VOLUNTARY CLEANUP CONTRACT
16-5478-RP

IN THE MATTER OF
BROWDER TRUST PROPERTY SITE, CHARLESTON COUNTY
and
HIPP BROTHERS INVESTMENTS, LLC

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Hipp Brothers Investments, LLC, pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 through 760, as amended, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601 to 9675, as amended, and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200, with respect to the facility known as the Browder Trust Property Site ("Site"). The Hipp Brothers Investments, LLC property is located at 1343/1345 Ashley River Road, Charleston, South Carolina ("Property"). The Property includes approximately 0.54 acres and is bounded generally by Ashley River Road on the north; Playground Road on the west; mixed residential and commercial properties along Lango Avenue on the east; and residential properties along Wallerton Avenue on the south. The Property is identified by the County of Charleston as Tax Map Serial Numbers 418-05-000-03 and 418-05-00-004. A legal description of the Property is attached to this Contract as Appendix A.

DEFINITIONS

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, the HWMA, and in regulations promulgated under the foregoing statutes, or the Brownfields/Voluntary Cleanup Program.

A. "HBI" shall mean Hipp Brothers Investments, LLC. HBI is a South Carolina Limited Liability Company with its principal place of business located at 194 Tradd Street, Charleston, South Carolina.

B. "Contamination" shall mean impact by a Contaminant or Hazardous Substance.

C. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.

D. "Department" shall mean 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.

E. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA § 101, 42 U.S.C. § 9601(14).

F. "Petroleum" and "Petroleum Product" shall mean crude oil or any fraction of crude oil, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds for each square inch absolute), including any liquid, which consists of a blend of petroleum and alcohol and which is intended for use as a motor fuel.

G. "Pollutant" or "Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of CERCLA § 101, 42 U.S.C. § 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.

H. "Property" as described in the legal description attached as Appendix

A, shall mean that portion of the Site, which is subject to ownership, prospective ownership, or possessory or contractual interest of HBI.

I. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.

J. "Site" shall mean all areas where a Hazardous Substance, Petroleum, Petroleum Product, Pollutant, or Contaminant has been released, deposited, stored, disposed of, or placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA.

K. "Voluntary Cleanup" shall mean a Response Action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 to 760, as amended.

L. "Work Plan" shall mean the plan for additional Response Actions to be conducted at the Site as described in Paragraph 3 of this Contract.

FINDINGS

2. Based on the information known by or provided to the Department, the following findings are asserted for purposes of this Contract:

A. According to a Phase I Environmental Site Assessment report (ESA), dated July 24, 2006, prepared by SCS Engineers, the City Directories from 1951 to 2003 indicated that the Property was occupied by the following businesses:

i. 1343 Ashley River Road

a. 1964 to 1968 - National Exterminating
b. 1976 to 1972 - Bill's Barber Shop
c. 1978 to 1984 - Bill Hurtes Realty
d. 1990 to 1994 - Oveta's Hair Salon
e. 1996 to present - Uneek Hair

ii. 1345 Ashley River Road

a. 1964 to 1974 - National Fumigation

b. 1970 to 1990 - National Extermination
c. 1984 to 1988 - The Country Mouse
d. 1994 to 2001 – Monogram Shoppe
e. 1998 to 2001-Beehive-Flower Shoppe

B. The ESA also indicated that the Property was historically used as a pest control facility from the 1940's until the 1990's. In 2004, and at the request of the Department, the USEPA performed a removal action to address an emergent situation related to the presence of pesticides in the soil. Approximately ten 55-gallon drums were located onsite in addition to visual observations of soil staining. The removal action was completed in March 2005 and included the removal of nonhazardous waste, impacted soil, and two small buildings that had asbestos siding. Approximately 66 tons of soil and 60 yards of concrete/materials were properly treated and disposed of.

C. In or about 2006, SCS Engineers conducted a Phase I Environmental Site Assessment. The 2006 SCS Phase I was conducted on behalf of HBI as a prospective purchaser of the Property. The SCS Phase I identified no Recognized Environmental Concerns (RECs) at the property and recommended "no further additional environmental assessment ..." Relying on the SCS assessment, HBI acquired the Property.

