COMMONWEALTH OF MASSACHUSETTS

NOT TO SUE AGREEMENT
DEP RTN 3-18919

I. STATEMENT OF PURPOSE

- A. This Brownfields Covenant Not to Sue Agreement (this "Agreement") is made and entered into by and between the Office of the Attorney General (the "OAG"), on behalf of the Commonwealth of Massachusetts (the "Commonwealth") and 395 Lynnway Trust ("Lynnway Trust"), 395 Lynnway LLC ("Lynnway LLC"), Ralph Sevinor ("Sevinor"), and Albert H. Notini & Sons, Inc. ("Notini & Sons"). Collectively, the OAG, on behalf of the Commonwealth, and Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons will be hereinafter referred to as the "Parties."
- B. This Agreement is entered into pursuant to the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, as amended, Massachusetts General Laws, Chapter 21E ("G.L. c. 21E") and the Massachusetts Contingency Plan, 310 CMR 40.0000, (the "MCP") and involves the remediation and redevelopment of 395 Lynnway, Lynn, MA (the "395 Lynnway Project").
- C. It is the intent of the Parties entering into this Agreement to set forth herein their respective duties, obligations and understanding so that the Project can contribute to the physical and economic revitalization of an area of Lynn, MA. To that end, the Parties hereby agree that this Agreement, pursuant to G.L. c. 21E, §3A(j)(3), addresses potential claims by the Commonwealth as to Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons and is predicated upon their compliance with the terms and conditions of this Agreement. This Agreement also addresses potential claims brought by third parties for contribution, Response Action costs or property damage pursuant to G.L. c. 21E, §§ 4 and 5 or for property damage under common law, except for liability arising under a contract.
- D. The Parties agree that Lynnway Trust, Lynnway LLC and Sevinor's ability to conduct the 395 Lynnway Project, as proposed herein, may be contingent upon independent approval processes of other departments, agencies and instrumentalities of the federal, state and local governments. Nothing in this Agreement should be construed as an endorsement by the OAG of the proposed project for such approval processes.

E. The Commonwealth believes that this Agreement is fair, consistent with G.L. c. 21E and in the public interest, and has entered into this Agreement as part of an effort to revitalize an area of Lynn, MA.

II. THE PARTIES

- A. The OAG is a duly constituted agency of the Commonwealth of Massachusetts charged with the legal representation of the Commonwealth and maintains offices at 200 Portland Street, Boston, Massachusetts. Included within the OAG's authority is the authority to enter into Brownfields Covenants Not to Sue Agreements pursuant to G.L. c. 21E, §3A(j)(3), which provides liability relief under G.L. c. 21E, as amended.
- B. Lynnway Trust is a nominee trust, duly organized and existing pursuant to the general laws of the Commonwealth of Massachusetts located at 10 Rolleston Road, Marblehead, MA. Lynnway LLC is a limited liability company, duly organized and existing pursuant to the general laws of the Commonwealth of Massachusetts located at 10 Rolleston Road, Marblehead, MA. Sevinor is an individual also located at 10 Rolleston Road, Marblehead, MA. In accordance with this Agreement, Lynnway Trust, Lynnway LLC and Sevinor shall undertake the Project as discussed in Section IV, Paragraph A, subparagraph 2., below.
- C. Notini & Sons is a corporation duly organized and existing pursuant to the general laws of the Commonwealth of Massachusetts located at 225 Aiken Street, Lowell, MA. In accordance with this Agreement, Notini & Sons shall undertake the Project as discussed in Section IV, Paragraph A, subparagraph 4., below.

