VOLUNTARY CLEANUP CONTRACT
11-5732-NRP

IN THE MATTER OF
6555 FAIN STREET PROPERTY, CHARLESTON COUNTY
and
INTERWRAP CONVERTING SOLUTIONS (US) CORPORATION

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Interwrap Converting Solutions (US) Corporation, with respect to the Property located at 6555 Fain Street, North Charleston, South Carolina. The Property includes approximately 13 acres identified by Tax Map Serial Numbers 475-00-00-007 and 475-00-00-010. In entering this Contract, the Department relies on the representations of the "Non Responsible Party Application for Voluntary Cleanup Contract" of December 21, 2010 by Interwrap Converting Solutions (US) Corporation, which is incorporated into this Contract and attached as Appendix A.

AUTHORITY

This Contract is entered pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710 through 760, as amended; the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-10, et. seq., and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601, et seq.

DEFINITIONS

1. Unless otherwise expressly provided in this Contract, terms used in this Contract shall have the meaning assigned to them pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710 through 760, as amended, and if not set forth therein, shall have the meaning assigned to them pursuant to the South Carolina Hazardous Waste Management Act, S.C. Code Ann. § 44-56-10, et. seq., the S.C. Pollution Control Act, 5732S.C. Code Ann. .§ 48-1-10, et. seq., the S.C. State Underground Petroleum Environmental Response Bank Act, S. C. Code Ann. § 44-2-10, et. seq., or the Comprehensive Environmental Response, Compensation and

Liability Act (CERCLA), 42 U.S.C. §§ 9601, et seq.

A. "ICS" means Interwrap Converting Solutions (US) Corporation.

B. "Beneficiaries" means ICS's Non-Responsible Party lenders, parents, managers, members, employees, subsidiaries, and successors, including new purchasers, lessees, and other parties acquiring an interest in any portion of the Property, but only to the extent that such parties have never been a Responsible Party at the Site.

C. "Contamination" means the presence of any pollutant or contaminant, hazardous substance, petroleum, or petroleum product.

D. "Contract" means this Voluntary Cleanup Contract.

E. "Department" means the South Carolina Department of Health and Environmental Control, or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.

F. "Existing Contamination" means any contamination including any pollutant or contaminant, hazardous substance, petroleum or petroleum product, present on, or under, the Site as of the execution date of this Contract.

G. "Property" means the real property as described in the Non Responsible Party Application for Voluntary Cleanup Contract attached as Appendix A, and that is subject to the ownership, prospective ownership, or possessory or contractual interest of ICS. The Property is bounded generally to the north by Fain Street, to the east by businesses located along Fain Street including Montague Industrial, to the south by businesses located on Technical Parkway, including Hertz Equipment Rental, and to the west by residential dwellings along Eagle Drive.

H. "Segregated Sources" means drums, tanks, or similar discrete containers that potentially hold substances that may cause contamination upon release to the environment.

I. "Waste Materials" means any contamination-causing solid, semi-solid, or liquid material discarded, buried, or otherwise present on the Property, and may include sludge, slag, or solid waste materials such as empty containers and demolition debris or materials containing asbestos, lead-based paint, or petroleum or other contaminants.

FINDINGS

2. Based on the information known by the Department, the following are asserted for this Contract:

A. Owners and Operators: The historical owners and operators of the Property are as follows:

Evans Aristrocat Industries, Inc (Parcel 475-00-00-007)	1972 - 1987
Evans Aristrocat Industries, Inc (Parcel 475-00-00-010)	1978 – 1987
L.S. Starrett Company (Both Parcels)	1987 - Present

B. Property and Surrounding Areas: The Property was developed as a tape measure manufacturing facility in 1972. The facility is composed of a 170,000 sq. ft. metal and masonry structure used for office (approximately 10,000 sq. ft.), manufacturing (approximately 90,000 sq. ft.), and warehouse (approximately 70,000 sq. ft.). An approximately 50,000 sq. ft. asphalt parking area is located on the northern side of the structure.

The manufacturing process includes metal plating and painting. Zinc ingots were melted and dye-cast into tape measures. The plating operation was subsequently changed to include the use of copper, nickel, and chrome until approximately 1998. Plating is no longer conducted on the Property.

