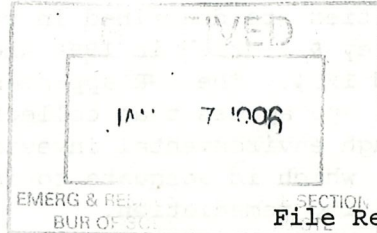




George E. Meyer
Secretary

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Southern District Headquarters
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File Ref: GIC/CompuDyne/Everbrite, #825

January 12, 1996

0611138916

Mr. Don Gallo
Michael Best & Friedrich
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Milwaukee, WI 53202-4108

Mr. Jerry Phillips
Everbrite
401 South Main Street
P.O. Box 97
Pardeeville, WI 53954

Mr. Mel Englebretsen, President
Village of Pardeeville
114 Lake Street
Pardeeville, WI 53954

SUBJECT: DNR Approval of a Thorough Environmental Investigation and Conditions Necessary for Obtaining Purchaser Liability Exemption under s. 144.765, Wis. Stats., relating to the Proposed Sale of GIC/CompuDyne Property Located at 401 South Main Street, Pardeeville, WI to Everbrite, Inc.

Dear Sirs:

Pursuant to Attorney Don Gallo's letter dated October 16, 1993 to Darsi Foss of the Wisconsin Department of Natural Resources ("DNR"), the DNR has been notified that Everbrite, Inc. ("Buyer") intends to purchase certain real property located at 401 South Main Street in Pardeeville, WI ("Property") from CompuDyne, Inc. ("Seller"). The property is located on the south side of Pardeeville, in the SW 1/4 of the SW 1/4 of Sec. 3, T.12N, R.10E, Columbia County, WI. A legal description of the property can be found in the Quit Claim Deed from the Pardeeville Industrial Corp. to General Indicator Corp. filed on 12/19/86. The document number is 454685, Vol. 310, page 272 as filed with the Columbia County Register of Deeds office.

The purpose of this letter is to provide the Buyer with DNR's findings and assurances regarding responsibilities and liabilities of the Buyer and Seller under applicable Wisconsin law, including Wisconsin Statutes 144.76 and 144.765 in the event the contemplated transaction takes place.

1. Adequacy of Environmental Investigation. Certain investigative activities have been conducted on the Property under supervision of the DNR and in accordance with applicable requirements, including s. 144.76, Wis.



Stats.. These investigative activities are described in the reports prepared by Enviropact in 1988 and 1989, Haley & Aldrich in 1990 and 1991, and by Mid-States Associates in 1992, 1993 and 1994. The DNR approves of the scope of these environmental investigations, and agrees that collectively these investigations constitute a "thorough environmental investigation" within the meaning of s. 144.765, Wis. Stats., which is adequate to identify areas of contamination on the Property requiring remediation.

2. Remediation Activities to be Conducted. After reviewing the results of the environmental investigations that are listed in Paragraph 1, the DNR has determined that remedial actions are necessary to restore groundwater quality. The Mid-State environmental investigations show that volatile organic compounds (VOCs) have contaminated the groundwater on the Property and downgradient of the Property, and that the groundwater quality does not comply with standards listed in ch. NR 140, Wis. Adm. Code. Groundwater pump and treatment has been chosen as the active remedial measure necessary to bring the site into compliance with ch. NR 140, Wis. Adm. Code groundwater quality standards.

3. Purchaser Liability Exemption. The DNR has determined that if the Buyer obtains title to the Property from the Seller, such contemplated transaction is in good faith and at arm's length, within the meaning of s. 144.765, Wis. Stats., and that the Buyer qualifies as a purchaser within the meaning of s. 144.765(1)(c), Wis. Stats. Upon completion of the remedial actions described as necessary in paragraph 2 of this letter, pursuant to s. 144.765, Wis. Stats., the Buyer shall have no liability for cleanup or assessment activities under ss. 144.76(3), (4) and (7)(b) and (c), Wis. Stats., with respect to existence of a hazardous substance on the Property the release of which occurred prior to the date of the transfer of the Property from the Seller to the Buyer.

4. No Lien for Environmental Costs. If the contemplated transaction between the Buyer and Seller is consummated, the DNR agrees that it will not file a lien against the Property for any expenditure made by DNR for investigation or cleanup activities relating to the environmental contamination on the Property that existed prior to the Buyer's acquisition of the Property.

5. Contemplated Construction Activities. The DNR will not require pre-approval for any construction activity contemplated on the Property, provided, however, that any construction activity in the areas requiring remediation, as described in the various environmental Reports, must either be done after the remediation has been completed or must be performed in such a manner as to avoid interfering with the necessary remediation activities. Any such construction and/or excavation activities shall not constitute activities considered to be inconsistent with the maintenance of the Property within the meaning of s. 144.765(2)(a)5, Wis. Stats., if those activities are conducted in compliance with any applicable deed restriction, and such activities shall not form the basis for any cleanup or investigation liability on the Property for the Buyer or any successor or assign under applicable Wisconsin law. The environmental investigations to date have failed to reveal a source area for

the groundwater contamination. The DNR has no intention to issue any restrictions on the use of the Property.

6. Applicable Statutory and Regulatory Framework. The Reports listed in Paragraph 1 have identified groundwater contamination resulting from discharges on the Property, however, no identifiable discharge area was uncovered. The DNR agrees that all remediation required on the Property shall proceed under s. 144.76, Wis. Stats., and not under Federal Resource Conservation and Recovery Act or its Wisconsin counterpart at s. 144.60-144.74, Stats..

7. Successors and Assigns. All of the determinations and statements regarding liabilities made by the DNR as described in this letter shall inure to the benefit of the Buyer and its successors and assigns.

Wisconsin Department
Of Natural Resources

By: Stephen M. Ales
Stephen M. Ales, P.G.
District Hydrogeologist

Dated: 1/12/96

cc: → Darsi Foss - SW/3, GEF 2
Maryann Sumi - AD/5, GEF 2
Dave Edwards - Flyway Office, Horicon Area