REICHHOLD

Rcvd
JUN 13 2016

June 9, 2016

Environmental Program Associate
Attn: Eric Amadi
Remediation and Redevelopment Program
Wisconsin Department of Natural Resources
2300 N. Dr. Martin Luther King Jr. Drive
Milwaukee, WI 53212

JUN 13 2016

Subject: 7300 South 10th Street, Oak Creek, WI 53154
FID#241332080
BRRTS#: 02-41-000244

JUN 13 2016

Dear Mr. Amadi:

This is in response to your June 3, 2016 letter (attached) to Mr. Roger Willis.

Please be advised that Reichhold LLC 2 ("RLLC2") was created on March 23, 2015. RLLC2 has never owned, operated, or sent materials to the referenced site.

In 2015, RLLC2 did become the owner of substantially all of the assets of Reichhold, Inc., now named Reichhold Liquidation, Inc., pursuant to the provisions of Section 363 of the Bankruptcy Code. The Oak Creek site in question was neither a purchased asset nor an assumed liability under the relevant asset purchase agreement.

I am attaching pages from the January 12, 2015 Order of the Honorable Mary F. Walrath, United States Bankruptcy Judge. Please note that Sections 14 through 16 expressly prohibit successor liability and even attempts to impose successor liability. Of course, we can make the entire Order available to you.

In brief, RLLC2 is not a responsible party for the site. RLLC2 cannot provide any of the requested information.

We would also point out that, according to the Claims Administrator, the Wisconsin Department of Natural Resources was sent, during the period from October 15, 2014 through March 4, 2016, at least 19 notices pertaining to the bankruptcy proceedings.

We hope that the foregoing provides you with sufficient information on the position of RLLC2 in this matter. If you wish to contact Reichhold Liquidation, Inc., we suggest you refer to its bankruptcy web site for contact information for its trustee or counsel.

Very truly yours,

Reichhold LLC 2

By:

Edward P. Castorina
Vice President – General Counsel

Reichhold LLC 2

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
2300 N. Dr. Martin Luther King, Jr. Drive
Milwaukee WI 53212-3128

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711

June 3, 2016

Mr. Roger Willis
Reichhold LLC 2
1035 Swabia Court
Durham, NC 27703

Mr. Kevin Orcutt
DIC Imaging products LLC
7300 South 10th Street
Oak Creek, WI 53154

Subject: Request for Update - Former Swift Adhesives Facility
7300 South 10th Street
Oak Creek, WI 53154
FID #: 241332080
BRRTS #: 02-41-000244

Dear Messrs. Willis and Orcutt:

On **07/01/1991**, the Wisconsin Department of Natural Resources (DNR) was notified of the contamination at the above subject site. Our database indicates that on June 7, 2012, the DNR sent a **Site Investigation Workplan Approval** letter, to the previous owner (Reichhold, Inc.), outlining the additional work that needs to be completed to bring this case to "no further action" status. Attached is a copy of the **Site Investigation Workplan Approval** letter, dated June 7, 2012. A recent audit of case files indicated that we have not received any written correspondence or response related to the site investigation workplan approval.

On **08/25/2016**, the DNR sent a letter to the land owner (Mr. Andrew Sexson - Oak Creek Real Estate, LLC), requesting site update. Mr. Sexton indicated he was not the responsible party of the property. However, he provided the DNR with site ownership history.

As the responsible party of this property you have certain legal responsibilities, as outlined in § 292.11(3), Wisconsin Stats., also known as the hazardous substances spills law. § 292.11(3) states:

- RESPONSIBILITY. A person who possesses or controls a hazardous substance which is discharged or who causes the discharge of a hazardous substance shall take the actions necessary to restore the environment to the extent practicable and minimize the harmful effects from the discharge to the air, lands or waters of the State.

In order to get this case back on track toward remediation of the existing contamination and ultimately, DNR case closure, please have your consultant prepare and submit documentation on the status of this case. If you do not have a consultant, please notify the department in writing within the next **60 days (by August 2, 2016)**, as to your intentions to submit the requested documentation. A lack of response to this letter may result in the initiation of formal enforcement actions.

