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SIGNATURE David Wilkie

**VOLUNTARY CLEANUP CONTRACT
16-6407-RP**

**IN THE MATTER OF
1321 LADY STREET SITE, RICHLAND COUNTY
and
CAPITOL PLACES VI OWNER, LLC**

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Capitol Places VI Owner, 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 1321 Lady Street Site ("Site"). The 1321 Lady Street property is located at 1321 Lady Street, Columbia, South Carolina ("Property"). The Property includes approximately 0.85 acres and is bounded generally to the north by Palmetto Citizen bank (1320 Washington Street); to the south by Lady Street; to the east by Palmetto Imaging (1331 Lady Street) and Marion Street; and to the west by a small parking lot beyond which is Sumter Street. The Property is identified by the County of Richland as Tax Map Serial Number R11401-01-05 and R11401-01-07 and 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. "Capitol Places" shall mean Capitol Places VI Owner, LLC. Capitol Places is a Limited Liability Company with its principal place of business located at 1338 Main Street, Suite 203, Columbia, 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. "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.
- G. "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 Capitol Place VI Owner, LLC.
- H. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential

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damage to public health, public welfare, or the environment.

- I. "Site" shall mean all areas where a Hazardous Substance, 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.
- J. "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.
- K. "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. Prior to 1950, the Property consisted mainly of residential dwellings. An office tower was constructed on the Property around 1949 and was expanded upon in 1956.
- B. Several environmental investigations were conducted between 1992 and 2015. EBI Consulting performed a Phase I Environmental Site Assessment (ESA) at the Property around September 2015. The ESA report dated October 5, 2015 stated, in part, that two fuel oil underground storage tanks (one 2,000-gallon and one 4,000-gallon) were located on the Property. The ESA also indicated the presence of perchloroethylene (PCE) in groundwater samples at a concentration of 20 ug/L, which exceeds the EPA MCL of 5ug/L. The ESA states that the PCE contamination is likely originating from an off-site, upgradient source.

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RESPONSE ACTIONS

3. Capitol Places 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 Capitol Places' contact person for matters relating to this Contract. Capitol Places will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and will notify Capitol Places in writing of any deficiencies in the Work Plan, and Capitol Places 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 an investigation to determine the source, nature, and extent of Contamination at the Site.
- B. Submit to the Department an investigation report (to include an evaluation of risk to human health and the environment) in accordance with the schedule in the approved Work Plan. The Department shall review the report for determination of completion of the investigation and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to Capitol Places, and Capitol Places 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 Capitol Places a letter indicating that revision of the report is necessary. Within thirty (30) days of receipt of such letter from the Department,

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Capitol Places shall submit a revised report addressing the Department's comments.

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

4. Capitol Places 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 Capitol Places.

5. Capitol Places 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 Capitol Places pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and once a quarter for the duration of the reporting period which covers from execution to issuance of the Certificate of Completion, Capitol Places 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

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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:

Capitol Places: Attention: Tom Priorechi
P O Box 2851
Columbia, SC 29202

All of Capitol Places' 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 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). Capitol Places and subsequent owners of the Property shall ensure that a copy of this Contract is provided to any lessee of the entire Property or successor or other transferee of the Property, and to any owner of other property that is included in the Site. If Capitol Places is unable to obtain access from the Property owner, the Department may obtain access and perform Response Actions. All of the Department's costs associated with access and said Response Actions will be reimbursed by Capitol Places.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Capitol Places has completed the actions required under this Contract, Capitol Places 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 Capitol Places and witnessed, signed, and sealed by a notary public. Capitol Places shall record this restrictive covenant with the Register of Deeds or Mesne Conveyances for Richland 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 Capitol Places or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Capitol Places 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. 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 and assign.

13. Subject to the provisions of Paragraph 15 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.

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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.

14. Subject to the provisions of Paragraph 15 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 Capitol Places for any matters not expressly addressed by and settled through this Contract.

15. Upon successful completion of the terms of this Contract, Capitol Places shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that Capitol Places 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 Capitol Places a Certificate of Completion that provides a covenant not to sue to Capitol Places, 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 is contingent upon the Department's determination that Capitol Places successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Capitol Places, 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. Capitol Places 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 Capitol Places 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

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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 Oversight Costs as defined in Paragraph 9 above;
- D. Additional Contamination or releases or consequences at the Site caused by Capitol Places, 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 Capitol Places' or its parents', subsidiaries', successors' and assigns', 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 Capitol Places 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, the covenant not to sue will be null and void. Termination of this Contract by Capitol Places or the Department does not end the obligations of Capitol Places 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.

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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: 8/17/16

Clair Hopkins
Reviewed by Office of General Counsel

DATE: 8/9/16

CAPITOL PLACES VI OWNER, LLC

[Signature]
Signature

DATE: 8-2-2016

Thomas J. Proreschi, Managing Member
Printed Name and Title

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APPENDIX A

Legal Description of the Property

County of Richland

Tax Map Serial Number R11401-01-05 and R11401-01-07

All that certain piece, parcel, lot of tract of land, with any improvements therein, situate, lying and being, in the City of Columbia, County of Richland, State of South Carolina, fronting the right of way of Lady Street, being shown and delineated as "Eight Story Stucco Siding Building No. 1321" and "Four Story Building" on a plat prepared for Capitol Places VI, LLC by Inman Land Survey Company, Inc., dated September 5, 2006 and recorded September 14, 2006 in Record Book 1229 at Page 1467, Office of the Register of Deeds for Richland County, and having such boundaries and measurements as shown on the plat described herein, which is specifically incorporated by reference.

This being the same property conveyed to Capitol Places VI, LLC by Deed of CPB, LLC, dated September 15, 2006, and recorded September 19, 2006, in the Office of the Register of Deeds for Richland County in Book 1321 at Page 18.

TMS: 11401-01-05 & 11401-01-07