



Catherine B. Templeton, Director

Promoting and protecting the health of the public and the environment

December 12, 2014

**Via Email jbrendel@clarkhill.com
& US Mail**

Joseph R. Brendel, Esq.
Clark Hill PLC
One Oxford Centre
301 Grant St., 14th Floor
Pittsburgh, PA 15219

Re: Ansaldo Site, Lexington County
LWM File #50855, PCAS# 5012

Dear Joe,

Enclosed is a certified true copy of the fully executed Voluntary Cleanup Contract 14-5012-RP (VCC) between Ansaldo STS USA, Inc. and the South Carolina Department of Health and Environmental Control (the Department). The VCC was executed yesterday by the Department.

It has been a pleasure working with you during this process. I hope that you and your family enjoy the anticipated holiday season.

Sincerely,

Pat Vincent 

Pat L. Vincent
Environmental Health Manager
Division of Site Assessment, Remediation & Revitalization

Enclosure: VCC

Cc: Ken Taylor (via email notice)
R. Gary Stewart (email notice)
Harry Mathis (email notice)
Jan Trent (email notice)
LWM File #50855

**VOLUNTARY CLEANUP CONTRACT
14-5012-RP**

**IN THE MATTER OF
ANSALDO STS USA, INC. (f/k/a UNION SWITCH & SIGNAL) SITE (LEXINGTON
COUNTY)
and
ANSALDO STS USA, INC.**

This Contract is entered into by the South Carolina Department of Health and Environmental Control (DHEC or the Department) and Ansaldo STS USA, Inc., formerly known as Union Switch & Signal, Inc. (Ansaldo), pursuant to the Brownfields/Voluntary Cleanup Program (VCP), S.C. Code Ann. §§ 44-56-710 to 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. §§ 44-56-10 to 850, as amended, with respect to the facility known as the Ansaldo STS USA, Inc. (f/k/a Union Switch & Signal) Site ("Site"). The facility property is located at 645 Russell Street, Batesburg, South Carolina. The facility property includes approximately 20 acres and is bounded generally by Russell Street and industrial property to the South, an unnamed tributary, vacant land and industrial property to the East and North, and vacant land and farm land to the West. The facility property is identified by County of Lexington as TMS# 00700-06-004; and legal descriptions of the facility property parcel, as well as the other parcels that together with the facility property comprise the "Property," are 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 VCP.
 - A. "Ansaldo" shall mean Ansaldo STS USA, Inc., a Delaware corporation. Ansaldo's principal place of business is located at 1000 Technology Dr., Pittsburgh, Pennsylvania 15219-3129.
 - B. "Contract" shall mean this Responsible Party Voluntary Cleanup

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Contract.

- C. "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.
- D. "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 (i) through (vi) of Paragraph (D) of CERCLA § 101, 42 U.S.C. §§ 9601, as amended, and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.
- 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. "Contamination" shall mean impact by a Contaminant or Hazardous Substance.
- G. "Property," as described in the legal descriptions attached as Appendix A, shall mean that portion of the Site on which Ansaldo's operations are conducted (facility property) and the other parcels. American Standard, Inc.'s, Westinghouse Air Brake Company (WABCO) subsidiary, WABCO division and Union Switch & Signal division each previously conducted operations at the facility property

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from 1976 through 1988. Ansaldo, then known as Union Switch & Signal, Inc., acquired the facility property from American Standard, Inc. by deed dated July 29, 1988.

- H. "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.
- I. "TMS#" means The County of Lexington's real property parcel identification "Tax Map Series" number.
- J. "Site" shall mean the Property and all areas where a 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 VCP, 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. The facility property has been used for industrial purposes for decades and the facility property and the other parcels were owned and/or operated by the following:

TMS# 007000-06-004			
facility property / 20 acres / Deed Book 1150-0100 (Property A)			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
7/29/88	Ow/Op	Union Switch & Signal, Inc., now known as Ansaldo STS USA, Inc.	Manufacture railroad switch and signaling equipment.
12/31/78	Ow	American Standard, Inc.	Manufacture railroad switch and signaling equipment.