Upon receipt of your documentation, we will update your case status within our database. If you would like to receive Department review of your documentation, please be aware that a review fee is required in accordance with s. NR 749, Wis. Adm. Code. If a fee is not submitted with your reports, you should proceed under the advice of your consultant to complete the site investigation to maintain your compliance with the spills law and chs. NR 700 through NR 749.

All applicable information should be submitted in writing to:

Environmental Program Associate
Attn: Mr. David Hanson
Remediation and Redevelopment Program
Wisconsin Department of Natural Resources
2300 N. Dr. Martin Luther King, Jr. Drive
Milwaukee, WI 53212

Correspondence should reference the facility name and file reference numbers (FID # and BRRTS #) listed at the beginning of this letter under the paragraph "Subject". Please include a copy of this letter with your submittal.

If you have any questions regarding this letter, please contact me. I can be reached at (414) 263-8639 or at eric.amadi@wisconsin.gov

Sincerely,

Eric Amadi

Eric Amadi - Hydrogeologist
Remediation and Redevelopment Program
Southeast Region - Milwaukee Service Center

Attachment:

DNR, 2012: Site Investigation Workplan Approval Letter
Former Swift Adhesives Facility, Oak Creek, WI, dated June 7, 2012.

cc: Andrew Sexson - Oak Creek Real Estate, LLC, 4777 Wellington Drive, Long Grove, IL 60047
SER Case File #: 02-41-000244

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
REICHHOLD HOLDINGS US, INC., et al.,	:	Case No. 14-12237 (MFW)
Debtors.[1]	:	Jointly Administered
	:	Related Docket No. 221

ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(A), 363, 365, AND BANKRUPTCY RULES 2002, 6004, 6006 (I) APPROVING THE SALE OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS; (II) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (III) GRANTING CERTAIN RELATED RELIEF

Upon the motion, dated November 12, 2014 [Dkt. No. 221] (the "**Motion**")[2] of the Debtors for, among other things, entry of an order, pursuant to sections 105(a), 363 and 365 of title 11 of the United States Code (the "**Bankruptcy Code**") and Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), (i) approving the sale of substantially all of the Debtors' assets (the "**Sale Transaction**") free and clear of all liens, claims, encumbrances and interests (the "**Encumbrances**"), except to the extent set forth in the Stalking Horse Agreement (attached hereto as **Exhibit A**, and as may be amended, supplemented or restated), (ii) authorizing the assumption and assignment of certain executory contracts and unexpired leases as described in the Stalking Horse Agreement (the "**Assigned Contracts and Assigned Leases**"), and (iii) granting certain related relief; and adequate notice of the Motion

1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Reichhold Holdings US, Inc. (5768), Reichhold, Inc. (4826), Canadyne Corporation (7999), and Canadyne-Georgia Corporation (7170). The street address for the Debtors is 1035 Swabia Ct., Durham, NC 27703.

2 Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the Stalking Horse Agreement, as applicable.

11. On the Closing Date of the Sale Transaction, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its Interests on the Purchased Assets, if any, as such Interests may have been recorded or otherwise exist.

12. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may deny, revoke, suspend, or refuse to renew any permit, license or similar grant relating to the operation of the Purchased Assets on account of the filing or pendency of the Chapter 11 Cases or the consummation of the transactions contemplated by the Stalking Horse Agreement, including the Sale Transaction and the assumption and assignment of the Assigned Contracts and Assigned Leases.

13. Subject to the terms and conditions of this Order, the transfer of the Purchased Assets to the Purchaser pursuant to the Stalking Horse Agreement constitutes a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Purchaser with all right, title, and interest of the Debtors in and to the Purchased Assets free and clear of all Interests of any kind or nature whatsoever (other than Permitted Encumbrances and the Assumed Liabilities).