D. In 2013, Envirotrac Environmental Services conducted an Environmental Baseline Assessment on behalf of a new prospective purchaser. Soil and groundwater samples were collected and analyzed for gasoline, diesel, pesticides, PCBs, metals, and volatile and semi-volatile constituents. Soil samples indicated dieldrin, arsenic, aldrin, heptachlor, and heptachlor epoxide were present at concentrations above EPA Regional Screening Levels for Industrial Soils. Groundwater samples indicated aldrin, arsenic, alpha-BHC, 4,4'-DDD, 4,4'-DDT, and heptachlor were present at concentrations

above groundwater maximum contaminant levels or tapwater standards.

E. In September 2015 and at the request of HBI, Meridian Energy & Environment, LLC conducted a Phase I and Phase II soil and groundwater investigation of the Site. Soil sampling detected levels of aldrin, chlordane, dieldrin, and heptachlor epoxide above the EPA Industrial Screening Level for Soil. Heptachlor was also detected in one sample above the EPA Residential Screening Level for Soil. Groundwater sampling detected levels of chlordane, heptachlor, and heptachlor epoxide above groundwater maximum contaminant levels.

RESPONSE ACTIONS

3. HBI agrees to submit to the Department for review and written approval within thirty (30) days of the execution date of this Contract a Work Plan for the Site that is consistent with the technical intent of the National Contingency Plan. The Work Plan shall be implemented upon written approval from the Department. The Work Plan shall include the names, addresses, and telephone numbers of the consulting firm, the analytical laboratory certified by the Department, and HBI's contact person for matters relating to this Contract. HBI will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and will notify HBI in writing of any deficiencies in the Work Plan and HBI will respond in writing to the Department's comments within thirty (30) days. The Work Plan and all associated reports shall be prepared in accordance with industry standards and endorsed by a Professional Engineer (P.E.) and/or Professional Geologist (P.G.) duly-licensed in South Carolina and shall set forth methods and schedules for accomplishing the following tasks:

A. Conduct a Remedial Investigation (RI) to determine the source, nature, and extent of Contamination at the Site.

B. Submit to the Department an RI Report (to include a Baseline Risk

Assessment or other evaluation of risk to human health and the environment) in accordance with the schedule in the approved RI Work Plan. The Department shall review the report for determination of completion of the RI and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to HBI, and HBI shall subsequently conduct additional field investigation to further determine the source, nature, and extent of Contamination. If the Department determines that the field investigation is complete but the report is incomplete, the Department shall send to HBI a letter indicating that revision of the report is necessary. Within thirty-(30)-days of receipt of such letter from the Department, HBI shall submit a revised report addressing the Department's comments.

C. If determined necessary by the Department, conduct a Feasibility Study or other evaluation of remedial and/or removal alternatives for addressing Contamination at the Site.

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

5. HBI shall inform the Department in writing at least five (5) working days in advance of all field activities pursuant to this Contract and, if deemed necessary by the Department, shall allow the Department and its authorized representatives to take duplicates of any samples collected by HBI pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and once a quarter thereafter, HBI shall submit to the Department a written progress report that must include

the following: (A) actions taken under this Contract during the previous reporting period; (B) actions scheduled to be taken in the next reporting period; (C) sampling, test results, and any other data, in summary form, generated during the previous reporting period, whether generated pursuant to this Contract or not; and (D) a description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.

7. All correspondence which may or are required or permitted to be given by either party to the other hereunder shall be in writing and deemed sufficiently given if delivered by (A) regular U.S. mail, (B) certified or registered mail, postage prepaid, return receipt requested, (C) nationally recognized overnight delivery service company, or (D) hand delivery to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.

Unless otherwise directed in writing by either party, all correspondence, work plans, and reports should be submitted to:

The Department: Greg Cassidy
South Carolina Department Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201
cassidga@dhec.sc.gov

HBI: Hipp Brothers Investments, LLC
c/o Preston Hipp
194 Tradd St.
Charleston, SC 29401

All final work plans and reports shall include two (2) paper copies and one (1) electronic copy on compact disk.

