to an iron pipe, the place of Beginning.

CONTAINING 10401 acres of land, more or less.

Parcel 33-005-125 and Parcels 33-005-135

ALL THAT TRACT of land situate on the northeast corner of Fifth and Spruce Streets in the Borough of Perkasio, Bucks County, Pennsylvania, bounded and described according to a survey dated May 16, 1946, by Stanley F. Moyer, Surveyor, also described as Lots No. 23, 22, 21, and the remaining part of No. 20 on Plan of Lots of "Bean Estate" as follows, to wit:

BEGINNING at an iron pin marking the intersection of the north side line of Spruce Street 45 feet wide and the east curb line of South Fifth Street 33 feet between curbs; thence

Along the Fifth Street curblin North 63 degrees 39 minutes East the distance of 169.62 feet to a mark in the granite curb; thence

Thru Lot No. 20 now or late Alvin A. Herbst South 24 degrees 41 minutes East the distance of 150.15 feet to an iron pin in the north side of a 20 feet alley parallel with Fourth Street; thence

Along the same South 67 degrees 51 minutes West the distance of 137.63 feet to an iron pin in the north side of Spruce Street; thence

Along the same North 37 degrees 41 minutes West, the distance of 142.57 feet to the place of BEGINNING.

CONTAINING 22,180 square feet of land, more or less.

AND ALSO, ALL THAT TRACT of land situate on the northeast corner of Fourth and Spruce Streets in the Borough of Perkasié, Bucks County, Pennsylvania, described according to a plan dated December 11, 1945, by Stanley F. Moyer, Surveyor, also known as Lots No. 131 and 132 on Plan of Lots of "Bean Estate" as follows, to wit:

BEGINNING at an iron pin marking the intersection of the north side line of Spruce Street 45 feet wide and the west side line of South Fourth Street 45 feet wide; thence

Along Spruce Street North 37 degrees 41 minutes West, the distance of 151.02 feet to a corner on the east side of a 20 feet alley; thence

Along the same North 67 degrees 51 minutes East the distance of 153.74 feet to an iron pin; thence

Along Lot No. 133 South 22 degrees 9 minutes East the distance of 145.5 feet to an iron pin in the west side of South Fourth Street; thence

Along the same South 67 degrees 51 minutes West, the distance of 113.3 feet to the place of BEGINNING.

CONTAINING 19,422 square feet of land, more or less.

EXHIBIT B
DELBAR
PROPERTY PARCEL COORDINATES

Corner Point ID	Longitude	Latitude	Parcel ID
A	-75.300266	40.371923	36-2
B	-75.300100	40.371794	36-2
C	-75.300005	40.371866	36-1
D	-75.300159	40.371988	36-1
E	-75.299828	40.372194	36-1
F	-75.299301	40.372469	36-1
G	-75.299286	40.372419	36-1
H	-75.299894	40.371778	94
I	-75.299246	40.372278	94
J	-75.299168	40.372019	107-1
K	-75.298355	40.372271	107-1
L	-75.298042	40.371706	107-1
M	-75.299099	40.371782	94
N	-75.298660	40.371477	107-1
O	-75.297972	40.371000	94
P	-75.298412	40.370749	94
Q	-75.298287	40.370664	125
R	-75.297799	40.370942	125
S	-75.297490	40.370604	125
T	-75.297907	40.370402	125
U	-75.297853	40.370363	135
V	-75.297388	40.370589	135
W	-75.297108	40.370252	135
X	-75.297451	40.370085	135

