

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA DEPARTMENT
OF ENVIRONMENTAL MANAGEMENT

REMEDICATION AND CORRECTIVE)
ACTION OF HAZARDOUS)
SUBSTANCES AND HAZARDOUS)
WASTES AT SLATER STEELS)
)

FT. WAYNE, ALLEN COUNTY,)
INDIANA)
)

VALBRUNA SLATER STEEL)
CORP.,)
Respondent as to Property A)
)

FORT WAYNE STEEL CORP.,)
Respondent as to Property B.)

PROSPECTIVE PURCHASERS AGREEMENT

The Indiana Department of Environmental Management, by its Commissioner and Valbruna Slater Steel Corp. ("Respondent A"), only with respect to Property A, as hereinafter defined, and Fort Wayne Steel Corp. ("Respondent B"), only with respect to Property B, as hereinafter defined, desiring to resolve issues of liability, promote Indiana's human health and environment, and facilitate redevelopment of two brownfields, hereby enter into this Prospective Purchasers Agreement ("Agreement"), pursuant to Ind. Code 13-25-4, the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. § 9601 *et seq.* ("CERCLA"), the Small Business Liability Relief and Brownfields Revitalization Act, Pub. L. No. 107-118 (2002), Ind. Code 13-22-13, and other state and federal laws and regulations.

I. Findings Of Fact

1. The Indiana Department of Environmental Management (hereinafter "IDEM") is the agency with the duty and authority to administer and enforce the provisions of Ind. Code 13-25-4 and is authorized to recover response costs under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 *et seq.*, and the Indiana Hazardous Substances Response Trust Fund Law, Ind. Code 13-25-4. IDEM is authorized to regulate corrective action for releases of hazardous waste under Ind. Code 13-22 and regulations promulgated thereunder.
2. IDEM has authority under Ind. Code 13-25-4 to enter into agreements which call for one or more responsible parties to perform response actions addressing the release or threatened release of hazardous substances or contaminants. IDEM has the authority under

CERCLA § 113(f)(2), 42 U.S.C. § 9613(f)(2), to enter into an administrative settlement that resolves a party's liability, if any, to the State arising under CERCLA. IDEM has the authority under Ind. Code 13-22-13 to require corrective action at a facility. IDEM, Respondent A and Respondent B (each a "Party" and together, "Parties") desire to enter into an agreement whereby Respondent A and Respondent B (each a "Respondent" and together, "Respondents") will perform corrective action and other response measures necessary to protect human health and the environment with respect to their respective properties, Property A and Property B. Property A and Property B have some environmental conditions in common and IDEM, Respondent A and Respondent B believe that a coordination of efforts would be most advantageous to address those conditions. Therefore, although Respondent A proposes to purchase and own Property A only (and will not purchase, own, operate or have any liability or obligations with respect to Property B) and Respondent B proposes to purchase and own Property B only (and will not purchase, own, operate or have any liability or obligations with respect to Property A), the parties hereto are entering into this Prospective Purchasers Agreement (rather than two individual Prospective Purchaser Agreements) for convenience and to allow for coordination of efforts and for administrative purposes. Nothing in this Prospective Purchasers Agreement shall be construed to cause, is intended to cause nor should it be deemed to cause Respondent A to have any interests, obligations, liabilities, rights or duties of ownership or operation with respect to Property B or Respondent B to have any interests, obligations, liabilities, rights or duties of ownership or operation with respect to Property A.

