

**VOLUNTARY CLEANUP CONTRACT
18-7403-RP**

**IN THE MATTER OF
PHARMACEUTICAL ASSOCIATES #2 SITE, GREENVILLE COUNTY
and
PHARMACEUTICAL ASSOCIATES, INC. AND RBJ PROPERTIES, LLC**

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Pharmaceutical Associates, Inc. and RBJ Properties, 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 Pharmaceutical Associates #2 Site ("Site"). The Pharmaceutical Associates #2 property is located at 201 Delaware Street, Greenville, South Carolina ("Property"). The Property includes approximately 12.6 acres and is bounded generally by Perimeter Road on the west; Delaware Street on the north; Old Fork Shoals Road on the east; and commercial and woodland properties on the south. The Property is identified by the County of Greenville as Tax Map Serial Number 0410000101100 and 0410000101102. 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 pursuant to the Brownfields/Voluntary Cleanup Program, and if not set forth therein, shall have the meaning assigned to them pursuant to CERCLA, the HWMA, and in regulations promulgated under these statutes.

- A. "Respondents" shall mean Pharmaceutical Associates, Inc. and RBJ Properties, LLC. Pharmaceutical Associates, Inc. ("PIA") is a South Carolina company with its principal place of business located at 1700 Perimeter Road, Greenville, South Carolina. RBJ Properties, LLC is

- a Florida Limited Liability Company with its principal place of business located at 3010 W. DeLeon Ave., Tampa, Florida.
- B. "Contamination" shall mean impact by a Pollutant or Contaminant, Petroleum and Petroleum Product, or Hazardous Substance.
- C. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.
- D. "Department" shall mean the South Carolina Department of Health and Environmental Control or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.
- E. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA § 101, 42 U.S.C. § 9601(14).
- F. "Petroleum" and "Petroleum Product" shall mean crude oil or any fraction of crude oil, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds for each square inch absolute), including any liquid, which consists of a blend of petroleum and alcohol and which is intended for use as a motor fuel.
- G. "Pollutant" or "Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of

- paragraph (14) of CERCLA § 101, 42 U.S.C. § 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.
- H. "Property" as described in the legal description attached as Appendix A, shall mean that portion of the Site, which is subject to ownership, prospective ownership, or possessory or contractual interest of RBJ Properties, LLC.
- I. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.
- J. "Site" shall mean all areas where a Hazardous Substance, Petroleum, Petroleum Product, Pollutant or Contaminant has been released, deposited, stored, disposed of, or placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA.
- K. "Voluntary Cleanup" shall mean a Response Action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 to 760, as amended.
- L. "Work Plan" shall mean the plan for additional Response Actions to be conducted at the Site as described in Paragraph 3 of this Contract.

FINDINGS

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

- A. Property ownership, TMS 0410000101100:
- | | | |
|------|--------------------|----------------------|
| i. | J.C. Hawkins | 11/1949 – 1972 |
| ii. | Nellie S. Hawkins | 1972 – 12/30/1975 |
| iii. | Richard B. Jenkins | 12/30/1975 - Present |
- B. Property ownership, TMS 0410000101102:
- | | | |
|----|-------------------|-------------------|
| i. | Nellie S. Hawkins | 1972 – 12/30/1975 |
|----|-------------------|-------------------|

- ii. Richard Beach Jenkins, Trustee of the Beach Products, Inc.
Savings and Profit Sharing Trust 12/30/1975 – 12/18/1992
 - iii. Richard B. Jenkins 12/18/1992 - Present
- C. Bunnell-Lammons Engineering, Inc. (BLE) performed a Phase I Environmental Site Assessment (ESA) reconnaissance at the Property on March 8, 2018. According to the Phase I Environmental Site Assessment report (“ESA”) dated March 28, 2018, the following information was noted.
- i. The Property was developed with two industrial buildings operated by PAI. The northernmost building comprised approximately 42,200 square feet and is primarily utilized by PAI for pharmaceutical manufacturing and QC laboratory analysis. The southernmost building comprises approximately 50,800 square feet and is primarily utilized as warehouse space. One approximately 150 square foot metal out-building is located to the south of the manufacturing building and is utilized for isopropyl alcohol storage.
 - ii. Five aboveground storage tanks (“AST”) are within the process area of the manufacturing building. These ASTs contained propylene glycol, glycerin, sorbitol, and purified water used in the manufacturing of pharmaceutical products.
- D. The ESA also noted the following Recognized Environmental Conditions (“REC”) at the Property:
- i. BLE observed a wastewater overflow from an on-site sewer manhole to the surrounding ground surface. Upon further inspection, it was determined that a new deionized water system was being brought online and during flushing of the deionized water system, the increase in volume to the sanitary sewer caused an overflow to the surrounding ground surface. Total wastewaters reportedly discharged to the sanitary sewer at this location reportedly including manufacturing process