No Successor Liability

14. Under no circumstances shall the Stalking Horse Purchaser be deemed a "successor" of or to the Debtors or their estates by reason of any theory of law or equity, and, effective upon the Closing Date, and except as expressly set forth in the Stalking Horse Agreement, the Stalking Horse Purchaser shall not assume, or be deemed to assume, or in any way be responsible for any Interest, liability or obligation of any of the Debtors and/or their estates, other than the Assumed Liabilities, with respect to the Purchased Assets or otherwise. Without limiting the generality of the foregoing, and except as otherwise specifically provided in

the Stalking Horse Agreement or this Order, the Stalking Horse Purchaser shall not be liable for any Interests, claims or liabilities against the Debtors or any of their predecessors or affiliates, and the Stalking Horse Purchaser shall have no successor or vicarious liabilities of any kind or character, including, but not limited to, any theory of antitrust, environmental (including, without limitation, the presence of hazardous, toxic, polluting or contaminating substances or wastes), products liability, successor or transferee liability, labor law, *de facto* merger or substantial continuity, whether known or unknown as of an including the Closing Date, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Debtors or any obligations of the Debtors arising prior to and including the Closing Date, including, but not limited to, liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to any of the Purchased Assets prior to and including the Closing Date. For the avoidance of doubt, except as expressly provided in the Stalking Horse Agreement, the transfer of the Purchased Assets, including the assumption, assignment and/or transfer of the Assumed and Assigned Contracts, to the Stalking Horse Purchaser will not subject the Stalking Horse Purchaser or its affiliates or subsidiaries, or any of their successors and assigns to, or subject any Purchased Assets to or provide recourse for, any Interest or Encumbrance whatsoever with respect to the operation or condition of any of the Purchased Assets prior to the Closing Date or with respect to any facts, acts, actions, omissions, circumstances, or conditions existing, occurring or accruing with respect thereto prior to the Closing Date, including without limitation, any Interest or Encumbrance arising from any of the following: (a) any employment or labor agreements, consulting agreements, severance arrangements, change in control agreements or other similar agreements to which the Debtors are or were a party, (b) any pension, welfare, multiemployer, compensation, or other employee

benefit plans, agreements, practices, and programs, including, without limitation, any pension plan of the Debtors; (c) the cessation of the Debtors' operations, dismissal of employees or termination of employment or labor agreements or pension, welfare, compensation or other employee benefit plans, agreements, practices and programs and any obligations with respect thereto that arise from the Employee Retirement Income Security Act of 1974, Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964 (as amended), the Age Discrimination and Employment Act of 1967 (as amended), the Federal Rehabilitation Act of 1973 (as amended), the National Labor Relations Act (or other collective bargaining laws), the Worker Adjustment and Retraining Notification Act or the WARN Act, (d) workmen's compensation, occupational disease or unemployment or temporary disability claims, (e) environmental liabilities, debts, claims or obligations which may be asserted on any basis, including, without limitation, under the Comprehensive Environmental Response Compensation and Liability Act or any Environmental Laws (as defined in the Stalking Horse Agreement), (f) products liabilities or warranties, (g) bulk sales or similar law, (h) any litigation by or against the Debtors, (i) any liabilities, debts, commitments or obligations for any taxes relating to the operation of the Purchased Assets or (j) any foreign, federal, state or local law or regulation of similar import or otherwise, based, in whole or in part, directly, or indirectly, in any theory of law or equity, including without limitation, any theory of antitrust, products liability, or successor, vicarious or transferee liability to the extent arising by reason of events, actions, facts, omissions, circumstances, conditions or transactions occurring prior to the Closing Date by virtue of the Stalking Horse Purchaser's purchase of the Purchased Assets or the assumption of the Assumed Liabilities by the Stalking Horse Purchaser. The Stalking Horse Purchaser shall have no successor or vicarious liabilities of any kind or character.

15. The Stalking Horse Purchaser has given substantial consideration under the Stalking Horse Agreement for the benefit of the holders of any Interest. The consideration given by the Stalking Horse Purchaser shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Stalking Horse Purchaser. Upon consummation of the Sale Transaction, the Stalking Horse Purchaser shall not be deemed to (a) be the successor to the Debtors, (b) have, *de facto* or otherwise, merged with or into the Debtors, or (c) be a mere continuation, alter ego or substantial continuation of the Debtors.