III. STATEMENT OF FACT AND LAW

- A. The Commonwealth enters into this Agreement pursuant to its authority under G.L. c. 21E, §3A(j)(3) and 940 CMR 23.00: Brownfields Covenants Not to Sue Agreements.
- B. Unless otherwise expressly provided herein, terms used in this Agreement, which are defined in 940 CMR 23.00, *et seq.*, shall have the meaning assigned to them under such regulations. Terms not defined in 940 CMR 23.00, *et seq.*, but defined elsewhere under G.L. c. 21E and the MCP, shall have the meaning assigned to them under G.L. c. 21E and the MCP.
- C. The Project involves 104,000 sq. ft. of land located at 395 Lynnway, Lynn, including a single story cinder block and brick building and an attached metal Quonset hut located on a parcel most recently used as a warehouse distribution center for products including cigarettes, cigars, other tobacco products, candy, beverages, paper goods, film, health and beauty items and sundries. Analytical data indicate that a release has occurred from an underground fuel storage tank located on the northeast edge of the Site, which has impacted soil and groundwater in that area. Data also suggest that a small plume of vinyl chloride, having its source on the easterly edge of the Site, has migrated to the northeast and under the Lynnway. As such, Oil

and/or Hazardous Materials have been detected on this parcel located at 395 Lynnway, and beyond Property boundaries. The Property is more particularly described as depicted in Exhibit 1, attached hereto and incorporated into this Agreement.

D. The Department of Environmental Protection ("DEP") assigned Release tracking number ("RTN") 3-18919 to the Releases of Oil and/or Hazardous Material released on the Property. For purposes of this Agreement, the releases of Oil and/or Hazardous Material assigned RTN 3-18919 constitute the "Site," as further defined in 310 CMR 40.0006.

IV. COMMITMENTS AND OBLIGATIONS

NOW THEREFORE, in consideration of the representations made and promises exchanged by and between the Parties, each of them does hereby covenant and agree to the terms and conditions which follow.

A. REPRESENTATIONS AND COMMITMENTS

1. By Lynnway Trust, Lynnway LLC and Sevinor

Lynnway Trust, Lynnway LLC and Sevinor represent that they are not at the time of execution of this Agreement a person with potential liability for the Site pursuant to G.L. c. 21E. Lynnway Trust, Lynnway LLC and Sevinor further represent that they are not now nor have they ever been previously affiliated with any person having such potential liability at the Site, except as set forth below. Thus, Lynnway Trust, Lynnway LLC and Sevinor represent that they are Eligible Persons. Lynnway Trust, Lynnway LLC and Sevinor also represent, and, for the purposes of this Agreement, the Commonwealth relies upon those representations, that Lynnway Trust, Lynnway LLC and Sevinor's involvement with the Site has been limited to the following:

- a. Evaluating the Property for purposes of acquiring the Property;
- b. Negotiating to acquire the Property; and
- c. Communicating with the Commonwealth and local authorities with respect to the design and planning of improvement projects and various permitting issues with respect to the Property. Lynnway Trust, Lynnway LLC and Sevinor represent that none of these activities has caused or contributed to the Release or threatened Release of a Oil and/or Hazardous Material at the Site under G.L. c. 21E.
- 2. Lynnway Trust, Lynnway LLC and Sevinor agree to the following terms and conditions:
- a. Lynnway Trust, Lynnway LLC and Sevinor shall demolish the existing single-story cinder block and brick building and the attached Quonset hut, and construct

a new, three-story, structure (the "Front Building") on virtually the same footprint as the existing single-story building. The Front Building will be occupied by a new tenant, Elements et. al, LLC, a business serving the flooring needs of high-end residential customers. It is anticipated that this business will have a retail showroom, warehouse and office space at the Site and will employ 6-8 persons within one year of completion of the renovation. The Front Building is also expected to house at least one other tenant. The Project also involves construction of a new, two-story, building at the rear of the Site (the "Rear Building"), containing approximately 41,000 sq. ft of commercial and industrial space. The Rear Building will be leased to two tenants, one of which, Capital Floors, Inc., currently employs 12 persons and will be relocating from elsewhere in Lynn in order to expand. It is anticipated that after the relocation, Capital Floors, Inc. will employ an additional 4-6 persons. A second tenant for the new building is expected to be a wholesale granite fabrication business, employing 2 people within one year of start-up at the Site. As part of the Project, trees and shrubs will be planted to enhance the aesthetics and help address some of the carbon monoxide produced by traffic on the Lynnway. A copy of Lynnway Trust, Lynnway LLC, and Sevinor's proposed conceptual plan is attached as Exhibit 2.