The painting operation included the use of water-based paint. While the current painting area is new, the old painting area, located below ground level, was filled with concrete.

Two wastewater treatment facilities are located on the Property to treat discharge water from the metal plating and painting operations. One is located within the manufacturing structure and the other is located on the western side of the Property. Both of the systems were tied to the North Charleston Sewer District, and neither is currently operational.

Residential development, which began in the late 1950's, exists to the west of the Property.

Assessment is currently ongoing on the neighboring property owned by Montague Industrial (UST Permit #18348). The groundwater is known to be impacted by petroleum contaminants and is located hydraulically upgradient of the subject Property.

In 2008, the current property owner retained the services of an environmental contractor to perform limited subsurface soil assessment on the Property. The assessment activities included excavating 13 trenches at locations in the vicinity of the building, collecting subsurface soil samples from the trenches, and submitting the samples for laboratory analysis of the 8 RCRA metals, polynuclear aromatic hydrocarbons (PAHs), and volatile organic compounds (VOCs). The results indicated elevated concentrations of arsenic, chromium, selenium, naphthalene,

and chlorinated solvents.

In October 2010, S&ME was contracted by ICS to perform Phase II assessment on the Property. The assessment included the collection of two composite surface soil samples, 2 sediment samples from nearby intermittent ditches, and two lithology borings subject to field screening. Additionally, the assessment included installing one temporary well, six permanent shallow wells, and two permanent deep wells.

The first composite surface soil sample (CS-1) was analyzed for target analyte list (TAL) metals, cyanide, hexavalent chromium, and target compound list (TCL) Semi-volatile organic compounds (SVOCs). CS-2 was analyzed for TAL metals, cyanide, hexavalent chromium, and organochlorine pesticides. Arsenic was detected above the residential and industrial regional screening levels. Several other metals were detected above the standards for leachability to groundwater.

The two sediment samples were analyzed for TAL metals, cyanide, hexavalent chromium, VOCs, and SVOCs. Due to the intermittent nature of the ditches, the results were compared to soil standards. Arsenic was detected above the residential and industrial regional screening levels in both samples. Cobalt, iron, and manganese were detected above the standards for leachability to groundwater.

The temporary groundwater monitoring well was screened at two depths, 12 feet and 24 feet based upon the results of the lithology borings. The samples collected from each depth were subjected to field screening via a flame ionization detector (FID). The FID results from the 8 to 12 feet below ground surface and the 20 to 24 feet below ground surface intervals were 1.97 and 68.47 parts per million, respectively.

The samples from the six permanent shallow wells and the 2 permanent deep wells were analyzed for TAL metals, cyanide, hexavalent chromium, VOCs, and SVOCs.

Based upon groundwater elevations, the flow direction was determined to be southwest. Deep well (DMW-2) was installed in proximity to the temporary well with the elevated FID reading in the deeper interval.

Antimony, cadmium, and chromium (total) were detected above their MCLs in MW-2. Arsenic was also detected above its MCL in MW-4. Trichloroethylene (TCE) was detected above its MCL in MW-1, MW-2, and DMW-2. Benzene and vinyl chloride were also detected above their MCLs in DMW-2. Hexavalent chromium (MW-2); iron (MW-4); and cobalt, iron, and manganese (MW-6) were detected above their corresponding tap water regional screening levels.

C. Party Identification: ICS is an international corporation with its principal place of business located at Suite 1818 – 1177 West Hastings Street, Vancouver, BC, V6E, 2K3, Canada. ICS affirms that it has the financial resources to conduct the response action pursuant to this Contract.

D. Proposed Redevelopment: ICS will acquire the Property and intends to use the Property for the warehousing and shipment of textile and plastic packaging materials.

BONA FIDE PROSPECTIVE PURCHASER STATUS

3. ICS certifies that it is a Non-Responsible Parties at the Site and is eligible to be a Bona Fide Prospective Purchaser for the Property.

RESPONSE ACTION

4. ICS agrees to conduct the response actions specified in the sub-paragraphs below. An initial Work Plan shall be submitted by ICS, or its designee, within thirty days of the execution date of this Contract, or later date if approved by the Department's project manager, setting forth methods and schedules for response actions detailed herein. ICS acknowledges that the response actions may find distributions of existing

contamination requiring additional assessment or corrective actions on the Property that cannot be anticipated with this Contract. ICS agrees to perform the additional response actions consistent with the intended uses of the Property under the purview of this Contract; however, ICS may seek an amendment of this Contract to clarify its further responsibilities. ICS shall perform all response actions required by this Contract, and any related actions of ICS's choosing not expressly required by this Contract, pursuant to Work Plans and/or Addenda approved by the Department.

A. Work Plan Logistics:

1). All activities undertaken pursuant to this Contract shall be consistent with S.C. statutes and permitting requirements (e.g., stormwater management and waste disposal regulations). ICS shall identify and obtain the applicable permits before beginning any action.

2). The Work Plan and all associated reports shall be in accordance with accepted industry standards and shall be shall be signed and sealed by a Professional Engineer or Professional Geologist duly-licensed in South Carolina.

3). The Work Plan(s) shall provide sufficient information about the proposed sampling points, collection methods, analytical methods, and other pertinent details of the response actions.

a). Sample collection methodologies shall be consistent with the US EPA Region IV Field Branches Quality System and Technical Procedures.

b). All monitoring wells and groundwater sampling points shall be constructed in accordance with the South Carolina Well Standards and Regulations-R.61-71. The Work Plan shall provide sufficient detail to support issuance of the well approvals.

c). The laboratory analyses shall be as required in the media-specific sub-paragraphs below, but may include: 1) the full EPA-TAL (Target Analyte List); 2) the full EPA-TCL (Target Compound List); 3) the TAL-Metals (EPA-TAL without Cyanide); 4) SVOCs (EPA-TCL Semi-Volatile Organics; 5) VOCs (EPA-TCL Volatile Organic Compounds); or, 6) Pesticides (the EPA-

TCL Pesticides).

d). All analytical methods shall use appropriate detection levels to allow comparison to the media-specific screening criteria listed in the "EPA Regional Screening Levels for Chemical Contaminants at Superfund Sites" in effect at the time of sampling. The Protection of Groundwater SSL (Soil Screening Level) for a compound shall be the "MCL-Based SSL" if listed. If the applicable screening criteria are lower than achievable detections levels, the analytical method shall use the lowest achievable detection levels.

4). The Work Plan shall include the names, addresses, and telephone numbers of ICS's consulting firm(s), analytical laboratories, and ICS's contact person for matters relating to this Contract.

a). The analytical laboratory shall possess applicable Certification, as per South Carolina R.61-81, for the test methods to be used during this assessment.

b). ICS shall notify the Department in writing of changes in the contractor or laboratory.

5). The Department will notify ICS in writing of approvals or deficiencies in the Work Plan.

6). ICS, or its designee, shall respond in writing within thirty days to the Department's comments with regards to deficiencies.

7). ICS shall implement the Work Plan upon written approval from the Department.

8). ICS shall inform the Department at least five (5) working days in advance of all field activities, and shall allow the Department, or its authorized representatives, to take duplicates of any samples if desired.

9). ICS shall preserve items that may: 1) provide evidence of a Potentially Responsible Party's involvement at the site; 2) lead to the discovery of other areas of contamination; or 3) contain environmental information. Such items may include drums, bottles, labels, business and operating records, contracts, Site studies, investigations, and other physical or written materials relating to the Site. ICS shall notify the Department of the location of any such items, and

provide the Department with an opportunity to inspect any materials or copy any documents at the Department's expense prior to destruction of said items.

B. Assess Waste Materials and Segregated Sources:

1). ICS shall assess Waste Materials and Segregated Sources upon their discovery on the Property at any time during assessment, corrective action, or development activities.

2). ICS's assessment shall include characterization of the contaminant concentrations, and an estimation of the quantity or extent of each type of Waste Material or Segregated Source, as applicable.

3). ICS shall expeditiously stabilize or remove from the Property any Segregated Source that has not yet released all contents to the environment upon discovery.

4). ICS shall notify the Department if a release of contamination occurs as a result of its assessment, stabilization or removal actions. ICS shall assess the impact of the release and take necessary action in accordance with a Department approved plan.

5). If process drain lines emanating from the buildings, or from any ancillary structures or operations, remain in place during or after redevelopment of the Property, ICS shall ensure that the drain lines are either removed or adequately sealed to prevent further use or potential release from the drain lines.

C. Conduct a well survey:

1). ICS shall map all public and private wells used for drinking water supply within a one-half mile radius of the Property, and wells used for irrigation or other non-drinking water use within a one-quarter mile radius.

2). ICS shall report sufficient information to the Department to allow the Department to secure permission to sample the wells. At a minimum, this information shall include the: 1) Location of the well; 2) Identity and mailing address of the well owner; and, 3) Telephone number, if publicly available or

otherwise known to ICS, of the well owner or occupant of the residence served by the well.

D. Assess soil quality across the Property:

1). ICS shall collect and analyze a minimum of 8 soil samples from 4 locations on the Property. ICS shall collect one surface soil sample (0-1 foot below ground surface) and one subsurface soil sample (2 foot minimum depth) at each location, as follows:

a). 1 surface soil sample and corresponding subsurface soil sample shall be collected from each side of the 90-day storage area and shall be analyzed for SVOCs and TAL metals.

b). 1 surface and 1 corresponding subsurface soil sample shall be collected from two locations reasonably expected to be a potential source of the elevated TCE and hexavalent chromium concentrations in monitoring well MW-2.

c). If surface drain sumps associated with the Waste Water Treatment Plants (WWTP), the painting area, and the plating area remain in place during or after redevelopment of the Property and if soils/sediments exist in those surface drain sumps, ICS shall collect 1 soil sample from each of the sumps. The samples shall be analyzed for TCL volatile organic compounds (VOCs), TCL semi-volatile organic compounds (SVOCs), and TAL metals. Each sample shall also be speciated for hexavalent chromium.

2). The surface soil samples shall be analyzed for TAL-Metals and SVOCs and shall be speciated for hexavalent chromium. The subsurface samples shall be analyzed for TAL-Metals, VOCs and SVOCs and shall be speciated for hexavalent chromium. A minimum of 1 surface and 1 subsurface sample shall be analyzed for the full EPA-TAL and EPA-TCL parameters.

3). Soil quality results shall be compared to the Residential and Industrial Screening Levels and to the applicable Protection of Groundwater SSL.

E. Assess Groundwater Quality:

1). ICS shall collect one groundwater sample from one of the existing shallow permanent groundwater monitoring wells.

2). This sample shall be analyzed for full TAL/TCL parameters.

3). Groundwater quality results shall be compared to standards in the South Carolina State Primary Drinking Water Regulations, R.61-58, and to the Regional Screening Tables values for "Tapwater", if not specified in R.61-58.

F. Evaluate and control potential impacts to indoor air:

1). ICS shall evaluate potential impacts to indoor air if the Department determines significant concentrations of volatile organic compounds are present in the subsurface. The Department will use a modified Johnson and Ettinger Model to determine "Significant concentrations" based on representative soil and/or groundwater quality results reflective of the Property. The model will be constrained towards predicting commercial exposures consistent with the building construction on the Property.

2). EXISTING BUILDINGS: This evaluation shall, unless otherwise agreed to by the Department, consist of collection and analysis of indoor air samples from within the building during two separate sampling events approximately six months apart. One sample shall be collected per every 1000 square feet of building footprint potentially subject to Vapor Intrusion. One sampling event shall be in the winter. Each sampling event shall include collection of a representative number of indoor air samples for laboratory analysis of all site-related volatile organic constituents. The samples collected for laboratory analysis may use either active or passive collection methods provided the same protocol is used for both sampling events. The method shall be capable of detecting gas concentrations at screening levels indicative of a 10^{-6} risk. The applicable screening concentrations shall be based upon the EPA OSWER "Draft Guidance for Evaluating the Vapor Intrusion to Indoor Air Pathway from Groundwater and Soils" or supplemental EPA guidance.

3). The Department may allow ICS to implement Vapor Intrusion control measures in lieu of the above evaluation, or use alternative evaluation methods that, in the Department's sole discretion, offer a similar degree of data usability.

4). ICS shall submit an addendum to the Work Plan detailing the steps for further study and/or remedial or other control management measures to be implemented if the [predicted] [measured] indoor air concentration exceeds a 10-6 risk calculated for [occupational exposure (40 hrs/wk, 50 wk/yr, 25 yrs)] [residential exposure]. The Department shall give reasonable consideration of data or other demonstration that shows unacceptable exposures inside the building do not result from the subsurface conditions.

G. Institute reasonable contamination control measures:

1). ICS shall take reasonable measures to limit or prevent human exposure to existing contamination on the Property:

a). Measures shall be required for Waste Materials and contaminated media with concentrations in excess of appropriate human-health and ecological risk-based exposure standards via plausibly complete routes of exposure. The measures may include removal, encapsulation, barriers, or other methods reasonably expected to limit human exposures to the contamination.

i. The measures shall be approved by the Department prior to implementation, and shall be consistent with the intended future use of the Property.

ii. ICS shall provide appropriate documentation to demonstrate satisfactory completion of the control measures for Department review and approval prior to obtaining a Certificate of Completion.

2). ICS shall remove from the Property any Segregated Sources of contamination that have not yet released all contents to the environment.

a). The contents of the Segregated Sources shall be properly reused or disposed of in accordance with regulations.

b). ICS shall document the characterization and ultimate disposition of the materials to the Department within sixty (60) days of removal of any material from the Property.

H. Monitor and/or abandon the monitoring wells:

1). ICS shall implement a groundwater-monitoring program if required by the Department. Continued monitoring requirements will be based on the Department's determination of potential adverse effects on nearby receptors, i.e., individuals that are presently or potentially exposed to contamination.

2). The Department will determine the frequency and duration of the monitoring program on a case-specific basis.

3). ICS shall abandon the monitoring well(s) when the Department determines there are no further needs for wells. The wells shall be abandoned in accordance with R.61-71 of the South Carolina Well Standards.

HEALTH AND SAFETY PLAN

5. ICS shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan consistent with Occupational Safety and Health Administration regulations. ICS agrees that the Health and Safety plan is submitted to the Department only for informational purposes. The Department expressly disclaims any liability that may result from implementation of the Health and Safety Plan by ICS.

PUBLIC PARTICIPATION

6. ICS and the Department will encourage public participation to implement this Contract as follows:

A. The Department will seek public comment and initiate a thirty-day claim contribution notification period in accordance with established procedures consistent with S.C. statutes upon signature of this Contract by ICS.

B. ICS shall erect a sign at major entrances onto the Property or other locations

routinely accessible by the public. The sign(s) shall be erected within one day of the Department's public announcement about the Contract in a newspaper of general circulation in the community.

1). The sign will state "Voluntary Cleanup Project by Interwrap Converting Solutions (US) Corporation under Voluntary Cleanup Contract 10-5732-NRP with the South Carolina Department of Health and Environmental Control." The sign shall provide a brief description of the scope of activities under the Contract, and contact information, including telephone number and address, for a representative of ICS. Contact information for the Department shall state "TOLL-FREE TELEPHONE: 1-866-576-3432".

2). All sign lettering must be of sufficient size to be legible with un-aided normal eyesight from the point where the public will normally pass by the site without intruding onto the Property.

3). ICS shall submit photographs of the sign and a Property drawing showing the location(s) of the signs. The photographs shall be submitted to the Department within 10 days of erecting the sign.

4). ICS agrees to revise the sign if the Department determines the sign is inaccurate, not legible, or otherwise ineffectively placed.

5). ICS shall maintain the sign(s) in legible condition and at visible locations throughout the duration of the contract period until a Certificate of Completion is issued on the Property.

6). The sign(s) may be removed to accommodate building or grading activities; however, ICS shall restore the sign within two days to its original location, or other publicly accessible location upon notice to the Department.

PROGRESS UPDATES

7. ICS shall submit periodic written updates to the Department's project manager until such time as all activities are complete pursuant to this Contract. The first update shall be due within 90 days of the execution date of this Contract and semi-annually thereafter.

A. The updates may be in summary letter format, but should include information about:
   1). The actions taken under this Contract during the previous reporting period;
   2). Actions scheduled to be taken in the next reporting period;
   3). Sampling, test results, and any other data in summary form, generated during the previous reporting period regardless of whether the data was collected pursuant to this Contract; and,
   4). A description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.

B. The Department's project manager may allow an extended schedule between updates based on site-specific conditions.

SCHEDULE

8. ICS shall perform all activities and response actions pursuant to this Contract in an expeditious manner. In the event that circumstances dictate a delay in implementation of the response actions, the Department may require implementation of interim measures to stabilize Contamination or prevent unacceptable exposures. ICS shall implement the interim measures in accordance with a Department-approved plan.

DECLARATION OF COVENANTS AND RESTRICTIONS

9. As the assessment contained herein is based upon industrial reuse of the Property, ICS or its Beneficiaries shall enter, and record, a Declaration of Covenants and Restrictions (Covenant) for the Property. The recorded Covenant shall be incorporated into this contract as an Appendix and shall be implemented as follows:

   A. The Department shall prepare and sign the Covenant prior to providing it to ICS. An authorized representative of ICS or its Beneficiaries shall sign the Covenant within ten days of receipt. All signatures shall be witnessed, and signed and sealed by a notary public.

B. ICS or its Beneficiaries shall file the executed Covenant with the Registrar of Deeds for the county where the Property is located.

C. ICS or its Beneficiaries shall provide a copy of the recorded Covenant to the Department within sixty days of the Department's execution. The copy shall show the date and Book and Page number where the Covenant has been recorded.

D. The Covenant shall reserve a right of entry and inspection for ICS or its Beneficiaries that may be transferred to another single individual or entity for purposes of compliance monitoring.
   1). ICS or its Beneficiaries shall ensure that the restrictions established by the Covenant remain on any subdivided property.
   2). ICS or its Beneficiaries shall create a procedure to provide a single point of contact responsible for documenting current land use and compliance with the Covenant regardless of the Property's ownership status. The procedure shall be reviewed and approved by the Department before it is implemented.

E. ICS or its Beneficiaries, or the individual or entity responsible for compliance monitoring, shall annually document the Property's land use and compliance with the Covenant to the Department. The report shall be submitted by May 31st in a manner and form prescribed by the Department.

F. The Department may amend the Covenant in response to changes in law, completion of remedial actions meeting the applicable standards in effect at the time, or if other circumstances of the Site change; however, said amendment shall not be applied retroactively unless expressly provided for in the legislation. An amendment may strengthen, relax, or remove restrictions based on the Regional Screening Tables in effect at that time; however, the Department shall not impose a more restrictive condition based solely on changes in the Regional Screening

Tables. An amendment to the Covenant shall be duly executed and recorded using procedures similar to those detailed above.

NOTIFICATION

10. All correspondence required to be given by either party to the other shall be in writing. Each party shall have a continuing obligation to identify a contact person, whose name, address, and telephone number must be updated to the other party, throughout the term of the contract. Notices by electronic mail or facsimile shall be acceptable if acknowledged in writing by the recipient; with the delivery date being the date of acknowledgment or earlier date if stated in the acknowledgment. All other forms of correspondence shall be deemed sufficiently given if delivered at the address shown below, or at such place or to such agent as the parties may from time to time designate in writing, by: 1) regular U.S. Mail; 2) Certified or Registered Mail; 3) Commercial delivery service company; or, 4) hand delivery to the other party.

A. All correspondence to the Department including two hardcopies of all Work Plans and reports, and one hardcopy of the Health and Safety Plan should be submitted to:

Jerry Stamps
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201

B. ICS's designated contact person as of the effective date of this contract shall be:

Robert Milne
Interwrap Converting Solutions
Suite 1818 – 1177 West Hastings Street
Vancouver, BC, V6E, 2K3, Canada

FINANCIAL REIMBURSEMENT

11. ICS or its Beneficiaries shall reimburse the Department for its public participation costs and for oversight costs of activities specific to this Contract as provided by S.C. statutes. The oversight costs shall include the direct and indirect costs incurred by the Department in implementing the Voluntary Cleanup Program as related to this Contract, and any future amendments thereof, and may include costs incurred by the Department prior to execution of this Contract. Invoices for oversight costs will be sent to ICS on a quarterly basis. All costs are payable within thirty days of the Department's invoice submitted to:

Robert Milne
Interwrap Converting Solutions
Suite 1818 – 1177 West Hastings Street
Vancouver, BC, V6E, 2K3, Canada

ACCESS TO THE PROPERTY

12. ICS agrees the Department has an irrevocable right of access to the Property after ICS acquires the Property. This right of access remains until such time as remediation is accomplished for unrestricted use and monitoring is no longer required, and shall extend to the Department's authorized representatives and all other persons performing response actions on the Property under the Department's oversight.

CERTIFICATE OF COMPLETION AND COVENANT NOT TO SUE

13. A Certificate of Completion will be issued on the Property as follows:

A. ICS shall request a Certificate of Completion after the response actions are completed and any required Covenants are recorded pursuant to this Contract. The request shall be in writing and shall report 1) the amount of soil that was removed or remediated on the Property; and 2) the cost of all environmental work conducted pursuant to this Contract.

B. The Department will issue the Certificate of Completion with its covenant not to sue upon determining that ICS has successfully and completely complied with the Contract.

C. The Department may issue a Provisional Certificate of Completion if the substantive response actions are complete but all activities on the Property cannot be completed due to site-specific circumstances.
   1). A Provisional Certificate of Completion will include specific performance standards that ICS or its Beneficiaries shall continue to meet.
   2). The Provisional Certificate of Completion may include the Department's covenant not to sue for Existing Contamination; however, said covenant shall be automatically revoked if ICS or its Beneficiaries do not satisfactorily complete the requirements of the Contract.

ECONOMIC BENEFITS REPORTING

14. ICS or its Beneficiaries shall report information to the Department that demonstrates that the activities pursuant to this Contract have been beneficial to the State and community. The report shall be submitted within two years after the execution date of this Contract, and annually until two years after redevelopment of the Property is complete. ICS shall summarize the new operations at the Property, the number of jobs created, the amount of increase to the tax base, and the total amount invested in the site for property acquisition and capital improvements.

TRANSFER OF CONTRACT OBLIGATIONS AND PROTECTIONS

15. The terms and conditions of this Contract apply to and inure to the benefit of the Department, ICS, and its Beneficiaries. The following stipulations apply to ensure the transition of all responsibilities and benefits to successive Beneficiaries for any portion of the Property:

A. ICS or its Beneficiaries shall provide a copy of this Contract and applicable Appendices to any subsequent Beneficiary. Transmittal of the Contract copy may be via any commonly accepted mechanism.

B. If the Certificate of Completion has not been issued, ICS or its Beneficiaries shall seek approval from the Department prior to transferring the protections and obligations of this Contract to a new individual or entity. The protections shall not inure to an individual or entity without the Department's approval. The Department shall not unreasonably withhold its approval upon receipt of documentation from the new individual or entity showing it:

1). Is eligible to be a Bona Fide Prospective Purchaser for the Property;
2). Has sufficient resources to complete the activities of this Contract;
3). Will not use the Property for activities that are inconsistent with the terms and conditions of this Contract;
4). Will assume the protections and all obligations of this Contract and,
5). Will, in the Department's sole discretion, provide a measurable benefit to the State and the community as a result of this transfer.

C. If the Certificate of Completion has been issued and the portion of the Property is subject to a Covenant or other ongoing obligation pursuant to this Contract, ICS or its Beneficiaries shall provide written notification to the Department identifying the new individual or entity within thirty days after the effective date of the ownership change or other possessory transfer of the Property.

1). The notification shall include a signed statement from the new individual or

entity that its use of the Property will remain consistent with the terms of the Contract, and that it will assume the protections and ongoing obligations of this Contract.

D. If a Certificate of Completion has been issued and the Property is not subject to a Covenant or other continued obligation pursuant to this Contract, no notification is required.

CONTRACT TERMINATION

16. ICS, its Beneficiaries, and the Department each reserve the right to unilaterally terminate this Contract by giving thirty days advance written notice to the other party. Termination shall be subject to the following:

A. The Department may terminate this Contract only for cause and shall provide opportunity for ICS or its Beneficiaries to correct causes of termination, which may include, but is not limited to, the following:

1). Failure to complete the terms of this Contract;

2). Change in ICS's or its Beneficiaries' business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract;

3). Failure to submit timely payment for costs upon receipt of the Department's invoice;

4). Failure of ICS or its Beneficiaries to implement appropriate response actions for additional contamination or releases caused by ICS or its Beneficiaries, or

5). Providing the Department with false or incomplete information or knowing failure to disclose material information;

6). Failure by ICS or its Beneficiaries to obtain the applicable permits from the Department for the response actions or other activities undertaken at the Property pursuant to this contract; or,

7). Failure by ICS or its Beneficiaries to make material progress toward the expansion, redevelopment, or reuse of the property as determined by the

Department upon consideration of ICS's or its Beneficiaries' marketing efforts, regional economic conditions, and other pertinent information on the Property.