PUBLIC PARTICIPATION

8. Upon execution of this Contract, the Department will seek public participation in accordance with S.C. Code Ann. § 44-56-740(D), and not inconsistent with the National

Contingency Plan. HBI will reimburse the Department's costs associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

RESPONSE COSTS

9. HBI shall, within thirty (30) days of the execution date of this Contract, pay to the Department by certified or cashier's check the sum of two hundred forty-five dollars and fifty-seven cents ($245.57) to reimburse estimated past response cost incurred by the Department through January 1, 2016 ("Past Costs") relating to the Site. HBI's payment for Past Costs should be submitted to:

The Department: John K. Cresswell
South Carolina Department of Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, SC 29201

In accordance with §§ 44-56-200 and 44-56-740, HBI shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract occurring after January 1, 2016. Oversight Costs include, but are not limited to, the direct and indirect costs of negotiating the terms of this Contract, reviewing Work Plans and reports, supervising corresponding work and activities and costs associated with public participation. Payments will be due within thirty (30) days of the Department's invoice date. The Department shall provide documentation of its Oversight Costs in sufficient detail so as to show the personnel involved, amount of time spent on the project for each person, expenses, and other specific costs. Invoices shall be submitted to:

HBI: Hipp Brothers Investments, LLC
c/o Preston Hipp
194 Tradd St.
Charleston, SC 29401

All of HBI's payments should reference the Contract number on page 1 of this Contract and be made payable to:

The South Carolina Department of Health & Environmental Control

If complete payment of the Past Costs or of the quarterly billing of Oversight Costs is not received by the Department by the due date, the Department may bring an action to recover the amount owed and all costs incurred by the Department in bringing the action including, but not limited to, attorney's fees, Department personnel costs, witness costs, court costs, and deposition costs.

ACCESS

10. The Department, its authorized officers, employees, representatives, and all other persons performing Response Actions under the oversight of the Department ("Department Representatives") will not be denied access to the Site during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). Department Representatives shall notify HBI or subsequent owners before accessing the Property and, as a condition of access, the Department Representatives shall hold HBI harmless for any personal injury or property damage resulting from such access. HBI may require Department Representatives to observe reasonable safety and security procedures established and followed by HBI or its contractors. HBI or subsequent owners of the Property shall ensure that a copy of this Contract is provided to any lessee or successor or other transferee of the Property.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after HBI has completed the actions required under this Contract, HBI shall enter and file a restrictive covenant. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of HBI and witnessed, signed, and sealed by a notary public. HBI shall record this restrictive covenant with the Register of Deeds or Mesne Conveyances in Charleston County. The signed covenant shall be incorporated into this Contract as an Appendix. A Certificate of Completion shall not be issued by the Department until the restrictive covenant, if

required, is executed and recorded. With the approval of the Department, the restrictive covenant may be modified in the future if additional remedial activities are carried out which meet appropriate clean-up standards at that time or circumstances change such that the restrictive covenant would no longer be applicable. The Department may require HBI or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. HBI, subsequent owners or their designee responsible for compliance monitoring of the Property shall file an annual report with the Department by May 31st of each year detailing the current land uses and compliance with the restrictive covenants for as long as the restrictive covenant remains in effect on the Property. The report must be submitted in a manner prescribed by the Department.

OBLIGATIONS AND BENEFITS

12. Upon execution of this Contract by the Department, HBI, its signatories, parents, subsidiaries, successors and assigns shall be deemed to have resolved their liability to the State in an administrative settlement for purposes of, and to the extent authorized under 42 U.S.C. § 9613(f)(2), S.C. Code Ann. § 44-56-200, for the matters addressed in this Contract. "Matters addressed" are all Response Actions taken or to be taken at or in connection with this Site under this Contract and any subsequent amendments to the Contract, and all response costs incurred or to be incurred under this Contract and any subsequent amendments to the Contract. Further, by resolving its liability to the State for some or all of a Response Action in this administrative settlement, HBI may seek contribution to the extent authorized under 42 U.S.C. § 9613(f)(3)(B), S.C. Code Ann. § 44-56-200 from any person who is not a party to this administrative settlement. A thirty (30) day comment period shall be required prior to the Department's execution of the Contract, and shall commence upon publication of the notice of the proposed Contract in the *South Carolina State Register*.

13. 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 a responsible party who is not a signatory to the Contract and who is

not a signatory's parent, subsidiary, successor or assign.

14. Subject to the provisions of Paragraph 16, nothing in this Contract is intended to limit the right of the Department to undertake future Response Actions at the Site or to seek to compel parties to perform or pay for costs of 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.

15. Subject to the provisions of Paragraph 16, 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 that the Department may have against HBI for any matters not expressly addressed by and settled through this Contract.

16. Upon successful completion of the terms of this Contract, HBI shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that HBI has successfully and completely complied with this Contract, the Department, pursuant to S.C. Code Ann. § 44-56-740(A)(5) and (B)(1), will give HBI a Certificate of Completion that provides a covenant not to sue to HBI, its signatories, parents, subsidiaries, successors and assigns for the work done in completing the Response Actions specifically covered in the Contract and completed in accordance with the approved work plans and reports. The covenant not to sue and administrative settlement for purposes of contribution protection are contingent upon the Department's determination that HBI successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, HBI, its signatories, parents, subsidiaries, successors and assigns agree not to assert any claims or causes of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, except for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

17. HBI and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty (30) day advance written notice of the election to terminate this Contract to the other party. Should HBI elect to terminate, it must submit to the Department all data generated pursuant to this Contract, and certify to the Department's satisfaction that any environmental or physical hazard shall be stabilized and/or mitigated such that the Site does not pose a hazard to human health or the environment that did not exist prior to any initial Response Action addressing Contamination identified in this Contract.

18. The Department may terminate this Contract only for cause, which may include but is not limited to, the following:

A. Events or circumstances at the Site that are inconsistent with the terms and conditions of this Contract;

B. Failure to complete the terms of this Contract or the Work Plan;

C. Failure to submit timely payments for Past Costs and/or for Oversight Costs as defined in Paragraph 9 above;

D. Additional Contamination or releases or consequences at the Site caused by HBI, its parents, subsidiaries, successors and assigns;

E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;

F. Change in HBI's or its successors' business activities on the Property or uses of the Property that are inconsistent with the terms and conditions of this Contract; or

G. Failure by HBI to obtain the applicable permits from the Department for any Response Action or other activities undertaken at the Property.

19. Upon termination of the Contract under Paragraph 17 or 18, the covenant not to sue and administrative settlement for purposes of contribution protection shall be null and void. Termination of the Contract by HBI or the Department does not end the obligations

to reimburse Oversight Costs already incurred by the Department and payment of such costs shall become immediately due.

20. The signatories below hereby represent that they are authorized to 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
Environmental Quality Control

_____ DATE: _____

Reviewed by Office of General Counsel

HIPP BROTHERS INVESTMENTS, LLC

Preston Hipp DATE: 4/26/16

Signature

PRESTON HIPP MANAGING MEMBER

Printed Name and Title

APPENDIX A

Legal Description of the Property

County of Charleston

Tax Map Serial Numbers 418-05-000-03 and 418-05-00-004

1343 Ashley River Road, Charleston, South Carolina 29407

All that certain piece, parcel or lot of land, situate, lying and being in St. Andrew s Parish, Charleston County, South Carolina and known and designated as Lot 3, Washington Park Subdivision as shown on a plat thereof prepared by G.L. Youngblood, RLS dated March 20, 1948 and recorded in the R MC Office for Charleston County in Plat Book G at Page 46A; said parcel of land having such actual size, shape, dimensions, buttings and boundings as shown on said plat, reference to which is hereby made for a more complete description.

TMS No. 418-05-00-003

AND ALSO:

1345 Ashley River Road, Charleston, South Carolina 29407

All that certain piece, parcel or lot of land, situate, lying and being in St. Andrew s Parish, Charleston County, South Carolina known and designated as Lot 4 Washington Park Subdivision as shown on a plat thereof prepared by G.L. Youngblood, RLS dated March 20, 1948 and recorded said parcel of land having such actual size, shape, dimensions, buttings and boundings as shown on said plat, reference to which is hereby made for a more complete description.

TMS No. 418-05-00-004

BEING the same properties conveyed to James B. Browder, Sr by deed of Sumter B. Browder, Jr. dated February 1, 1985 and recorded on February 4, 1985 in Book B143 at Page 775 and in Book 143 at Page 779 in the Office of the RMC for Charleston County, South Carolina.