wastewaters and sanitary wastewaters.

- ii. PAI has historically operated as both a small and large quantity generator of hazardous wastes from 1989 through 2018. Three regulatory inspections have been performed at the facility, which resulted in Notices of Violation in 2000, 2008, and 2017. Due to the documented historical generation of hazardous waste, coupled with the documented regulatory violations associated with the handling of this material, BLE considers the historical generation and handling of hazardous waste at the Site a REC.

RESPONSE ACTIONS

3. Respondents 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 Respondents s 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 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 and/or Professional Geologist 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 or response actions 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 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 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 sixty (60) days of the execution date of this Contract and once a quarter 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

SIGNATURE Clasco Vincent

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 by either party to the other 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 (D) hand delivery to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.

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

The Department: Kimberly M. Kuhn
South Carolina Department Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201
kuhnkm@dhec.sc.gov

Respondents: Mark Fite
Chief Operating Officer
Pharmaceutical Associates Inc.
1700 Perimeter Road
Greenville, South Carolina 29605
mfite@paipharma.com
Tel: 864.277.7282
Fax: 864.236.0116

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 by Respondents, 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 costs associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

RESPONSE COSTS

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: Mark Fite
Chief Operating Officer
Pharmaceutical Associates Inc.
1700 Perimeter Road
Greenville, South Carolina 29605
mfite@paipharma.com
Tel: 864.277.7282
Fax: 864.236.0116

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

The South Carolina Department of Health & Environmental Control

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

ACCESS

10. The Department, its authorized officers, employees, representatives, and all other persons performing Response Actions 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 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 Respondents.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Respondents has completed the actions required under this Contract, Respondents 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 Respondents and witnessed, signed, and sealed by a notary public. Respondents shall record this restrictive covenant with the Register of Deeds or Mesne Conveyances in Greenville 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 Respondents 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 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 this Contract and who is not a signatory's parent, subsidiary, successor or 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. 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 Respondents for any matters not expressly addressed by and settled through this Contract.

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

Once the Department determines that Respondents 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 Respondents a Certificate of Completion that provides a covenant not to sue to Respondents, their signatories, parents, subsidiaries, successors and assigns for the work done in completing the Response Actions specifically covered in this 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 Respondents successfully and completely complied with this Contract.

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

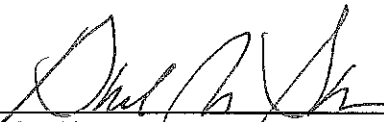
- G. Failure by Respondents to obtain the applicable permits from the Department for any Response Action or other activities undertaken at the Property.

19. Upon termination of this Contract, the covenant not to sue will be null and void. Termination of this Contract by Respondents or the Department does not end the obligations of Respondents 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.

SIGNATURE Elisa Vincent

THE SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL

BY: 
Donald L. Siron, P.G., Assistant Chief
Bureau of Land and Waste Management
Environmental Quality Control

DATE: 9/7/2018


Reviewed by Office of General Counsel

DATE: 9/4/18

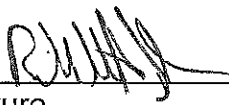
RBJ PROPERTIES, LLC


Signature

DATE: 8-30-2018

Richard Stephen Jenkins
Printed Name and Title

PHARMACEUTICAL ASSOCIATES, INC.


Signature

DATE: 8-30-2018

Richard Stephen Jenkins
Printed Name and Title

APPENDIX A

Legal Description of the Property

All those tracts or parcels of land located within the South Carolina Technology and Aviation Center in Greenville County, South Carolina being bounded by Perimeter Road, Delaware Street and Old Fork Shoals Road and having TMS Nos. 0410000101100 and 0410000101102.