3. This Agreement concerns remediation of two distinct parcels of real estate, Property A as legally described in Exhibit A and Property B as legally described in Exhibit B, located in Ft. Wayne, Allen County, Indiana, specifically addressing the contamination consisting of chlorinated hydrocarbons, polychlorinated biphenyls, metals, and semi-volatile organic compounds in soil, sediment and groundwater. Pursuant to Ind. Code § 13-22-13-2, corrective actions must also address contamination extending beyond property boundaries. Property A and Property B are referred to herein collectively as the "Facilities."
4. Respondent A is Valbruna Slater Steel Corp., a Delaware corporation. Respondent B is Fort Wayne Steel Corp., a Delaware Corporation. Respondent A, upon purchase of Property A, will become liable for response and corrective action at Property A, only, as the owner and operator of Property A. Respondent B, upon purchase of Property B, will become liable for response and corrective action at Property B, only, as the owner and operator of Property B.
5. The Facilities were the subject of an IDEM Corrective Action Agreed Order entered into by Slater Steels, Inc. on March 25, 2002. Slater Steels, Inc. and its parent and associated companies filed for bankruptcy on June 2, 2003. Slater Steels, Inc. ceased major operations of the Facilities. The threat of environmental liability interfered with sale of the Facilities. Slater Steels, Inc. arranged to dispose of the Facilities by auction through the United States Bankruptcy Court for the District of Delaware by an order dated January 23, 2004.
6. Respondent A has represented to IDEM that its intent is for its affiliated entity, Valbruna Slater Stainless, Inc. to conduct manufacturing operations at Property A for at least three years. Such operations, while subject to numerous economic and market conditions, will provide employment opportunities in the local community. Immediately upon Respondent

A's closing on the transaction for Property A, Valbruna Slater Stainless, Inc. intends to employ personnel to perform maintenance functions relating to the equipment at Property A and determine the condition of the equipment and the potential to operate such equipment in a safe nondetrimental manner in order to efficiently produce the intended products. Upon evaluation of the condition of the equipment, Valbruna Slater Stainless, Inc. expects to employ the necessary employees to operate the equipment, and support the operations. Internal and external factors will determine the ultimate employment numbers, while Valbruna Slater Stainless, Inc. makes a good faith effort to grow the business and maximize employment.

7. IDEM finds sufficient cause that environmental cleanup at the Facilities will not be completely accomplished by Slater Steels, Inc. Additionally, IDEM finds that the threat of environmental liability will prohibit timely sale of the Facilities. As such, IDEM finds that this Agreement will facilitate the best achievable combination of environmental cleanup and continued productive use of the property that IDEM can expect, given:
 - (a) the environmental conditions at the Facilities,
 - (b) the potential that IDEM would be unable to secure appropriate remedial work at the Facilities because of a possible lack of viable and liable parties,
 - (c) IDEM's desire to guarantee the performance of a significant amount of environmental work through this Agreement,
 - (d) support for this sale as expressed by local government,
 - (e) economic conditions generally and in Allen County,
 - (f) the lack of any fair market buyer for the Facilities under their current condition, and
 - (g) the reduced liability to which Respondent A and Respondent B would be exposed due to legal defenses to environmental liability, including Ind. Code 13-30-9 and the Small Business Liability Relief and Brownfields Revitalization Act, Pub. L. No. 107-118 (2002).

II. Conclusions of Law

8. IDEM has jurisdiction over Respondent A and Respondent B and the subject matter of this Agreement. Each Respondent is a "person" under Ind. Code § 13-11-2-158. This Agreement applies to and is binding upon IDEM, Respondent A and Respondent B, their agents, successors, assigns, officers, directors, and principals. No change in corporate status of either Respondent, or the ownership of either Respondent or Facilities shall alter each respective Respondents' responsibilities under this Agreement. This Agreement is an agreement for the purposes of to Ind. Code § 13-25-4-23(c) and an order for the purposes of Ind. Code § 13-22-13-1.
9. For the purposes of enforcing this Agreement, each Respondent and Valbruna Slater Stainless, Inc. waive any defense to liability for the matters covered in this Agreement based on any failure by IDEM to issue a Special Notice Letter, Notice of Violation, or other such notice.