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		WABCO was merged into American Standard, Inc. effective December 31, 1978, becoming a division of American Standard, Inc. As a result of that merger, title to the Property became vested in American Standard, Inc. Subsequently, American Standard, Inc.'s operations at the Property were conducted by its Union Switch & Signal Division.	
12/31/78	Op	Union Switch & Signal Division of American Standard, Inc.	Manufacture railroad switch and signaling equipment.
12/15/76	Ow/Op	Westinghouse Air Brake Company (WABCO), a subsidiary of American Standard, Inc.	Manufacture railroad switch and signaling equipment.
08/14/62	Ow/Op	Twin City Industrial Corp.	Manufacture of airplane propellers. Property contained two manufacturing buildings.
1/22/40	Ow	U.W. Collum	

TMS #007026-02-001

1.6 acres / Deed Book 3114/171 Part I

Date	Ow/Op	Parcel Owner/Operator	Description of Operations
8/10/94	OW/OP	Union Switch & Signal, Inc.	Parking Lot or Undeveloped Land
10/18/93 and 4/23/87	OW OW	Carolina Eastern, Inc. Carolina Eastern, Inc.	Unknown
3/18/74	OW	Burnett G. DuBose	Unknown
2/25/74	OW	Burnett G. DuBose	Unknown
1/2/68	OW	A.C. Jones, Jr., Ethel J. Rice and Josephine J. Stoddard	Unknown
11/15/54	OW/OP	Batesburg Fertilizer Company	Unknown

TMS #007026-02-001

0.6 acres / Deed Book 4466/151 Part II

Date	Ow/Op	Parcel Owner/Operator	Description of Operations
4/30/82 and 4/27/82	OW	Union Switch & Signal, Inc. Quitclaim from Virginia Miller	Parking Lot or Undeveloped Land
2/4/81	OW	Virginia Miller	Unknown
12/3/80	OW	18 Wheeler Truck Stop	Unknown

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3/16/76	OW	Judy G. Taylor	UnKnown
1/13/71	OW	Kathleen Hite Padgett	Unknown
1/30/59	OW	R.L. Padgett	Unknown
6/30/58	OW	J.L. Parrish	Unknown
6/11/58	OW	Lester G. Parrish	Unknown
3/1/58	OW	J.L. Parrish	Unknown
10/14/26	OW	Leslie M. Parrish	Unknown

TMS #7000-06-008			
8.04 acres / Part I [Parcels A, B, C, F & G – see Plat 339/5]			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
12/11/97	OW	Union Switch & Signal, Inc.	According to Slide 339, Plat 5-the parcel includes: Undeveloped Land and a Water Site
2/1/71	OW	Belinda S. Scott and Mitchell L. Scott	Unknown
8/10/35 and 8/5/35	OW	Cora S. Collum and U.W. Collum	Unknown

TMS #7000-06-008			
3.8 acres /Part II [Parcels D, E, & H – see Plat 339/5]			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
12/11/97	OW	Union Switch & Signal, Inc.	According to Slide 339, Plat 5-the parcel includes: a One Story Dwelling, Undeveloped Land, a Two Story Brick Building, Water Site and Foundation
4/1/95 and 4/24/73	OW	Belinda C. Scott	Unknown
8/12/81	OW	Clarissa Merritt	Unknown
3/1/20	OW	Minnie Merritt	Unknown

TMS #7000-06-008			
0.60 acres (+/-)Part III /Property C-Part III [Parcel J]			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
12/11/97	OW	Union Switch & Signal, Inc.	Undeveloped Land
4/22/80		Jack Hendrix Realty	Undeveloped Land
6/10/19		Henry Robinson	Undeveloped Land

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TMS #007033-01-011			
1.72 acres / [Parcel H]			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
12/11/97	OW	Union Switch & Signal, Inc.	According to Slide 339, Plat 5-the parcel includes: a Two-Story Brick Building
4/1/95 and 4/24/73	OW	Belinda C. Scott	Unknown
8/1/72	OW	Belinda C. Scott and Bankers Trust of South Carolina (Trustees of the Marital Trust u/w of Uriah William Collum)	Unknown
4/15/47 and 11/5/38 and 12/17/34	OW OW OW	U.W. Collum Batesburg Cabinet Works U.W. Collum U.W. Collum	Unknown

TMS #007033-02-017			
4.04 acres / [Parcels A, B, C, F and G]			
Date	Ow/Op	Parcel Owner/Operator	Description of Operations
12/11/97	OW	Union Switch & Signal, Inc.	Undeveloped Land
8/8/80	OW	Belinda C. Scott	Undeveloped land
2/1/71	OW	Belinda C. Scott, Henry Collum Scott, Mitchell Sidney Scott and William Coran Scott	Undeveloped Land
9/7/45	OW	Cora S. Collum	Undeveloped Land

- B. On December 15, 1976, Westinghouse Air Brake Company (WABCO), then a subsidiary of American Standard, Inc., purchased the facility property containing the manufacturing buildings (TMS# 007000-06-004) from Twin City Industrial Corporation for the operation of its division, Union Switch & Signal. WABCO's Union Switch & Signal division manufactured railroad switch and signaling equipment at the facility property.
- C. WABCO, a Pennsylvania corporation, was merged into American Standard, Inc. effective December 31, 1978, becoming a division of American Standard, Inc. As a result of that merger, title to the facility property became

vested in American Standard, Inc. Subsequently, American Standard, Inc.'s operations at the facility property were conducted by its Union Switch & Signal Division.

- D. Pursuant to an Agreement of Sale & Purchase, dated July 1, 1988, American Standard, Inc. sold its Signaling Products Group business to Ansaldo S.p.A. The Signaling Products Group included American Standard, Inc.'s Union Switch & Signal Division, which was then operating at the facility property. Ansaldo S.p.A designated its newly-formed subsidiary, Union Switch & Signal, Inc., a Delaware corporation incorporated on July 22, 1988, as the nominee to acquire title to the assets of the Union Switch & Signal Division of American Standard, Inc. By deed, dated July 29, 1988, American Standard, Inc. conveyed the facility property to Union Switch & Signal, Inc.
- E. In December 1996, Union Switch & Signal, Inc. merged with the other signaling investments of Ansaldo Transporti under Ansaldo Signal NV, a Dutch company based in Amsterdam. As the result of a corporate reorganization in 2006, Union Switch & Signal, Inc. became a wholly-owned subsidiary of Ansaldo STS, SpA. On January 1, 2009, Union Switch & Signal, Inc. was renamed Ansaldo STS USA, Inc.
- F. Between 1983 and 1988, American Standard, Inc.'s Union Switch & Signal division conducted investigation activities at the facility property parcel, TMS## 007000-06-004.
- G. Since 1988 until 2010, Ansaldo had conducted investigation activities at the facility property parcel and parcel numbers 007026-02-001 (Part I), and 007000-06-008 (Part I) and provided environmental reports to determine the source, nature, and extent of the Contamination. These reports are included in Appendix B. The remaining parcels of the Property (TMS## 007026-02-001 (Part II), 007000-06-008 (Parts II and III), 007033-01-011, 007033-02-017) had not been fully investigated to determine the source, nature, and extent of the Contamination.
- H. Previous releases occurred at the facility property at the former septic system area, the former limestone pits, and former plating operations areas. The

former septic system was closed and removed in 1983 and routine groundwater monitoring has continued at the facility property since 1983. The historical groundwater monitoring results indicate a plume of VOC-affected groundwater, containing primarily tetrachloroethene (PCE) and 1,1,1-trichloroethane (1,1,1-TCA) and their respective degradation products. The VOC-affected groundwater extends northward approximately 600 feet down gradient from the former septic system area and toward an unnamed tributary creek that flows northward along the eastern property line of Parcel TMS#007000-06-008. To a lesser extent, metals, primarily cadmium, chromium, and copper, also have been detected in groundwater down gradient of the former septic system and limestone pit locations.