16. Upon the Closing Date, and except as otherwise expressly provided in the Stalking Horse Agreement and this Order, all persons and entities including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade creditors, dealers, employees, litigation claimants, and other creditors, holding Interests of any kind or nature whatsoever, including rights or claims based on any successor or transferee liability, against or in a Debtor or the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, the Debtors, the Purchased Assets or the operation of the Purchased Assets before the Closing Date, or the transactions contemplated by the Stalking Horse Agreement, including the Sale Transaction and the assumption and assignment of the Assigned Contracts and Assigned Leases, are hereby forever prohibited and permanently barred, estopped and enjoined from asserting, prosecuting or otherwise pursuing any matter any action or other proceedings, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Stalking Horse Purchaser, its successors and assigns, or the Purchased Assets, with respect to any (a) Interest arising under, out of, in connection with or in any way relating to the Debtors, the Stalking Horse Purchaser,

the Purchased Assets, the operation of the Purchased Assets prior to and including the Closing Date or (b) successor or transferee liability, including, without limitation, the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Stalking Horse Purchaser, its successor or assigns, assets or properties, (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order against the Stalking Horse Purchaser, its successors or assigns, assets or properties, (iii) creating, perfecting, or enforcing any Interest against the Stalking Horse Purchaser, its successors or assigns, assets or properties, (iv) asserting any setoff (unless asserted prepetition) or right of subrogation of any kind against any obligation due to the Stalking Horse Purchaser or its successors or assigns, or (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with this Order or other orders of this Court, or agreements or actions contemplated or taken in respect of this Order and such other orders. The sale, transfer, assignment and delivery of the Purchased Assets and the Assigned Contracts and Assigned Leases shall not be subject to any Interest, and Interests of any kind or nature whatsoever (except as provided in the Stalking Horse Agreement) shall remain with, and continue to be obligations of, the Debtors. Following the Closing Date, no holder of any Interests in the Debtors shall interfere with the Stalking Horse Purchaser's title to or use and enjoyment of the Purchased Assets and the Assigned Contracts and Assigned Leases based on or related to such Interest, or any actions that the Debtors may take in their Chapter 11 Cases.

Good Faith

17. The transactions contemplated by the Stalking Horse Agreement are undertaken by the Stalking Horse Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization

governmental units with respect to the implementation and consummation of the Stalking Horse Agreement and this Order and the transactions contemplated thereby and hereby.

54. The Debtors and the Stalking Horse Purchaser shall have no obligation to consummate the Sale Transaction unless and until all conditions precedent to their obligations to do so, as set forth in the Stalking Horse Agreement, have been met, satisfied or waived in accordance with the terms of the Stalking Horse Agreement.

55. In the event that the Successful Bidder fails to consummate the Sale Transaction, the Backup Bidder will be deemed to have the new prevailing bid, and the Debtors will be authorized, without further order of this Court, to consummate the Sale Transaction with the Backup Bidder.

56. This Court shall retain exclusive jurisdiction to enforce and implement the terms and provisions of the Stalking Horse Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connections therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Purchased Assets to the Stalking Horse Purchaser free and clear of Interests (other than Permitted Liens), or compel the performance of other obligations owed by the Debtors, (b) compel delivery of the purchase price or performance of other obligations owed to the Debtors, (c) resolve any disputes arising under or related to the Stalking Horse Agreement, except as otherwise provided therein, (d) interpret, implement, and enforce the provisions of this Order, and (e) protect the Stalking Horse Purchaser against (i) claims made related to any of the Excluded Liabilities, (ii) any claims of successor or vicarious liability related to the Purchased Assets or Assigned Contracts and Assigned Leases, or (iii) any claims relating to any Interests asserted on or in the Debtors or the Purchased Assets, of any kind or nature whatsoever.

57. The Backup Bid is hereby approved, subject to the same terms, provisions & protections as the Stalking Horse ~~Bid~~ Purchaser under this Order.

Date: Wilmington, Delaware
January 12, 2015

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE