



W. Marshall Taylor Jr., Acting Director

*Promoting and protecting the health of the public and the environment*

May 27, 2015

**CERTIFIED MAIL – 92148969009997901401071627**

**Return Receipt Requested**

Richard M. Scherer, Jr.  
Lippes Mathias Wexler Friedman LLP  
665 Main Street, Suite 300  
Buffalo, New York 14203

**Re: Responsible Party Voluntary Cleanup Contract;  
Bluewater Thermal Solutions Site;  
Laurens County.**

Dear Mr. Scherer:

Please find enclosed a Certified as True and Correct Copy of Responsible Party Voluntary Cleanup Contract 14-6226-RP which was executed by the Department on May 27, 2015.

Thank you for your patience and cooperation in this matter. The Department looks forward to working with Bodycote Thermal Processing, Inc. and Gibraltar Industries, Inc. to address this Site under the South Carolina Voluntary Cleanup Program. Should you wish to further discuss the terms of the contract, please telephone either Gary Stewart at (803) 898-0778, or me at (803) 898-0882.

Yours very truly,

David Wilkie, Environmental Health Manager  
Division of Site Assessment, Remediation & Revitalization  
Bureau of Land and Waste Management

Enclosure

cc: Ken Taylor, L&WM  
Gary Stewart, L&WM  
John Cresswell, L&WM  
Natalie Kirkpatrick, Director, EQC Upstate  
Carol Crooks/Pat Vincent/Shawn Reed/Karen Clymer/Linda Jackson, L&WM  
BLWM File 305608

David Welki

**VOLUNTARY CLEANUP CONTRACT  
14- 6226 -RP**

**IN THE MATTER OF  
BLUEWATER THERMAL SOLUTIONS SITE, LAURENS COUNTY  
and  
BODYCOTE THERMAL PROCESSING, INC. and  
GIBRALTAR INDUSTRIES, INC.**

This Contract is entered into by the South Carolina Department of Health and Environmental Control, Bodycote Thermal Processing, Inc. and Gibraltar Industries, Inc., 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 Bluewater Thermal Solutions Site ("Site"). The property is located at 100 Hunts Bridge Road, Fountain Inn, South Carolina ("Property"). The Property includes approximately 15.62 acres and is bounded generally by industrial property and Hunts Bridge Road on the north, mixed agricultural and residential property on the east, Frontage Road and I-385 on the south, and I-385 on the west. The Property is identified by the County of Laurens as Tax Map Serial Number 904-08-01-001; 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. "Respondents" shall mean Bodycote Thermal Processing, Inc. and Gibraltar Industries, Inc. Bodycote Thermal Processing, Inc. is a Delaware corporation authorized to do business in South Carolina with its principal place of business located at 12700 Park Central

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Drive, Dallas, TX. Gibraltar Industries, Inc. is a Delaware corporation with its principal place of business located at 3556 Lake Shore Road, Buffalo, NY.

- B. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.
- C. "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.
- D. "Contamination" shall mean impact by a Contaminant or Hazardous Substance.
- E. "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.
- F. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601(14).
- G. "Oversight Costs" means those costs, both direct and indirect,

- incurred by the department in implementing the voluntary cleanup program.
- 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 Respondents.
  - 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, 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. Carolina Commercial Heat Treating, Inc. (CCHT) opened the facility in 1968.
- B. The Property had certain underground storage tanks (UST) containing gasoline, diesel fuel, motor oil, and waste oil. Over the

David Wilkin

- years, CCHT had numerous site assessments and UST removals performed under the Department's UST program oversight. These activities occurred between 1990 and 2013.
- C. According to a Conestoga-Rovers and Associates Groundwater Investigation Results report dated December 13, 2013, tetrachloroethene, trichloroethene and other organic solvents were detected in one or more of the temporary monitoring wells installed during their November 2013 investigation of the Site.
- D. The CCHT facility provided thermal processing for steel, stainless steel, cast irons, and other industrial materials. On February 14, 1996, pursuant to a certain Stock Purchase Agreement, Gibraltar Steel Corporation of New York (GSCNY) acquired CCHT. CCHT continued operations as a division of GSCNY. On June 30, 2006, pursuant to a certain Asset Purchase Agreement, Bluewater Thermal Processing, LLC purchased substantially all of the assets and certain liabilities of CCHT (among other operations) from GSCNY, including the Property. At this point the name was changed to Bluewater Thermal Processing.
- E. On October 16, 2012, Bodycote acquired the Property from Bluewater Thermal Processing, LLC's wholly owned subsidiary CCHT LLC.

### RESPONSE ACTIONS

3. Respondents agree to submit to the Department for review and written approval within sixty (60) days of the execution date of this Contract, by the Department, 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 Respondents' contact person for matters relating to this Contract. Respondents will notify the Department in writing of changes in the contractor or laboratory. The Department will

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review the Work Plan and will notify Respondents in writing of any deficiencies in the Work Plan, and Respondents 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 Respondents, and Respondents 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 Respondents a letter indicating that revision of the report is necessary. Within thirty (30) days of receipt of such letter from the Department, Respondents 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. Respondents 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 for information

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purposes only to the Department. The Department expressly disclaims any liability that may result from implementation of the Health and Safety Plan by Respondents.

5. Respondents 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 Respondents pursuant to this Contract.

6. Within ninety (90) days of the execution date of this Contract, by the Department, and once every three months thereafter, Respondents 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) or nationally recognized overnight delivery service company, or (D) 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: Carol Crooks  
South Carolina Department Health & Environmental Control  
Bureau of Land and Waste Management  
2600 Bull Street  
Columbia, South Carolina 29201  
Crookscl@dhec.sc.gov

SIGNATURE David Wilkin

Respondents: Gibraltar Industries, Inc.  
c/o Richard M. Scherer, Esq.  
Lippes Mathias Wexler Friedman LLP  
655 Main Street, Suite 300  
Buffalo, New York 14203  
rscherer@lippes.com

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

### **RESPONSE COST**

9. In accordance with §§ 44-56-200 and 44-56-740, Respondents shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract. 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:

Respondents: Gibraltar Industries, Inc.  
c/o Richard M. Scherer, Jr., Esq.  
665 Main Street, Suite 300  
Buffalo, New York 14203  
rscherer@lippes.com

All of Respondents' 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). Respondents 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 Respondents are 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 Respondents.

**RESTRICTIVE COVENANT**

11. If hazardous substances in excess of residential standards exist at the Property after Respondents have completed the actions required under this Contract, Bodycote Thermal Processing, Inc. 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 Bodycote Thermal Processing, Inc. and witnessed, signed, and sealed by a notary public. Bodycote Thermal Processing, Inc. shall file this restrictive covenant with the Register of Mesne Conveyance or Deeds in Laurens 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 Bodycote Thermal Processing, Inc. or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Respondents or subsequent owners of the Property shall file an annual report with the Department by May 31<sup>st</sup> 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, Respondents, their 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) and § 9613(f)((3)(B), S.C. Code Ann. § 44-56-200, for the Response Actions specifically covered in the Contract including the approved Work Plan(s) and reports. 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.

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

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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 Respondents for any matters not expressly included in this Contract.

16. Upon successful completion of the terms of this Contract and the approved Work Plan as referenced in Paragraph 3 above, Respondents shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that Respondents have 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 Respondents a Certificate of Completion that provides a covenant not to sue to Respondents, their 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 and administrative settlement for purposes of contribution protection are contingent upon the Department's determination that Respondents successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Respondents, their 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. Respondents 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 Respondents or subsequent owners of the Site 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 Respondents, their parents, successors, assigns, and subsidiaries;
- E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
- F. Change in Respondents' or their parents', successors', assigns', and subsidiaries' 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 Respondents 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 Respondents 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.

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AND CORRECT COPY

SIGNATURE

*David Wilkin*

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 David Wilkie

THE SOUTH CAROLINA DEPARTMENT OF HEALTH  
AND ENVIRONMENTAL CONTROL

BY: *Daphne G. Neel* DATE: *5-27*  
*for* Daphne G. Neel, Chief *3-17-15*  
Bureau of Land and Waste Management  
Environmental Quality Control

*Clare H. Prine* DATE: *5-27-15*  
Reviewed by Office of General Counsel

BODYCOTE THERMAL PROCESSING, INC.

*Stephanie Edgar* DATE: *Feb 16, 2015*  
Signature

*Stephanie Edgar, VP NASSC*  
Printed Name and Title

GIBRALTAR INDUSTRIES, INC.

*[Signature]* DATE: *Feb, 19, 2015*  
Signature

*Timothy F. Mosley, VP Treasurer*  
Printed Name and Title

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AND CORRECT COPY.**

SIGNATURE *David Wilkin*

**APPENDIX A**

**Legal Description of the Property**

County of Laurens

Tax Map Serial Number 904-08-01-001

TMS:  
904-08-01-001

BK: D 1088  
PG: 233 - 238

STATE OF SOUTH CAROLINA

COUNTY OF LAURENS

LIMITED WARRANTY DEED



KNOW ALL BY THESE PRESENTS THAT CCHT LLC

hereinafter referred to as the "Grantor", in the State aforesaid, in consideration of the sum of Five and no/100 (\$5.00) Dollars, to Grantor well and truly paid by Bodycote Thermal Processing, Inc. a Delaware corporation hereinafter referred to as the "Grantee", at and before the sealing and delivery hereof; the receipt of which is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the said Grantee all of its interest in and to the following:

DESCRIPTION: All that certain piece, parcel or tract of land, situate, lying and being in the County of Laurens, State of South Carolina, being shown and designated as 15.62 acres, more or less, on plat prepared by C.L. Ward, P.L.S., dated February 10, 1996, entitled "Property Survey for Carolina Commercial Heat Treating, Inc." and recorded in the RMC Office for Laurens County in Plat Book A-256 at Page 7, reference to which plat is hereby craved for metes and bounds description thereof.

ASSESSOR'S TAX MAP REFERENCE: 904-08-01-001

2012010103  
DEED  
RECORDING FEES \$10.00  
STATE TAX \$4072.90  
COUNTY TAX \$1723.15  
PRESENTED & RECORDED:  
10-23-2012 01:48 PM

DERIVATION: This being the same property heretofore conveyed to Grantor by Deed of CAROLINA COMMERCIAL HEAT TREATING, INC., a Nevada corporation, dated June 29, 2006, recorded on July 7, 2006 in the Office of the Clerk of Court for Laurens County South Carolina in Book 00789 at page 00203.

THIS CONVEYANCE IS MADE SUBJECT TO: All conditions, covenants, easements, restrictions and rights-of-way indicated by instruments, including plats, of record, and to all applicable zoning or other land use regulations or restrictions of any political subdivision in which the subject property is situate, as more particularly described on Schedule A attached hereto.

GRANTEE'S MAILING ADDRESS: For the purposes of this instrument, the Grantee's mailing address is:  
c/o Bodycote International, Inc. Attn: Stephanie Edgar  
12700 Park Central Drive, Suite 700,  
Dallas, Texas 75251

Together with all and singular, the rights, members, hereditaments, and appurtenances to the said premises belonging or in anywise incident or appertaining.

10/24/2012 1088  
DATE BOOK

233  
PAGE

*Sally B Lancaster*  
AUDITOR

THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE *David Wilkin*



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SIGNATURE David Wikin

TO HAVE AND TO HOLD all and singular the premises before mentioned unto the Grantee, Grantee's successors and assigns forever.

And Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the said premises unto the said Grantee, Grantee's successors and assigns, against Grantor and Grantor's successors and assigns whomsoever lawfully claiming, or to claim, the same or any part thereof

WITNESS the Grantor's hand and seal this 15<sup>th</sup> day of October, in the year of our Lord two thousand twelve and in the two hundred thirty sixth year of the Sovereignty and Independence of the United States of America.

SIGNED, SEALED, AND DELIVERED

GRANTOR:

IN THE PRESENCE OF:

CCHT LLC  
Marc Baliotti  
By: Marc Baliotti  
Its: Manager

[Signature]  
Witness

[Signature]  
Witness

STATE OF NEW YORK )  
                                  )  
COUNTY OF NEW YORK )

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of October 2012 by Marc Baliotti, Manager of CCHT LLC on behalf of the company.

Sworn to before me this 15<sup>th</sup> day of October 2012

[Signature]  
Notary Public for the State of New York  
My commission expires: 12/8/2012

PAUL R. WEBER  
Notary Public, State of New York  
No. 02WE6198116  
Qualified in Queens County  
Commission Expires Dec. 8, 2012

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AND CORRECT COPY

SIGNATURE David Walker

Schedule A

1. Taxes for the year 2012 and subsequent years not yet due and payable.
2. Easement or right-of-way for electric lines as shown on Plat prepared by C.L. Ward, P.L.S. , dated February 10, 1996, entitled "Property Survey for Carolina Commercial Heat Treating, Inc.", and recorded in the Office of the Register of Deeds for Laurens County in Plat Book A-256 at Page 7.
3. Easement or right-of-way for Hunts Bridge Road as shown on Plat prepared by C.L. Ward, P.L.S. , dated February 10, 1996, entitled "Property Survey for Carolina Commercial Heat Treating, Inc.", and recorded in the Office of the Register of Deeds for Laurens County in Plat Book A-256 at Page 7.

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SIGNATURE David Walker

STATE OF SOUTH CAROLINA )  
COUNTY OF LAURENS )

Page 1 of 2  
AFFIDAVIT FOR TAXABLE OR EXEMPT TRANSFERS

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

- 1. I have read the information on this affidavit and I understand such information.
- 2. The property being transferred is located at 100 S. Main Street, City of Fountain Inn, bearing Laurens County Tax Map Number 904-08-01-001, and was transferred by deed of CCHT LLC, to Bodycote Thermal Processing, Inc., a Delaware corporation, by Limited Warranty Deed dated October 15, 2012.

3. Check one of the following: The deed is

- (a)  X  subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
- (b) \_\_\_\_\_ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
- (c) \_\_\_\_\_ exempt from the deed recording fee because (See Information section of affidavit):

(If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.)  
 If exempt under exemption #14 as described in the Information section of this Affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty?  
 Check Yes \_\_\_\_\_ or No \_\_\_\_\_

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit.):

- (a) \_\_\_\_\_ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \_\_\_\_\_.
- (b) \_\_\_\_\_ The fee is computed on the fair market value of the realty which is \_\_\_\_\_.
- (c)  X  The fee is computed on the fair market value of the realty as established for property tax purposes which is \$1,566,333.33.

5. Check Yes \_\_\_\_\_ or No  X  to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is:

6. The deed recording fee is computed as follows:

- (a) Place the amount listed in item 4 above here: \$  1,566,333.33
- (b) Place the amount listed in item 5 above here:  -0-

THIS IS CERTIFIED AS A TRUE AND CORRECT COPY

SIGNATURE David Wilkin

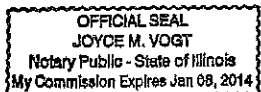
(If no amount is listed, place zero here.)

(c) Subtract Line 6(b) from Line 6(a) and place result here: \$ 1,566,333.33

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: \$5,796.05.

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as Counsel for Grantee.

9. I understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.



[Signature]  
Responsible Person Connected with the Transaction

Jonathan S. Baker  
Print or Type Name Here

SWORN to before me this 17th day of October, 2012

Joyce M. VOGT  
Notary Public for \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**INFORMATION**

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty,
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
- (7) that constitute a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or

THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE

David Walker

- trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
- (9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 1.2-6-40(A);
- (10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- (11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership;
- and,
- (12) that constitute a corrective deed or a quitclaim deed used to confirm title already vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed.
- (13) transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagor or deed executed pursuant to foreclosure proceedings.
- (14) transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty.
- (15) transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivisions to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S.C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined in the Federal Power Act.