B. Should ICS or its Beneficiaries elect to terminate, that party shall certify to the Department's satisfaction that any environmental or physical hazards created by ICS or its Beneficiaries have been stabilized or mitigated such that the Property does not pose hazards to human health or the environment that did not exist before the response actions identified in this Contract.

C. Termination of this Contract by any party does not end the obligations of ICS or its Beneficiaries to pay costs incurred by the Department pursuant to this Contract prior to the date that any such termination takes effect. Payment for such costs shall become immediately due.

D. The protections provided to ICS or its Beneficiaries shall be null and void as to any party who willfully or intentionally participated in actions giving rise to termination of the Contract. This shall apply to that party's lenders, parents, subsidiaries, members, managers, employees, and successors, including lessees, heirs, devisees, and other parties taking an interest in the Property through that party. The protections will continue for any other covered party who did not willfully or intentionally participate in the action giving rise to the termination.

ENTITLEMENT OF PROTECTIONS AND BENEFITS

17. ICS and its Beneficiaries are entitled to the protections and benefits provided by S.C. statutes as follows:

A. Effective on the date this Contract is first executed by the Department:
   1). Protection from CERCLA contribution claims.
   2). Protection from third-party claims as provided by S.C. Code Ann. § 44-56-750(H).

3). Eligibility to file annual application for Voluntary Cleanup Activity Tax Credits pursuant to S.C Code § 12-6-3550.

B. Effective on the date the Certificate of Completion is issued by the Department:

1). The Department's covenant not to sue ICS and its Beneficiaries for Existing Contamination except for releases and consequences caused by ICS or its Beneficiaries.

2). Specific tax credits or additional benefits expressly contingent in S.C. statutes on issuance of the Certificate of Completion.

C. These Protections and Benefits do not apply to any contamination, releases, and consequences caused by ICS and its Beneficiaries. The Department retains all rights under State and Federal laws to compel ICS and its Beneficiaries to perform or pay for response activity for contamination, releases and consequences created by ICS or its Beneficiaries.

RESERVATION OF RIGHTS BY THE DEPARTMENT

18. Nothing in this Contract is intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against any person, firm, or corporation other than ICS and its Beneficiaries. The Department reserves the right to undertake future response actions at the Site and to seek to compel parties, other than ICS and its Beneficiaries, to perform or pay for response actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of response actions that may be taken or be required by the Department in exercising its authority under State and Federal law.

RESERVATION OF RIGHTS BY ICS

19. ICS retains all rights to assert claims in law or equity against any person, company, or entity with respect to the Property, except as limited elsewhere by this Contract. ICS and its Beneficiaries specifically deny responsibility for response costs or damages

resulting from Existing Contamination except for contamination, releases, and consequences they cause or contribute to the Site. However, ICS and its Beneficiaries agree to undertake the requirements of this Contract.

BURDEN OF PROOF

20. ICS and its Beneficiaries shall have the continuing obligation to demonstrate that any newly discovered contamination is not attributable to ICS or its Beneficiaries. ICS and its Beneficiaries shall make this demonstration to the Department's satisfaction in accordance with State or Federal Law applicable to such newly discovered contamination. For purposes of this clause, newly discovered contamination means finding types of contamination not previously identified at the Site or substantially higher concentrations of Existing Contamination.

LIMITATION OF CLAIMS BY ICS AND ITS BENEFICIARIES

21. In consideration of the protections from the Department, ICS and its Beneficiaries agree not to assert any claims or causes of action against the Department or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site. This limitation shall not extend to any claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions, or the Department's willful violation of the terms of this agreement.

SIGNATORS

22. The signatories below hereby represent that they are authorized to and do enter into this contract on behalf of their respective parties.

THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

BY: DATE:

Daphne G. Neel, Chief
Bureau of Land and Waste Management

DATE:

Reviewed by Office of General Counsel

Interwrap Converting Solutions (US) Corporation

BY: DATE: Feb 11, 2011

Robert Milne, CEO

BY: DATE: 11 Feb 2011

Baldev Shokar, President

APPENDIX A