10. IDEM has determined, pursuant to Ind. Code § 13-25-4-23(c), that this Agreement is in the public interest. IDEM has further determined, pursuant to Ind. Code § 13-25-4-23(c), that each Respondent will perform the removal or remedial action properly and promptly.
11. The actions contemplated in this Agreement are "remedial actions" under Ind. Code § 13-11-2-185 and CERCLA § 101(24), 42 U.S.C. § 9601(24). The actions contemplated in this Agreement are "Corrective Actions" under Ind. Code § 13-22.
12. The Facilities are each a "facility" as defined by CERCLA § 101(9), 42 U.S.C. §9601(9), and for the purposes of Ind. Code § 13-25-4. Releases of "hazardous substances" as defined by CERCLA § 101(14), 42 U.S.C. § 9601(14), and Ind. Code § 13-11-2-98, have occurred at the Facilities.
13. Previous treatment, storage and/or disposal of hazardous waste at the Facilities subjected the Facilities to interim status requirements of 329 Ind. Admin. Code 3.1. The Facilities are operated under interim status subject to 42 U.S.C. § 6925 (e). Certain wastes and constituents found at the Facilities are hazardous wastes and/or hazardous constituents pursuant to 42 U.S.C. § 6903 (5), 42 U.S.C. §6921, 40 C.F.R. 261, and 329 Ind. Admin. Code 3.1.
14. Respondent A, upon purchase of Property A, will be a party responsible under CERCLA § 107(a), 42 U.S.C. § 9607(a) with respect to Property A, and will be a "responsible person" under Ind. Code § 13-11-2-192(b) with respect to Property A. Respondent A, upon purchase of Property A, will be liable for Corrective Action for Property A as owner and operator of Property A. Respondent B, upon purchase of Property B, will be a party responsible under CERCLA § 107(a), 42 U.S.C. § 9607(a) with respect to Property B, and will be a "responsible person" under Ind. Code § 13-11-2-192(b) with respect to Property B. Respondent B, upon purchase of Property B, will be liable for Corrective Action for Property B as owner and operator of Property B.
15. The Parties and Valbruna Slater Stainless, Inc. agree that releases of hazardous substances at or from the Facilities require remedial action, despite the fact that the Facilities have not been proposed for listing on the National Priorities List ("NPL"). In accordance with § 300.425(b)(4) of the NCP, "inclusion on the NPL is not a precondition . . . to action under CERCLA § 107 for recovery of non-Fund-financed costs or Fund-financed costs other than Fund-financed remedial construction costs.
16. Respondents and Valbruna Slater Stainless, Inc. waive any right to seek reimbursement under Ind. Code § 13-25-4-1(6) or Ind. Code § 13-25-4-23(b) relating to this Agreement. This Order does not constitute any decision on preauthorization of funds under Ind. Code §§ 13-25-4-1(6) or 23(b), CERCLA § 106(b), § 111, or § 112 (42 U.S.C. § 9606(b), § 9611, § 9612). Respondents and Valbruna Slater Stainless, Inc. further waive all other statutory and common law claims against IDEM relating to this Agreement and the work performed thereunder, including, but not limited to, contribution and counterclaims relating to or arising out of conduct of the work contemplated in this Agreement.
17. IDEM's approval of the Remediation Work Plan does not guarantee that the Respondents, Valbruna Slater Stainless, Inc., or the proposed remedial actions are eligible for

reimbursement from the Indiana Underground Petroleum Storage Tank Excess Liability Trust Fund ("ELTF") and does not constitute approval of costs under IC 13-23-9-2. Those Respondents that are eligible and intend to seek reimbursement from the ELTF are encouraged to consult with the ELTF Program prior to the implementation of the Remediation Work Plan to determine if the proposed remedial actions and RWP satisfies the reimbursement and reporting requirements as set forth under Ind. Code § 13-23-8-4.

III. Order

WHEREFORE, based upon the Findings of Fact and Conclusions of Law and by consent of the Parties, it is hereby ORDERED that:

18. This Agreement shall be effective ("Effective Date") upon the later of:
 - (a) the date it is signed by the final necessary party representing IDEM and/or the State of Indiana.
 - (b) the first date that either Respondent A acquires an ownership interest in Property A or that Respondent B acquires an ownership interest in Property B.
19. In the event that the Respondents fail to acquire ownership or other ownership interest in their respective properties by May 15, 2004, this Agreement shall be terminated. This time period may be extended by agreement of the Parties.
20. Upon IDEM's request, each Respondent and Valbruna Slater Stainless, Inc. shall submit all information in the possession or knowledge of that Respondent or Valbruna Slater Stainless, Inc., respectively, related to the Facilities, this Agreement, and the work performed herein.
21. All plans and reports shall be subject to review and evaluation by IDEM. IDEM's failure to act on a plan or report shall not constitute IDEM's acceptance of the plan or report. Prior to making a decision on the plan or report, IDEM and each Respondent may exchange comments and shall work informally to resolve technical disagreements. IDEM shall make a determination concerning the approval or modification and approval of the plan or report and so notify the Respondents. Upon receipt of approval of a plan, each Respondent shall initiate the work with respect to its property detailed in the approved plan according to the schedule as set forth therein. Upon approval, the plan or report shall be deemed incorporated into and made an enforceable part of this Agreement.

III.A. Work to be Performed

22. While each Respondent is legally responsible only for its own property, the Respondents shall work together, for ease of IDEM's administration, to collectively develop the plans described herein. Each Respondent with respect to its property shall perform investigative work and remedial work to address all areas of environmental concern identified in previous environmental investigations and any additional areas of environmental concern identified during the work performed under this Agreement. Either Respondent may but is not obligated to engage the services of the other Respondent to perform the work under this Agreement. Any such engagement shall not create liability or obligation of or for the engaged Respondent for the engaging Respondent's property. Each Respondent shall employ

sound scientific, engineering, and construction practices. All work performed under this Agreement shall follow all applicable laws, regulations, and guidance documents applicable and in effect as of the Effective Date of this Agreement, as directed by IDEM. The Respondents may suggest other guidance or other documents for approval by IDEM. RCRA Corrective Action shall be accomplished in accordance with IDEM's Risk-Integrated System of Closure non-rule policy.

23. All work to be performed by the Respondents pursuant to this Agreement shall be performed under the direction and supervision of qualified person(s) with expertise in hazardous substance or petroleum site investigation and remediation. This individual may or may not be designated the Respondents as the Respondents' Project Manager in Paragraph 37. Prior to the initiation of work at the Facility, each Respondent shall notify IDEM, in writing, regarding the name, title, and qualifications of such qualified person and of any contractors and/or subcontractors to be used in carrying out the terms of this Agreement.
24. The Facilities have been the subject of extensive investigation. If IDEM reasonably believes that further investigation is warranted, IDEM may direct each Respondent to conduct further investigation.
25. Within one hundred eighty (180) days of the Effective Date of this Agreement, the Respondents shall submit one (1) Proposed Scope of Work to IDEM identifying the environmental work the Respondents propose to perform under this Agreement on their respective properties. This Proposed Scope of Work shall include reasonable details concerning the releases and contaminants to be addressed, the order of importance of addressing such releases and contaminants, the means of accomplishing such work, and the estimated costs thereof. The Scope of Work shall be based first, upon the most significant threats to human health, and second, the actions required to complete RCRA closure of the Facility. Upon direction by IDEM, the Respondents shall meet with IDEM to discuss the Proposed Scope of Work. IDEM shall review all relevant information and issue, in its discretion, a final Scope of Work. Respondents agree to follow this Scope of Work in implementing this Agreement.
26. The Respondents shall submit one (1) Remediation Work Plan designed to accomplish on their respective properties the Scope of Work. The Remediation Work Plan shall be submitted not later than one hundred twenty (120) days after approval or modification and approval of the Scope of Work, or longer if an extension is agreed to by the Parties.
 - (a) This Remediation Work Plan shall include reasonable details concerning the releases and contaminants to be addressed, the order of importance of addressing such releases and contaminants, the means of accomplishing such work and estimated cost thereof.
 - (b) This Remediation Work Plan may provide methods for achieving RCRA environmental indicators as directed by U.S. EPA GPPA requirements.
 - (c) The Remediation Work Plan shall be based on the guidance documents specified in Paragraph 22.

