

Pa. Model Environmental Covenant

GRANTOR: Honeywell International Inc.

PROPERTY ADDRESS: Route 46 and 446, Smethport, Pennsylvania

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 Keating Township, McKean County. Department Primary Facility No. PF# 625867.

The postal street address of the Property [if any] is:
Route 46 and 446, Smethport, Pennsylvania

The County Parcel Identification No. of the Property is:
Parcel Identification Nos. **24-04-401.3 and 24-04-403.1**

The latitude and longitude of the center of the Property affected by this Environmental Covenant is:
Latitude: 41.85854, Longitude: -78.44703

The Property has been known by the following name(s):
Quaker State McKean Refinery, Petrowax Wax Plant, Astor Wax Plant,
Honeywell Specialty Chemicals Farmers Valley Wax Plant, Honeywell Specialty Wax & Additives Inc., IGI Farmers Valley Wax

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.** Honeywell International Inc. is the owner of the Property. The mailing address of the Owner is:

101 Columbia Road, Morristown, New Jersey 07962

3. **Holder(s) / GRANTEE.** The following is/are a “holder,” as that term is defined in 27 Pa. C.S. § 6501, of this Environmental Covenant: (name & address information): There are no holders identified for the Property.

4. **Description of Impact & Remedy.**

The Facility was used as a refinery until about 1990, and thereafter as a wax manufacturing facility. The Facility comprises three areas: Main Plant Area; Area South of Cole Creek; and the former Coal Ash Disposal Areas. The Main Plant area is impacted with separate phase liquids (SPL) and is currently being addressed with SPL recovery systems. The Area South of Cole Creek meets established Site Specific Standards (SSS) utilizing additional remedial activities. The Coal Ash Disposal area meets SSS with a soil cover. Description of the physical location of each of these areas is found in Exhibit A.

- (a) **Main Plant Area.** Impacts have been identified in soil and groundwater. These impacts include petroleum hydrocarbons and metals, and they have been the subject of a risk assessment and SSS. The SSS have been met, but SPL recovery will continue until it has been recovered to the degree practicable. SPL recovery is performed with a series of wells in which either SPL is skimmed with a pump or groundwater is depressed with a pump to enhance SPL skimming in that and nearby wells. The limits of SPL, as determined in the Main Plant Remedial Investigation, are delineated on Exhibit B. Institutional controls will be used to eliminate exposure pathways as set forth in Section 5 below.
- (b) **Area South of Cole Creek.** Impacts have been identified in soil and groundwater that include petroleum hydrocarbons and metals, which have been subject of a risk assessment and SSS. The Former Tank Bottoms Area within the Area South of Cole Creek was capped and the SSS have been met without additional remedial actions in the rest of the Area South of Cole Creek. Institutional controls will be used to eliminate exposure pathways as set forth in Section 5 below.
- (c) **Former Coal Ash Disposal Areas.** Impacts identified at the coal ash disposal areas include metals. Closure of both coal ash areas was completed by covering the areas with a minimum of one foot of soil, establishing a vegetative cover and placing a fence around the area. Institutional controls will be used to eliminate exposure pathways as set forth in Section 5 below.

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

The Owner hereby imposes the following activity and use limitations on the Property, which shall be covenants running with the land binding upon the Owner and any future owners of the Property during their respective ownership periods, the tenants or licensees of any portion of the Property, and their respective authorized agents, successors, assigns,

employees or persons acting under their direction or control:

(a) No person may use or occupy any portion of the Property, either temporarily or permanently, for (1) any residential use of any kind or nature (including, without limitation, any use by individuals or families for purposes of personal living, dwelling, or overnight accommodations, whether such uses are in single family residences, apartments, duplexes, or other multiple residential dwellings, trailers, trailer parks, camping sites, motels, hotels, or any other dwelling use of any kind); or (2) any child care, school, nursing home, or recreational area use (or any other residential-style facilities as identified in Section 103 of Act 2 of 1995).

(b) Except for groundwater located within the Deep Aquifer (as subsequently defined), no person may withdraw or make use of any groundwater underneath the Property for human consumption, irrigation, or other purposes that might cause humans to ingest or be exposed to such groundwater. The "Deep Aquifer" shall be defined as the saturated groundwater zone which is located at greater than one hundred and twenty-five (125) feet below the ground surface elevation. Furthermore, installation of water wells in the Deep Aquifer within the limits of identified separate phase liquid plume(s) at the site (Exhibit B) will be prohibited as a precaution to inadvertently impacting the Deep Aquifer as a result of the drilling process.

(c) No person may withdraw or make use of any groundwater underneath the Property within the Shallow Aquifer (as subsequently defined) for any purposes without the written approval of the Department. The "Shallow Aquifer" shall be defined as the saturated groundwater zone which is located at less than sixty (60) feet below the ground surface elevation. Similarly, no person may withdraw or make use of any groundwater underneath the property within the intermediate aquifer, which is located between sixty (60) and one hundred and twenty-five (125) feet below ground surface elevation, without written approval of the Department.

(d) No person may construct any structures upon, or undertake any activities upon, the Property that would affect the integrity of the capped portions of the Coal Ash Disposal Area 1, the Coal Ash Disposal Area 2 located east of Potato Creek, or the Former Tank Bottoms Area located south of Cole Creek as generally depicted in Exhibit B.

(e) No person may construct or expand any building within the following areas, as depicted on the map attached hereto as Exhibit B, unless (i) additional sampling and/or vapor intrusion modeling is submitted to the Department demonstrating to the satisfaction of the Department, as approved by the Department in writing, that the occupation of such buildings will not result in an unacceptable risk of soil vapor exposure to occupants of such buildings; or (ii) engineering measures (such as vapor barriers or venting systems) or other actions approved by the Department in writing are implemented to limit or prevent vapor

intrusion into occupied areas, so as to avoid an unacceptable risk of soil vapor exposure to occupants of such buildings. The areas subject to this covenant 5(e) are the following:

- (i) Areas of the Main Plant (north of Cole Creek) within the limits of identified SPL Plume(s) shown on Exhibit B.
- (ii) Areas South of Cole Creek known as the Former Gasoline Platforming Area shown on Exhibit B.

(f) No worker may be continuously stationed in the Former Gasoline Station Building, located within the Main Plant Area, as depicted on the map attached hereto as Exhibit B, unless (i) additional sampling and/or vapor intrusion modeling is submitted to the Department demonstrating to the satisfaction of the Department, as approved by the Department in writing, that the occupation of such buildings will not result in an unacceptable risk of soil vapor exposure to occupants of such buildings; or (ii) engineering measures (such as vapor barriers or venting systems) or other actions approved by the Department in writing are implemented to limit or prevent vapor intrusion into occupied areas, so as to avoid an unacceptable risk of soil vapor exposure to occupants of such buildings.

(g) During the term of the Lease between Honeywell International Inc. and IWI dated May 27, 2005 (the "Lease"), IWI shall be responsible for inspecting and maintaining passive engineering controls, if any, on the Property as set forth in the approved Final Report for the Property pursuant to the Land Recycling Act, which are necessary to achieve or maintain the selected cleanup standards. Such "passive engineering controls" shall include, without limitation, any fences, parking lots, buildings and other structures and surfaces that are used to restrict access to, cover or contain contamination, as distinguished from those active engineering controls that Honeywell International Inc. is responsible for in accordance with the Lease. Following the term of the Lease, the then-current owner of the Property shall be responsible for inspecting and maintaining passive engineering controls, if any, on the Property as set forth in the approved Final Report for the Property pursuant to the Land Recycling Act, which are necessary to achieve or maintain the selected cleanup standards. Honeywell International Inc. shall remain responsible for any active engineering controls at the Property, unless otherwise agreed.

(h) Any person occupying the Property shall provide to the Owner and PQS and their respective representatives, contractors and assignees reasonable access to the Property, which access shall occur after prior notice to the occupant (which notice may be oral or written) during ordinary working hours or, with the occupant's approval (which shall not be unreasonably withheld), at other times, for purposes of performing investigatory or remedial activities or for operation, monitoring, maintenance, repair and replacement of any active engineering controls that are used as parts of environmental remedial actions for the Property. The term "active engineering controls" shall not include passive engineering

controls, including, without limitation, fences, parking lots, buildings and other structures and surfaces that are used to restrict access to, cover and contain hazardous materials.

(i) Each restrictive covenant set forth in paragraphs (a)-(h) above shall be enforceable by the Grantor or its successors or assigns, and by the Department or any successor agency thereto.

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. This includes performing and documenting visual inspections of the soil cap covering the Former Coal Ash Areas at least once biannually, and the Former Tank Bottoms Area at least once annually. The then current owner shall repair as soon as practicable holes or damage that compromise the integrity of the capped areas. 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: 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 Covenant.

9. **Recordation & Proof & Notification.** Within 30 days after the date of the Department's approval, Honeywell International Inc. 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, Honeywell International Inc. also shall send a file-stamped copy to each of the following: each Municipality and County in which the Property is located; any Holder identified in this Environmental Covenant; each person holding a recorded interest in the Property; each person in possession of the Property; and other persons as required by the Department.

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, including as follows: The covenant shall be removed at anytime that additional

groundwater sampling documents that the Act 2 Non-Residential Used Aquifer Medium Specific Standard has been attained on site and surface and subsurface soil sampling documents that Act 2 Non-Residential Statewide Health Standards have been attained after review and written approval by the Department.

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

Environmental Cleanup Program Manager
230 Chestnut Street
Meadville, PA 16335

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

Date: Honeywell International Inc., Grantor
By: Richard W. Galloway
Name: RICHARD W. GALLOWAY
Title: REMEDIATION MANAGER

APPROVED, by Commonwealth of Pennsylvania,
Department of Environmental Protection
Date: 9/2/2009
By: Eric A. Gustafson
Name: ERIC A. GUSTAFSON
Title: REGIONAL MANAGER - ECP

STATE OF NEW JERSEY
COUNTY OF Passaic) SS:

On this 17th day of August, 2009, before me, the undersigned officer, personally appeared Richard W. Walloway [Holder, Grantee] who acknowledged himself/herself to be the person whose name is subscribed to this Environmental Covenant, and acknowledged that s/he executed same for the purposes therein contained.

CHERYL L. TOLES
State of New Jersey
County of Passaic
Expiration Date: 10/27/2010
ID # 2336504

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

Cheryl L. Toles
Notary Public

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF CRAWFORD) SS:

On this 2nd day of September, 2009, before me, the undersigned officer, personally appeared ERIC GUSTAFSON [Holder, Grantee] who acknowledged himself/herself to be the person whose name is subscribed to this Environmental Covenant, and acknowledged that s/he executed same for the purposes therein contained.

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

Judith Ann Moser
Notary Public

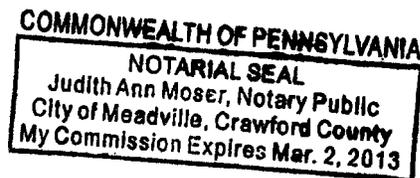


EXHIBIT A
Description of Property

Area South of Cole Creek

The area south of Cole Creek was used as the former Gasoline Platforming Area and also includes an area formerly used to dispose tank bottoms sludge and areas currently used as a water treatment spray pond and fire training area. The area south of Cole Creek is included in parcel 24-04-401.3 and is bounded by Pennsylvania State Route 46 to the west, Cole Creek to the north, Potato Creek to the east, and the parcel property boundary to the south.

Main Plant Area

The Main Plant area was used as a refinery until about 1990 and there after as a wax manufacturing facility. The Main Plant is included in parcel 24-04-401.3 and is bounded by Cole Creek in the south, Potato Creek to the east, Valley Cross Road to the north between Potato Creek and a railroad spur owned by Norfolk and Western, then between that railroad spur and Pennsylvania Route 446 to the northern boundary of the parcel, and between Pennsylvania Route 46 and Potato Creek from the junction of Routes 46 and 446, south to Cole Creek. The Main Plant also includes the Administrative buildings located to the west of Pennsylvania Route 46 and the property included in parcel 24-04-403.1, between Route 46 and Cole Creek.

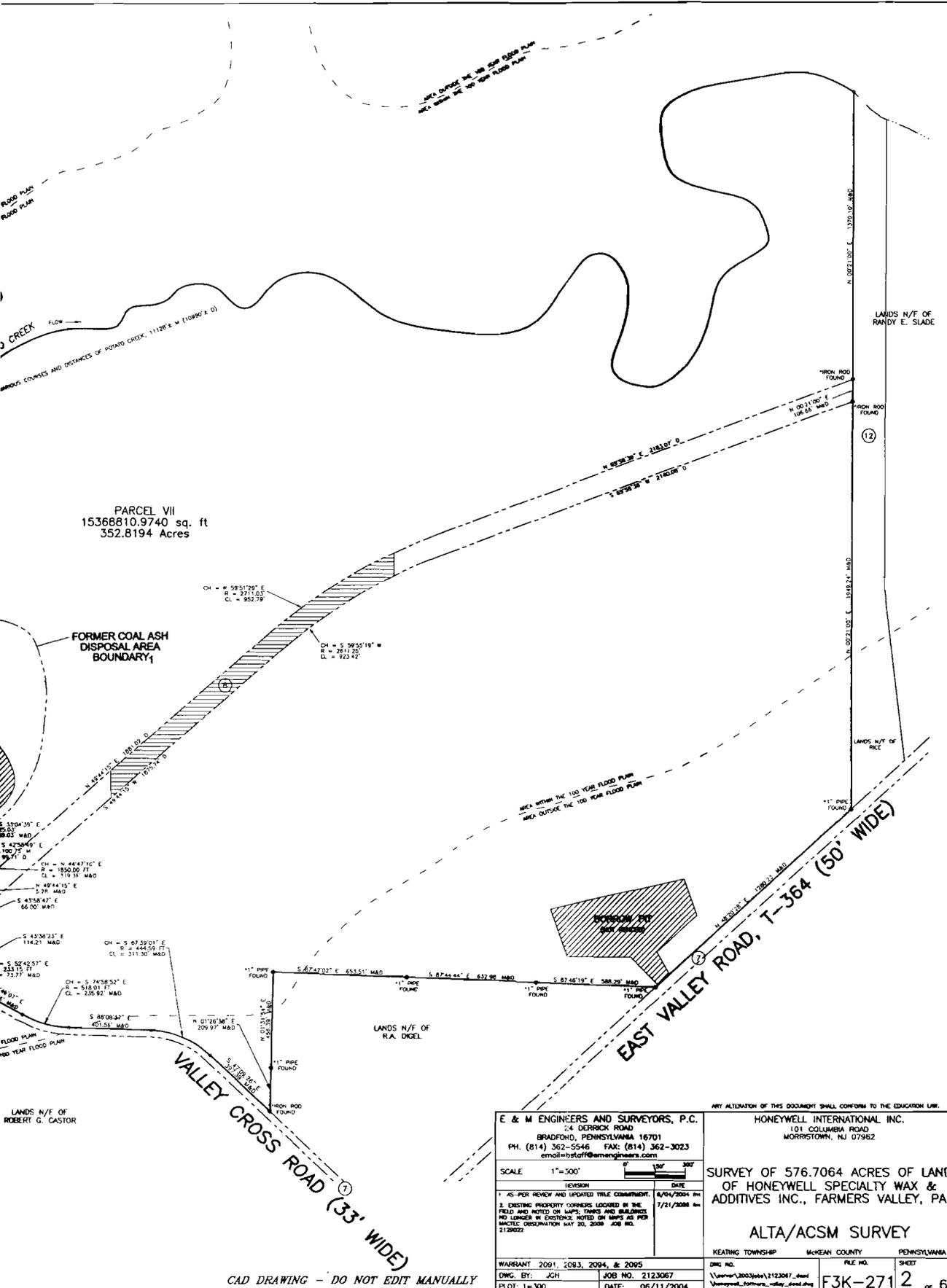
Former Coal Ash Disposal Areas

Two former coal ash disposal areas are located to the east of Potato Creek and are included in parcel 24-04-401.3. The larger area is located north of Valley Cross Road and between a former railroad (converted to a bicycle trail) and Potato Creek. A gated entrance road provides access to the area from Valley Cross Road. The second area is located immediately south of Valley Cross Road, approximately 500 feet east of Potato Creek.

EXHIBIT B
ALTA Map of Property

ALTA Survey

- 1. AOCs – ASCC (including Former Tank Bottoms Area and Former Gas Platforming Area), Coal Ash Areas, and Main Plant Area (including Gas Station Area)**
- 2. SPL Plumes**



PARCEL VII
15368810.9740 sq. ft
352.8194 Acres

FORMER COAL ASH
DISPOSAL AREA
BOUNDARY

VALLEY CROSS ROAD (33' WIDE)

EAST VALLEY ROAD, T-364 (50' WIDE)

LANDS N/F OF
RANDY E. SLADE

LANDS N/F OF
RILEY

LANDS N/F OF
R.A. DIGEL

E & M ENGINEERS AND SURVEYORS, P.C.
24 DENROCK ROAD
BRADFORD, PENNSYLVANIA 16701
PH. (814) 362-5546 FAX: (814) 362-3023
email=brstarr@emengineers.com

SCALE 1"=300'

DATE 6/24/2004

DATE 7/21/2008

WARRANT 2091, 2093, 2094, & 2095

DWG. BY: JCH JOB NO. 2123067

PLOT: 1=300 DATE: 06/11/2004

ANY ALTERATION OF THIS DOCUMENT SHALL CONFORM TO THE EDUCATION LAW.

HONEYWELL INTERNATIONAL INC.
101 COLUMBIA ROAD
MORRISTOWN, NJ 07962

SURVEY OF 576.7064 ACRES OF LAND
OF HONEYWELL SPECIALTY WAX &
ADDITIVES INC., FARMERS VALLEY, PA

ALTA/ACSM SURVEY

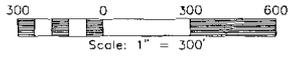
KEATING TOWNSHIP McKEAN COUNTY PENNSYLVANIA

DWG. NO. FILE NO. SHEET

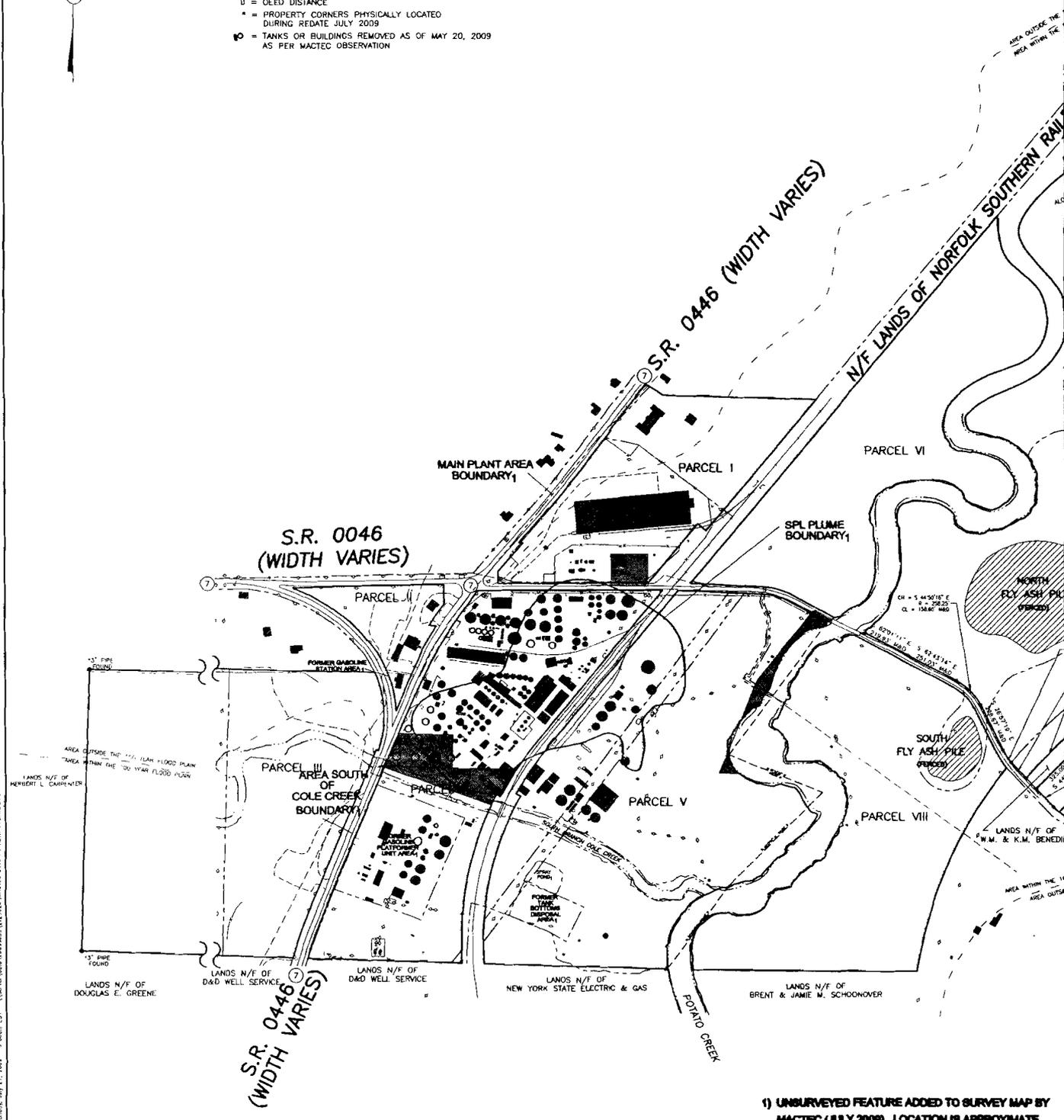
DATE 7/21/2008

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CAD DRAWING - DO NOT EDIT MANUALLY



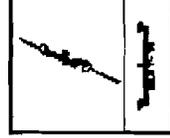
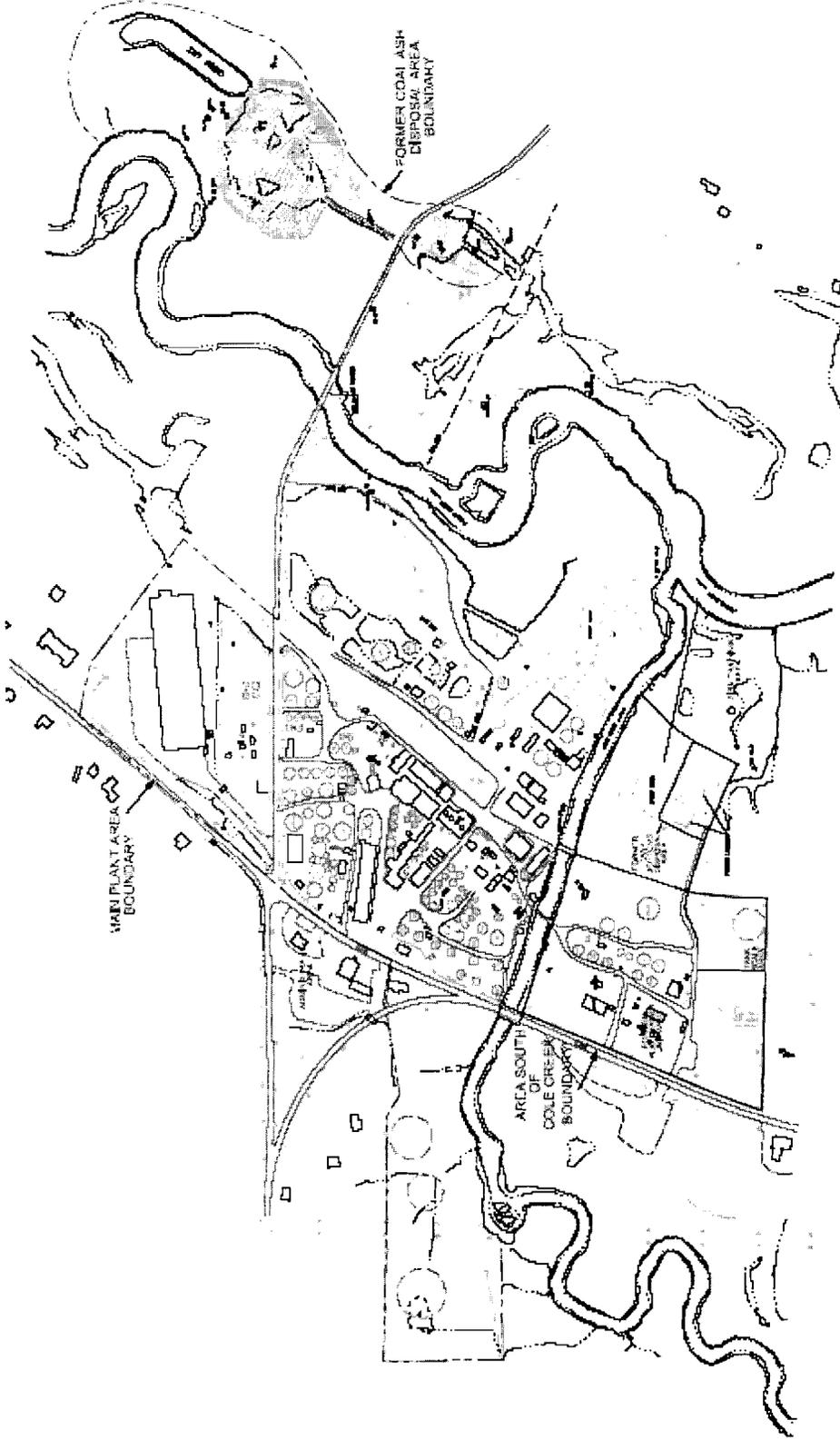
- LEGEND:
- = COMPUTED CORNER
 - ⊙ = UTILITY POLE
 - M = MEASURED DISTANCE
 - D = O&E DISTANCE
 - * = PROPERTY CORNERS PHYSICALLY LOCATED DURING REDATE JULY 2009
 - ⊗ = TANKS OR BUILDINGS REMOVED AS OF MAY 20, 2009 AS PER MACTEC OBSERVATION



MACTEC July 27, 2009 - 9:08am EST \\Server\Users\2009\BSE\31215023\MACTEC_2009\NVA_A\CTA_10181416.dwg

1) UNSURVEYED FEATURE ADDED TO SURVEY MAP BY MACTEC (JULY 2009). LOCATION IS APPROXIMATE.

EXHIBIT C
Site Plan
Farmers Valley Wax Plant



<p>MACTEC Engineering & Consulting Inc. 1000 N. 10th St. P.O. Box 100 Farmers Valley, PA 15438</p>	<p>DATE 1-2</p>
<p>PROJECT FACILITY PLAN FARMERS VALLEY WAX PLANT AREA SOUTH OF COLE CREEK FARMERS VALLEY, PENNSYLVANIA</p>	
<p>DATE 11-20-07</p>	
<p>BY [Signature]</p>	