- b. Lynnway Trust, Lynnway LLC and Sevinor shall achieve and maintain a Permanent Solution at the Site in accordance with G.L. c. 21E and the MCP. Lynnway Trust, Lynnway LLC and Sevinor shall cooperate fully with DEP . To cooperate fully means:
- i. including, without limitation, providing prompt and reasonable access to the Property to DEP for any purpose consistent with G.L. c. 21E and the MCP;
- ii. complying with the Release notification provisions established by G.L. c. 21E and the MCP;
- iii. responding in a timely manner to any request made by the DEP or OAG to produce information as required pursuant to G.L. c. 21E;
- iv. to the extent necessary (a) preventing the Exposure of people to Oil and/or Hazardous Material by fencing or otherwise preventing access to the Property; and (b) to containing any further Release or threat of Release of Oil and/or Hazardous Material from a structure or container, upon obtaining knowledge of a Release or threat of Release of Oil and/or Hazardous Material; and
- v. conducting Response Actions at the Site in accordance with the G.L. c 21E, the Standard of Care defined therein, and the MCP.

3. By Notini & Sons

Notini & Sons is the current owner and operator of 395 Lynnway, and as such, may be liable pursuant to G.L. c. 21E, §5.

- 4. Notini & Sons agrees to the following terms and conditions:
- a. Notini & Sons shall achieve and maintain or arrange for the achievement and maintenance of a Permanent Solution at the Site, in accordance with G.L. c. 21E and the MCP. Notini & Sons shall cooperate fully with Lynnway Trust, Lynnway LLC, and Sevinor, their successors and assigns, and DEP in achieving and maintaining a Permanent Solution at the Site.

b. To cooperate fully means to:

- i. provide prompt and reasonable access to the Property to Lynnway Trust, Lynnway LLC, and Sevinor, their successors and assigns, for the purpose of conducting Response Actions necessary to satisfy the terms of this Agreement, and to DEP for any purpose consistent with G.L. c. 21E and the MCP;
- ii. comply with the Release notification provisions established by G.L. c. 21E and the MCP;
- respond in a timely manner to any request made by DEP or the OAG to produce information as required pursuant to G.L. c. 21E;
- iv. to the extent necessary (a) prevent the Exposure of people to Oil and/or Hazardous Material by fencing or otherwise preventing access to the Property; and (b) to contain any further Release or threat of Release of Oil and/or Hazardous Material from a structure or container, upon obtaining knowledge of a Release or threat of Release of Oil and/or Hazardous Material; and
- v. conduct Response Actions at the Site in accordance with the G.L. c 21E, the Standard of Care defined therein, and the MCP.
- 5. Lynnway Trust, Lynnway LLC and Sevinor and Notini & Sons are not at the time of execution of this Agreement subject to any outstanding administrative or judicial environmental enforcement Action arising under any applicable federal, state or local law or regulation.

B. THE BROWNFIELDS COVENANT NOT TO SUE

1. Lynnway Trust, Lynnway LLC, and Sevinor

In consideration of the Representations and Commitments by Lynnway Trust, Lynnway LLC, and Sevinor set forth in Section IV, Paragraph A of this Agreement, and subject to Lynnway Trust's, Lynnway LLC's, and Sevinor's compliance with the terms and

conditions of this Agreement and the Termination for Cause provisions, described below in Section IV, Paragraph B, subparagraph 6, the Commonwealth covenants not to sue Lynnway Trust, Lynnway LLC, and Sevinor, pursuant to G.L. c. 21E, for Response Action costs, contribution, or injunctive relief for the Matters Addressed at the Property Addressed by this Agreement. This Covenant shall vest on the effective date of this Agreement as defined in Section IV, Paragraph E, subparagraph 5. This Agreement shall not affect any liability established by contract. For purposes of this Agreement, the Property Addressed shall be the Site as defined in Section III, Paragraph D, and the Matters Addressed shall be defined as those Releases of Oil and/or Hazardous Material at the Site which are fully described and delineated in the Response Action Outcome ("RAO") statement to be submitted to DEP with respect to the Site, so long as the Response Actions upon which the RAO relies meet the Standard of Care in effect as of the time of submittal of the RAO.

2. Notini & Sons

In consideration of the Representations and Commitments by Notini & Sons set forth in Section IV, Paragraph A of this Agreement, and subject to Notini & Sons' compliance with the terms and conditions of this Agreement and the Termination for Cause provisions, described below in Section IV, Paragraph B, subparagraph 6, the Commonwealth covenants not to sue Notini & Sons pursuant to G.L. c. 21E, for Response Action costs, contribution, or injunctive relief for the Matters Addressed at the Property Addressed by this Agreement. This Covenant shall vest upon the achievement of a Permanent Solution for the Site as fully described and delineated in a RAO that meets the Standard of Care in effect as of the time of submittal of the RAO. This Agreement shall not affect any liability established by contract. For purposes of this Agreement, the Property Addressed shall be the Site as defined in Section III, Paragraph D, and the Matters Addressed shall be defined as those Releases of Oil and/or Hazardous Material at the Site which are fully described and delineated in the RAO, so long as the Response Actions upon which the RAO relies meet the Standard of Care in effect as of the time of submittal of the RAO.

3. Subsequent Owners and/or Operators

The Commonwealth also covenants not to sue Eligible Persons who are successors, assigns, lessees or licensees of the real property interests of Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons, or who are lessees or licensees of its successors and assigns (hereinafter the "Subsequent Owners and/or Operators") having rights in the Property for which Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons receive covenants herein, with respect to the Matters Addressed at the Property Addressed, as described in Section IV, Paragraph B, subparagraph 1 and 2, above. The liability relief available to such Subsequent Owner and/or Operator shall be subject to the same terms and conditions as those that apply to Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons

4. Duration of the Agreement

- a. With respect to Lynnway Trust, Lynnway LLC, and Sevinor, this Agreement shall be in effect unless and until the statutory protections available to Lynnway Trust, Lynnway LLC, and Sevinor or Subsequent Owners and/or Operators pursuant to G.L. c.21E, §5C, are otherwise in effect. This Agreement is subject to the Termination for Cause provisions, described below in Section IV, Paragraph B, subparagraph 6.
- b. With respect to Notini & Sons, upon vesting, this Agreement shall remain in effect, provided the Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons and any successors or assigns continue to comply with the terms and conditions of this Agreement, including, but not limited to, maintaining the Permanent Solution at the Site in accordance with G.L. 21E and the MCP. This Agreement is subject to the Termination for Cause provisions, described below in Section IV, Paragraph B, subparagraph 6.

5. Reservations of Rights

The Brownfields Covenant Not to Sue shall not apply to the following:

- a. any new Release of Oil and/or Hazardous Material at, or from the Property that occurs after the date of execution of this Agreement;
- b. any Release of Oil and/or Hazardous Material which Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons, or any Subsequent Owner and/or Operator, causes or contributes to or causes to become worse than it otherwise would have been had Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons or any Subsequent Owner and/or Operator not engaged in such activities;
- c. any Release of Oil and/or Hazardous Material at the Site that has not been discovered as of the time of submittal of the RAO to DEP that could have been discovered had an assessment of the Site covered by or addressed in the RAO been performed consistent with the Standard of Care, in effect as of the time of submittal of the RAO;
- d. any Release or threat of Release of Oil and/or Hazardous Material from which there is a new Exposure that results from any Action or failure to act pursuant to G.L. 21E during Lynnway Trust's, Lynnway LLC's, Sevinor's, Notini & Sons's or Subsequent Owners's and/or Operators's ownership or operation of the Property;
- e. any Release of Oil and/or Hazardous Material not expressly described in Section IV, Paragraph B above; and
- f. any claims for damages for injury to, destruction of, or loss of natural resources and for the costs of any natural resource damage assessment.

6. Termination for Cause

- a. In the event that the OAG or DEP determine that Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons submitted materially false or misleading information as part of their Application to Enter into a Brownfields Covenant Not to Sue Agreement, the OAG may terminate the liability protection offered by this Agreement in accordance with subparagraph 6.d. of this Section IV, below. A statement made by Lynnway Trust, Lynnway LLC, Sevinor, and Notini & Sons regarding the anticipated benefits or impacts of the proposed project will not be considered false or misleading for purposes of this subparagraph, if such statement was asserted in good faith at the time it was made.
- b. In the event that the OAG or DEP determine that Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or a Subsequent Owner and/or Operator has violated the terms and conditions of this Agreement, including but not limited to, failure to achieve and maintain the Permanent Solution at the Site, failure to respond in a timely manner to a Notice of Audit Finding requiring additional work to achieve and/or maintain a Permanent Solution at the Site, the OAG may terminate the liability protection offered by this Agreement in accordance with subparagraph 6.c., below. In the event that the liability protection is terminated solely because of a violation of one or more of the conditions set forth in 940 CMR 23.08(3)(a) through (d) by a Subsequent Owner and/or Operator, such termination shall affect the liability protection applicable only to such Subsequent Owner and/or Operator.
- c. Before terminating the liability relief provided by this Agreement, the OAG will provide Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or a Subsequent Owner and/or Operator, as appropriate, with written notice of the proposed basis for, and a 60-day opportunity to comment on, the proposed termination. The notice from the OAG may provide a reasonable period of time for Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or Subsequent Owner and/or Operator, as appropriate, to cure an ongoing violation in lieu of termination of the liability relief provided by this Agreement in the sole discretion of the OAG.
- d. Termination of liability relief pursuant to this section shall not affect any defense that Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or a Subsequent Owner and/or Operator might otherwise have pursuant to G.L. c. 21E.
 - C. COVENANT NOT TO SUE BY LYNNWAY TRUST, LYNNWAY LLC, SEVINOR, NOTINI & SONS OR SUBSEQUENT OWNER AND/OR OPERATOR

In consideration of the Brownfields Covenant Not to Sue in Section IV, Paragraph B of this Agreement, Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or a Subsequent Owner and/or Operator hereby covenant not to sue and not to assert any claims or causes of Action against the Commonwealth, including any department, agency, or instrumentality, and its authorized officers, employees, or representatives with respect to the Site or this Agreement,

including but not limited to:

- 1. any direct or indirect claims for reimbursement, recovery, injunctive relief, contribution or equitable share of Response costs or for property damage pursuant to G.L. c. 21E;
- 2. any claims under the Fifth Amendment to the United States Constitution, or under the Massachusetts Constitution for any "takings," provided that such claims relate to the performance of response actions under G.L. c. 21E or CERCLA;
- 3. any claims arising out of Response Actions at the Property, including claims based on DEP's selection of Response Actions, oversight of Response Actions, or approval of plans for such activities;
- 4. any claims or causes of Action for interference with contracts, business relations or economic advantage; or
 - 5. any claims for costs, attorneys fees, other fees or expenses incurred.

D. CONTRIBUTION PROTECTION AND RIGHTS OF AFFECTED THIRD PARTIES

With regard to claims for contribution, cost recovery or equitable share brought by third parties pursuant to G.L. c. 21E, §§ 4 and 5, or third party claims brought pursuant to G.L. c. 21E for property damage claims under common law or G.L. c. 21E, §5, against Lynnway Trust, Lynnway LLC, Sevinor, Notini & Sons or a Subsequent Owner and/or Operator, based solely on the their status as owner or operator of the Site, the Commonwealth and Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons agree that they and a Subsequent Owner and/or Operator are entitled to such protection from such Actions or claims as provided by G.L. c. 21E for the Matters Addressed at the Property Addressed; provided, however:

- 1. that Lynnway Trust, Lynnway LLC, Sevinor and Notini & Sons have satisfied the notification provisions of G.L. c. 21E, §3A(j)(3) and 940 CMR 23.06(1);
- 2. that the OAG has made its determination regarding the nature and extent of the opportunity that Affected Third Parties will have to join this Agreement pursuant to 940 CMR 23.06(3); and
- 3. that the OAG has provided Affected Third Parties an appropriate opportunity to join this Agreement pursuant to 940 CMR 23.06(2) and (3).

E. GENERAL PROVISIONS

1. This Agreement may be modified only upon the written consent of all

Parties.

- 2. Should any term or condition of this Agreement or its application to any person or circumstance be found to be unenforceable by any court of competent jurisdiction, the remainder of this Agreement shall not be affected and each remaining term and provision shall be valid and enforceable to the full extent permitted by law.
- 3. Each Party warrants and represents to the others that it has the authority to enter into this Agreement and to carry out its terms and conditions.
- 4. This Agreement may be fully executed by all Parties in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.
- The terms of this Agreement in Section IV, Paragraph B, subparagraph 1, with respect to the Covenant Not to Sue for Lynnway Trust, Lynnway LLC, and Sevinor, shall be effective as of the date the OAG executes this Agreement, subject to the conditions contained herein. The terms of this Agreement in Section IV, Paragraph B, subparagraph 2, with respect to Covenant Not to Sue for Notini & Sons, shall be effective upon the achievement of a Permanent Solution for the Site, subject to the conditions contained herein. The terms of this Agreement in Section IV, Paragraph D, with respect to the Contribution Protection and Rights of Affected Third Parties, are subject to the OAG's determination that Affected Third Parties have had an appropriate opportunity to join this Agreement. The OAG may modify or withdraw the provisions in Section IV, Paragraph D regarding the Contribution Protection and Rights of Affected Third Parties if comments received from Affected Third Parties disclose facts or considerations which indicate that such protection is inappropriate, improper or inadequate. The provisions of this Agreement in Section IV, Paragraph D with respect to the Contribution Protection and Rights of Affected Third Parties shall be effective as of the date the OAG issues written notice to the Parties that the OAG has made its determination regarding the nature and extent of the opportunity that Affected Third Parties have had to join this Agreement. The OAG's written notice to the Parties with respect to the Contribution Protection and Rights of Affected Third Parties will be Exhibit 3, to be attached hereto and incorporated into this Agreement.

In the matter of the 395 Lynnway Trust, 395 Lynnway LLC, Ralph Sevinor, and Albert H. Notini & Sons, Inc. Brownfields Covenant Not to Sue

IT IS SO AGREED:

OFFICE OF THE ATTORNEY GENERAL

395 LYNNWAY TRUST, 395 LYNNWAY LLC AND RALPH SEVINOR

BY:

Dawn Stolfi Stalenhoef

Assistant Attorney General

Environmental Protection Division

Office of the Attorney General

200 Portland Street Boston, MA 02114 BY:

Ralph Sevinor

10 Rolleston Road

Marblehead MA 01945

Date:

Date: 815 63

In the matter of the 395 Lynnway Trust, 395 Lynnway LLC, Ralph Sevinor, and Albert H. Notini & Sons, Inc. Brownfields Covenant Not to Sue

ALBERT H. NOTINI & SONS, INC.

BY:

Robert C. Notini 225 Aiken Street

Lowell, Massachusetts 01854

Date: 124 31 03

EXHIBIT 1

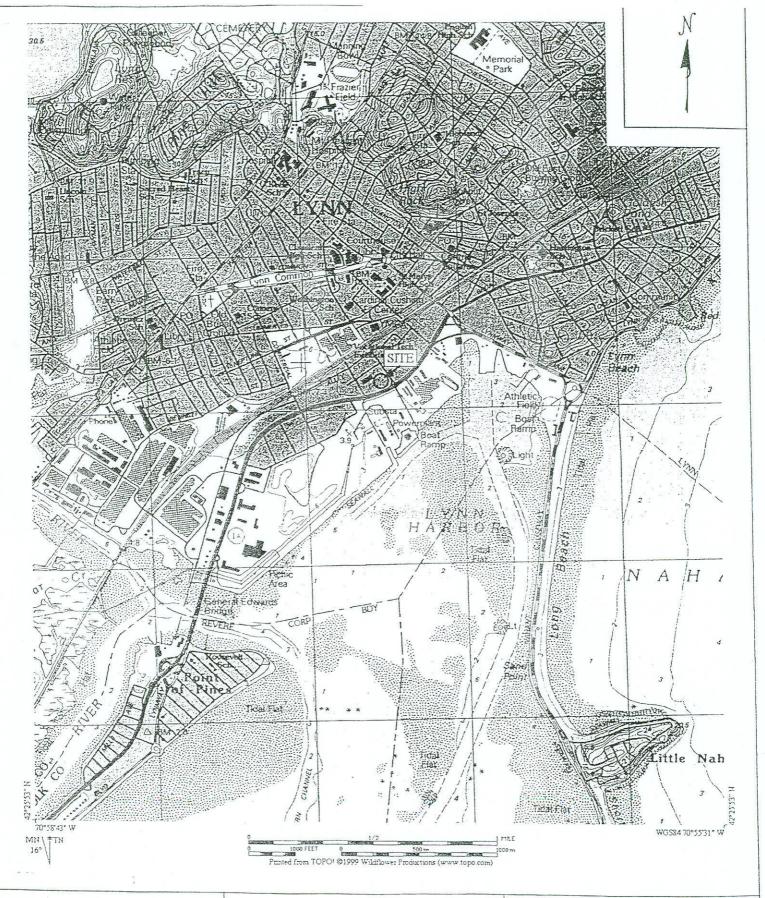


FIGURE 1

SITE LOCUS

REVISION DATE SCALE IN FEET

ALBERT H. NOTINI & SONS, INC.
395 LYNNWAY
LYNN, MASSACHUSETTS



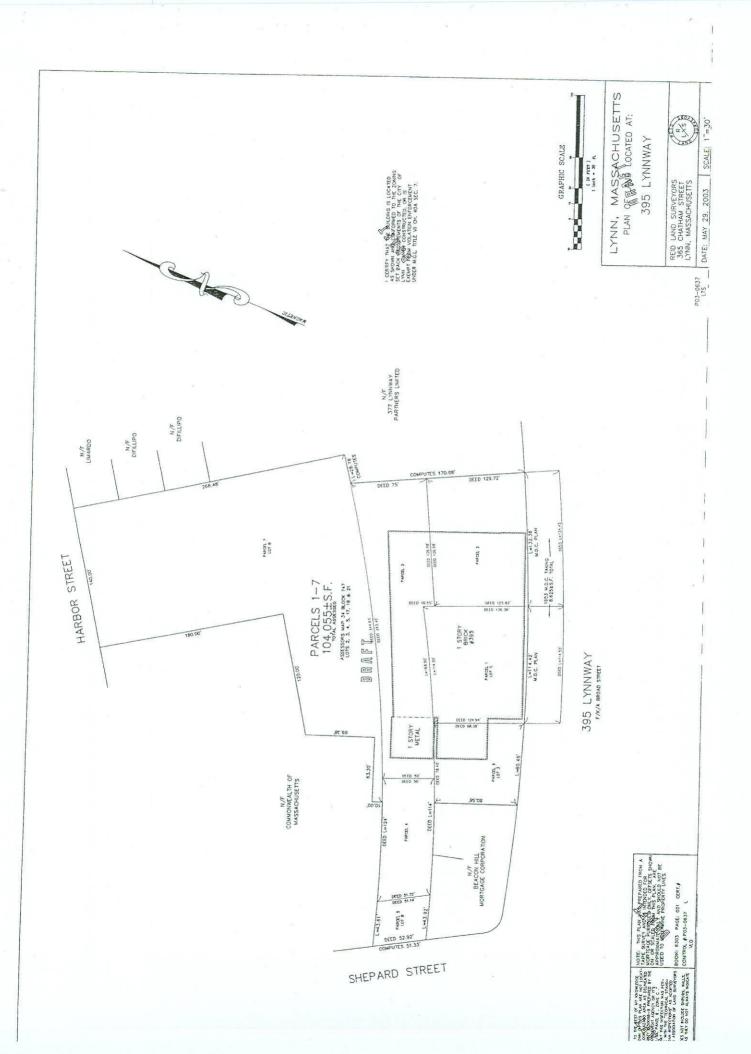


EXHIBIT 2

Architects
Architects

Architects

Merchan

Merc

ECEIVE Van IV 200

OFFILE OFFI

HARBOR STREET

Parking Analysis

BLOSSOM STREET

Standard Parking Spaces: Compact Parking Spaces: HP Parking Spaces;

74 cars 22 cars 4 cars

395 Lynnway

Lynn Massachusetts

Purking 30 carr

A+1423.70

SHEPARD STREET

BEACON HILL MOTTGACE CORP.

WH.B.



Proposed Site Plan SPP-1.1

LYNNWAY

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EXHIBIT 3