- I. From 1983 until 2000, Ansaldo and its predecessor, American Standard, Inc.'s Union Switch & Signal division, operated a groundwater pump and treat system at the source area.
- J. From 2000 to 2006, Ansaldo utilized in situ chemical oxidation technology (injection of potassium permanganate) for groundwater remediation at the primary source area. The post-treatment monitoring results indicated the presence of additional untreated, residual VOC-mass in the source area, potentially in the form of residual dense non-aqueous phase liquid (DNAPL).
- K. In 2007, remedial action consisted of the operation of a shallow air sparging wells system, approved by the Department, and installed along the creek. The air sparging system was designed to reduce groundwater VOC concentrations prior to groundwater discharge to the creek.
- L. On October 28, 2010, representatives of Ansaldo met with the Department to discuss a conceptual approach for aggressive remedial measures to address the VOC-affected groundwater and surface water at the Site. As a result of the meeting, the Parties agreed that additional assessment of the source area was needed to better characterize the distribution of the VOC-source mass prior to selection and design of any additional remedial measures and to completely delineate the area of Contamination of the groundwater plume, including the horizontal or vertical extent of the plume.

- M. Two phases of additional soil and groundwater assessment activities were conducted during April through June 2011, and during June and July 2012. The results were summarized in the October 2012 Supplemental Assessment and Remedial Alternatives Analysis Report. On November 14, 2012, the Department provided Ansaldo its comments and advised Ansaldo that the report was incomplete.
- N. On May 18, 2012, the Department invited Ansaldo to enter the Department's Voluntary Cleanup Program (VCP) in order to reach a CERCLA-quality cleanup at the Site.
- O. On July 2, 2012, Ansaldo voluntarily agreed to enter the VCP.
- P. On January 25, 2013, Ansaldo submitted an Additional Delineation Assessment Plan to further assess the contamination.
- Q. In a February 28, 2013 letter, Ansaldo submitted additional information regarding proposed well installation, addressing the facility property parcel; but did not address the other downgradient parcels of the Property (TMS## 007026-02-001 (Part II), 007000-06-008 (Parts 2 and 3), 007033-01-011, 007033-02-017). The well installation activity was approved by the Department on March 28, 2013.
- R. On June 11, 2013, Ansaldo proposed additional assessment activities on downgradient parcels.
- S. On October 7, 2013, Ansaldo submitted an Additional Delineation Report, which was approved by the Department on December 6, 2013.
- T. On March 27, 2014, Ansaldo submitted a Focused Feasibility Study Work Plan and; after several updates, the Department approved the Focused Feasibility Study Work Plan on September 17, 2014.
- U. As of June 30, 2014, the Department has incurred approximately Seventeen Thousand, Fifty-four Dollars and Forty-eight Cents (\$17,054.48) in Past Costs of response at the Site. DHEC is aware that additional costs have been incurred and that this figure is based on information available to the Department and reserves its right to amend, change, and/or update the figure if additional information becomes available to the Department.

RESPONSE ACTIONS

3. Ansaldo agrees to:
 - A. Submit to the Department for review and written approval by January 28, 2015, a Focused Feasibility Study (FFS). The FFS and all other documents prepared under this Contract must be developed in accordance with appropriate EPA guidance documents including the Guidance for Conducting Remedial Investigations and Feasibility Studies under CERCLA (EPA/540/G-89/004), and the technical intent of the National Contingency Plan (NCP). The Department will review the FFS and will notify Ansaldo in writing of any deficiencies in the FFS, and Ansaldo will respond in writing within thirty (30) days to the Department's comments. The FFS 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 all tasks approved in the FFS.
 - B. Within 60 days of execution of this Contract, Ansaldo will submit to the Department a comprehensive Long-term Groundwater Monitoring Plan. Upon approval of the Groundwater Monitoring Plan, Ansaldo will conduct groundwater monitoring in compliance with the Groundwater Monitoring Plan. The Groundwater Monitoring Plan shall include the names, addresses, and telephone numbers of the consulting firm, the analytical laboratory certified by the Department, and Ansaldo's contact person for matters relating to this Contract.

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

5. Ansaldo 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 pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and once a quarter thereafter, Ansaldo 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, or (C) nationally recognized overnight delivery service company or by 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: Jan Trent, Hydrogeologist
South Carolina Department Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201
Email: trentjc@dhec.sc.gov

Ansaldo: Rich Schirra
Ansaldo STS USA, Inc.
645 Russell Street
Batesburg, SC 29006

Email: rich.schirra@ansaldo-sts.us

With a copy to: Michael O'Connell
Assistant General Counsel
Ansaldo STS USA, Inc.
1000 Technology Dr.
Pittsburgh, PA 15219-3120
Email: michael.oconnell@ansaldo-sts.us

All final work plans and reports shall include three (3) 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. Ansaldo will pay costs of response associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

COSTS OF RESPONSE

9. Ansaldo 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 Seventeen Thousand, Fifty-four Dollars and Forty-eight Cents (\$17,054.48) to reimburse estimated past costs of response incurred by the Department through June 30, 2014 ("Past Costs") relating to the Site. Ansaldo'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 S.C. Code Ann. §§ 44-56-200 and 44-56-740, Ansaldo shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract occurring after June 30, 2014. 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:

Ansaldo: Rich Schirra
Ansaldo STS USA, Inc.
645 Russell St.
Batesburg, SC 29006

All of Ansaldo'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 of response 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 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). All of the Department's costs associated with access and said Response Actions will be reimbursed by Ansaldo. Ansaldo and 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, and to any owner of other property that is included in the Site. If in the future Ansaldo is unable to obtain access from the Property owner, the Department may obtain access and perform Response Actions.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Ansaldo has completed the actions required under this Contract, Ansaldo shall record an appropriate restrictive covenant. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of Ansaldo and, if the Property is not owned by the Ansaldo, the current owner of the Property, and witnessed, signed, and sealed by a notary public. Ansaldo shall file this restrictive covenant with the Register of Mesne Conveyance or Deeds in The County of Lexington. 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 Ansaldo or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Ansaldo or subsequent owners 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. The terms, conditions, obligations, and protections of this Contract apply to and inure to the benefit Ansaldo's signatories, parents, successors, assigns, and subsidiaries.

13. Subject to 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, past or future, that the Department may have against any person, firm, or corporation not a signatory of this Contract or a signatory's parent, successor, assign, or subsidiary.

14. Subject to 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 Ansaldo for any matters not expressly included in this Contract.

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

Once the Department determines that Ansaldo has successfully and completely complied with this Contract, the Department, pursuant to S.C. Code Ann. § 44-56-740(A)(5) and (B)(1), shall issue Ansaldo a Certificate of Completion that provides a covenant not to sue to Ansaldo, its signatories, parents, successors, and subsidiaries, 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 is contingent upon the Department's determination that Ansaldo successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Ansaldo its signatories, parents, successors and subsidiaries 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. Ansaldo 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 Ansaldo or

subsequent owners of the Property 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 Ansaldo its parents, successors, assigns, and subsidiaries;
- E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
- F. Change in Ansaldo or its parents, successors, assigns, and subsidiaries business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract; or
- G. Failure by Ansaldo to obtain the applicable permits from the Department for any Response Actions or other activities undertaken at the Property.

19. Upon termination of the Contract under Paragraph 17 or 18, the covenant not to sue will be null and void. Termination of this Contract by Ansaldo or the Department does not end the obligations of Ansaldo to pay 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 and enter into this Contract on behalf of their respective parties.

THIS IS CERTIFIED AS A TRUE
AND CORRECT COPY

SIGNATURE S. Ward

**THE SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL**

BY: Daphne G. Neel
Daphne G. Neel, Chief
Bureau of Land and Waste Management
Environmental Quality Control

DATE: 12/10/14

Claire H. Primm
Reviewed by Office of General Counsel

DATE: 12/9/14

ANSALDO STS USA, INC.

Marco Fumagalli
Marco Fumagalli
President, CEO and Country Representative

DATE: 12/5/2014

APPENDIX A

Legal Description & Derivation of the Property County of Lexington

Tax Map Series Number 007000-06-004 (Facility Property) Deed Book 4466/Page 151

Property A

All that certain piece, parcel or tract of land lying and being in the Town of Batesburg, School District No. 3, County of Lexington, State of South Carolina, consisting of Twenty (20.00) acres, more or less, and having the following metes and bounds: Commencing at a point on the north boundary of the right-of-way of Russell Avenue, formerly known as the Old U.S. Highway No. 1, and running S78-47W for a distance of 87 feet to a point on the North boundary of said right-of-way; thence running S76-49W for a distance of 118.6 feet to a point on the North boundary of said right-of-way; thence running S76-25W for a distance of 483.1 feet to a point on the North boundary of said right-of-way; thence running S76-13W for a distance of 132.6 feet to a point on the North boundary of said right-of-way; thence running S75-13W for a distance of 97.4 feet to a point on the North boundary of said right-of-way; thence running S72-00W for a distance of 187.4 feet to a point on the North boundary of said rightof-way; thence running S69-41W for a distance of 418.6 feet to a point on the North boundary of said rightof-way; thence turning and running N36-36W for a distance of 500.4 feet to a point on the South boundary of the rightof-way of the Southern Railway; thence turning and running along said rightof-way N66-54E for a distance of 1441.8 feet to a point on the South boundary of said right-of-way; thence running N66-54E for a distance of 95.3 feet to a point on the South boundary of said rightof-way; thence turning and running S45-30E for a distance of 79.2 feet to a point; thence running S45-30E for a distance of 92.3 feet to a point; thence turning and running N80-03E for a distance of 55.1 feet to a point; thence turning and running S19-48E for a distance of 506.8 feet to the point of commencement. Said tract is bounded as follows:

On the North and Northeast by property now or formerly of Parrish and by property now or formerly of Padgett;
On the East and Southeast by the right-of-way of Russell Avenue, formerly known as the Old U.S. Highway No. 1;
On the South and Southwest by property now or formerly of U. W. Cdlum; and
On the West and Northwest by the right-of-way of Southern Railway.

Derivation: This tract is more particularly shown and delineated on that certain plat prepared for Westinghouse Air Brake Co. by Douglas E. Platt, Sr., on December 2, 1976, saidplat by reference hereto incorporated into and made a specific part of this description. Said plat is recorded contemporaneously with this deed in the Office of the Register of Mesne Conveyances for Lexington County, S.C., in Plat Book 153-G at page 140, Plat No. 251.

Property B

All that certain parcel or lot of land, containing .60 of an acre, and being in the State of South Carolina, County of Lexington, in the Town of Batesburg, and having the following dimensions and boundaries: Bounded on the North by lands now or formerly owned by Lester Parrish and measuring and measuring thereon 88.4 feet; East by lands now or formerly owned by J. L.

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Parrish for 319.7 feet; South by Old Columbia-Augusta Road for 87 feet; and on the West by lands now or formerly owned by Turbo Industries, Inc., and measuring thereon 288.8 feet. Said lot of land is more particularly described according to a plat of same made by C. W. Cooper, Surveyor, dated January 29, 1939, and recorded in R.M.C. Office for Lexington County, S. C. in Plat Book 49-G at page 194.

Tax Map Series Number 007026-02-001

Part I

All that certain piece, parcel and tract of land, with improvements thereon, lying and being in the Town of Batesburg-Leesville, County of Lexington, State of South Carolina, containing 1.6 acres, more or less, as shown on a plat prepared for Union Switch and Signal Company by Arthur J. Weed, R.L.S., dated May 30, 1994, said plat being specifically incorporated herein by reference thereto, and being bounded generally on the North by property now or formerly of Norfolk Southern Railroad; Northeast and East by property now or formerly of Signal Company, Mabus, and perhaps others; and on the West by property now or formerly of Westinghouse Air Brake Company; the shape, dimensions and boundaries of said tract being shown more clearly by reference to the above plat; this conveyance being made subject to utility easements and rights of-way and other matters of record.

Derivation: * and recorded in the Lexington County RMC office on August 12, 1994 in plat book 269 at Page 763.

Tax Map No.: 7000-06-006 and a portion of Tax Map 7000-06-007, both to be consolidated with Tax Map 7026-02-001.

Derivation: This being the same parcel of property conveyed to Caroline Eastern, Inc. by Burnett G. Dubose by Deed dated October 13, 1993 and recorded November 3, 1993 to Book 2766 at Page 208 and a portion of that parcel conveyed to Caroline Eastern, Inc. by Burnett G. Dubose, Sr. by Deed dated April 23, 1987 and recorded July 22, 1987 in Book 911 at Page 106.

Part II

All that certain parcel or lot of land, containing .60 of an acre, situate, and being in the State of South Carolina, County of Lexington, in the Town of Batesburg, and having the following dimensions and boundaries: Bounded on the North by lands now or formerly owned by Lester Parrish and measuring thereon 33.4 feet; East by lands now or formerly owned by J. L. Parrish for 319.7 feet; South by Old Columbia-Augusta Road for 87 feet; and on the West by lands now or formerly owned by Turbo Industries, Inc. and measuring thereon 288.8 feet; Said lot of land is more particularly described according to a plat of same made by C. H. Cooper, Surveyor, dated January 29, 1959, and recorded in R.M.C. Office for Lexington County, S.C. in Plat Book 49G at page 194.

This being the same property conveyed to the grantor herein by deed of Kathleen Hite Padgett recorded in Deed Book 127 at page 118, R.M.C. Office of Lexington County.

Tax Map Serial Number 007000-06-008/7033-02-017

Part I

All those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "A", "B", "C", "F" and "G" on that certain plat prepared for Union Switch & Signal Inc. by Cox and Dinkins, Inc. dated August 23, 1997, revised September 23, 1997, and recorded in Plat Book 339, at page 5 in the Office of the RMC for Lexington County (the "Plat").

Together with all of the Grantor's right, title and interest (if any) in and to those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "K", "L", "M" and "N" on the aforesaid Plat.

Derivation: This being the same property conveyed to the Grantor herein by that certain Deed from Cora S. Collum, dated February 1, 1971 and recorded March 15, 1971 in Deed Book 19-X, page 222 in the Office of the RMC for Lexington County, South Carolina.

Part II

All those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "J" on that certain plat prepared for Union Switch & Signal Inc. by Cox and Dinkins, Inc. dated August 23, 1997, revised September 23, 1997, and recorded in Plat Book 339, at page 5 in the Office of the RMC for Lexington County (the "Plat").

Together with all of the Grantor's right, title and interest (if any) in and to those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "K", "L", "M" and "N" on the aforesaid Plat.

Derivation: This being the same property conveyed to the Grantor herein by the following deed: Deed dated April 22, 1980 to Jack Hendrix Realty, Inc., from Marjorie H. Sharpe the County Treasurer of Lexington County, and recorded July 30, 1980, in Deed Book 414, page 318 in the Office of the RMC for Lexington County, South Carolina.

Part III

All those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "I" on that certain plat prepared for Union Switch & Signal Inc. by Cox and Dinkins, Inc. dated August 23, 1997, revised September 23, 1997, and recorded in Plat Book 339, at page 5 in the Office of the RMC for Lexington County (the "Plat").

Together with all of the Grantor's right, title and interest (if any) in and to those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "K", "L", "M" and "N" on the

THIS IS CERTIFIED AS A TRUE
AND CORRECT COPY

SIGNATURE

S. Ward

aforesaid Plat.

Derivation: This being the same property conveyed to the Grantor herein by the following deed: Deed dated January 18, 1977, to Holly B. Price, from Sylvia C. Whitney, J. Blanding Holman, Marion B. Holman and George D. Holman and recorded February 1, 1977, in Deed Book 178, page 350 in the Office of the RMC for Lexington County, South Carolina.

Tax Map Serial Number 007033-01-11

All those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "D", "E" and "H" on that certain plat prepared for Union Switch & Signal Inc. by Cox and Dinkins, Inc. dated August 23, 1997, revised September 23, 1997, and recorded in Plat Book 339, at page 5 in the Office of the RMC for Lexington County (the "Plat").

Together with all of the Grantor's right, title and interest (if any) in and to those certain pieces, parcels or tracts of land with any and all improvements thereon, situate, lying and being in the County of Lexington, State of South Carolina, identified as Parcels "K", "L", "M" and "N" on the aforesaid Plat.

Derivation: This being the same property conveyed to the Grantor herein by the following deed:

Deed dated April 24, 1973, to Belinda C. Scott, from Bankers Trust of South Carolina and recorded May 3, 1973, in Deed Book 23-A, page 85 in the Office of the RMC for Lexington County, South Carolina.

Deed dated April 1, 1995, to Belinda C. Scott, from Clarissa Merritt and recorded April 18, 1995, in Deed Book 3327, page 23 in the Office of the RMC for Lexington County, South Carolina.

APPENDIX B

Union Switch & Signal Site

Ansaldo STS USA, Inc.'s Environmental Reports

Author/Date	Document Title	Description
ERM – June 1993	<i>Summary Report Presenting the Results of a Hydrogeologic Investigation and Quarterly Ground Water Monitoring June 1992-May 1993</i>	Site hydrogeologic assessment
ERM – June 14, 1994	<i>Annual Effectiveness Report – Groundwater Remediation System</i>	Operation and effectiveness of groundwater pump & treat system
ERM – June 14, 1994	<i>Groundwater and Surface Water Monitoring – First Semi-Annual 1994</i>	Routine ground water & surface water monitoring, monitor well installation, soil borings, Hydropunch groundwater sampling & recovery well effectiveness
ERM – December 1994	<i>Groundwater and Surface Water Monitoring – Second Semi-Annual 1994</i>	Routine ground water & surface water monitoring
ERM – 1995 - 2010	<i>Groundwater and Surface Water Monitoring Reports</i>	Routine ground water & surface water monitoring reports (semi-annual or annual) have been submitted to SC DHEC since 1995
ERM – August 12, 1999	<i>Soil Vapor Extraction/ Air Sparging Pilot Test Report</i>	Pilot test results
ERM – December 21, 1999	<i>Corrective Action Plan and Corrective Action Engineering Report</i>	In-situ chemical oxidation treatment program and design – pressure injection by direct push method
ERM – June 2000	<i>June 2000 Ground Water and Surface Water Monitoring Report</i>	Details of the in-situ chemical oxidation treatment activities and post-remediation monitoring results
ERM – March 2001	<i>March 2001 Ground Water and Surface Water Monitoring Report</i>	Post-remediation monitoring results
ERM – February 2002	<i>Corrective Action Plan Addendum</i>	In-situ chemical oxidation treatment – gravity feed
ERM - January 2007	<i>Corrective Action Plan Addendum</i>	Air sparging system at tributary stream
ERM – May 23, 2007	<i>Supplement to the Corrective Action Plan Addendum</i>	Rerouting of stormwater piping segment that intersected the VOC-affected groundwater
ERM – January 26, 2011	<i>Site Assessment Work Plan</i>	Pre-remedial assessment activities at former septic system area
ERM – September 2011	<i>Pre-Remedial Assessment Report</i>	Pre-remedial assessment findings - soil borings, soil gas sampling, receptor survey update

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Author/Date	Document Title	Description
ERM – April 2012	<i>Supplemental Assessment and Remedial Alternatives Analysis Work Plan</i>	Pre-remedial assessment activities to delineate source area, evaluate potential vapor intrusion and evaluation of remedial alternatives
ERM – September 26, 2012	<i>Supplemental Assessment and Remedial Alternatives Analysis Report</i>	Proposed supplemental site assessment in the vicinity of the former septic system and plating operations source areas - additional soil sampling, indoor air quality assessment in three facility buildings & installation of monitor wells.
ERM – January 25, 2013	<i>Additional Delineation Assessment Plan</i>	Proposed additional assessment activities to refine the delineation of the VOC source area in the vicinity of the former septic system, and evaluate the northern extent of the VOC-affected groundwater.
ERM –February 28, 2013	<i>Proposed Well Installation—additional information</i>	Document specifies construction details for the proposed groundwater monitoring well.
ERM - October 7, 2013	<i>Additional Delineation Report</i>	Presents a description of additional pre-remedial assessment activities performed in 2013 to further evaluate and delineate VOC-affected soil, groundwater and soil vapor related to releases at the former septic system.
ERM – March 27, 2014, May 25, 2014, and July 15, 2014	<i>Focused Feasibility Study Work Plan—Revisions</i>	Evaluates addressing data gaps so that remedy alternatives can be complete
ERM – August 27, 2014	<i>Response to DHEC Comments Re Focused Feasibility Work Plan Revised.</i>	Details activities to be performed prior to site-wide Focused Feasibility Study Work Plan can be approved by DHEC
ERM—September 17, 2014	<i>Focused Feasibility Study Work Plan</i>	DHEC approved