- (d) The Remediation Work Plan shall include a proposed plan to accomplish the objectives of the Scope of Work and the following project plans: (i) a health and safety plan; (ii) a community relations plan; (iii) a schedule for implementation of all tasks set forth in the Remediation Work Plan; and (iv) a data management plan.
 - (e) The Remediation Work Plan shall specify the land use restrictions assumed in developing the Remediation Work Plan and shall identify the institutional, engineering, or other controls that will be used to restrict land use at the Site.
27. The Remediation Work Plan shall attempt to satisfy the requirements of "appropriate care with respect to the hazardous substances found at the Facilities," as required of a bona fide prospective purchaser in 42 U.S.C. § 9601(40).
28. The Respondents will cooperate with IDEM in providing information about the Remediation Work Plan to the public. IDEM will give the Respondents reasonable advance notice of and may require the Respondents' or their agents' attendance at any such public meetings it may hold or sponsor at times and locations which are agreed upon by IDEM and the Respondents.
29. The Commissioner shall make a determination concerning the approval, or modification and approval, of the Remediation Work Plan in accordance with Paragraph 21, and so notify the Respondents. After providing such notice, each Respondent shall initiate the work with respect to its property, detailed in the approved Remediation Work Plan according to the schedule as set forth therein. Upon the Commissioner's approval, the Remediation Work Plan shall be deemed incorporated into and made an enforceable part of this Agreement.
30. Upon commencement of the Remediation Work Plan and until completion thereof, IDEM's Project Manager and the Respondents' Project Manager shall exchange, as appropriate:
- (a) a periodic description of the work performed;
 - (b) invoices, purchase orders, or other available documentation of work performed;
 - (c) laboratory reports or analyses of any samples taken from standing surface water, soils, or other materials remediated, removed, or to be removed from the Facility; and
 - (d) documentation of proper disposal of materials removed from the Facility.
31. In the event that IDEM reasonably determines that additional work is necessary to complete the objectives of this Agreement, the Remediation Work Plan, and/or the Scope of Work, IDEM shall notify the Respondents, in writing, of the need to perform such work. If directed by IDEM, the Respondents shall submit a modified Remediation Work as directed by IDEM.
32. The Respondents shall perform the work described in this Agreement with respect to their respective properties unless and until the funds in the Escrow Agreement, described below, are expended.

33. IDEM shall notify the Respondents, in writing, of the completion of the remedial action performed consistent with the Remediation Work Plan and the Scope of Work.

III.B. Designated Project Manager

34. IDEM and the Respondents have each designated one (1) Project Manager, listed below in Paragraph 37. IDEM may accept and rely on communications from the Respondents' designated Project Manager as communicating the knowledge and intent of each of the Respondents. Each Project Manager shall be responsible for overseeing the implementation of this Agreement. IDEM's Project Manager will be the designated IDEM representative at the Facilities. To the maximum extent possible, communications between each Respondent and IDEM and all documents (including reports, approvals, and other correspondence) concerning the activities performed pursuant to the terms and conditions of this Agreement shall be directed through the Project Managers. During implementation of this Agreement, the Project Managers shall, whenever possible, operate by consensus and shall attempt in good faith to resolve disputes informally through discussion of the issues. Each Party has the right to change its respective Project Manager by notifying the other Party in writing as soon as practicable prior to or after the change.
35. IDEM's Project Manager shall have the authority to halt, conduct, or direct any work required by this Agreement and/or any response actions. In the event that the IDEM Project Manager halts work pursuant to this paragraph, the schedule of work described in the Remediation Work Plan shall be modified accordingly.
36. The absence of the Respondents' or IDEM's Project Manager from the Facilities shall not be cause for the stoppage of work. The Respondents' Project Manager or his or her supervisor shall be reasonably available by telephone while the field investigation is being performed. The Respondents' Project Manager shall designate a person to be in charge who will be available on-site when field work is being performed.
37. Documents, including reports, approvals, notifications, disapprovals, and other correspondence required to be submitted under this Agreement may be sent by First Class U.S. Mail, hand delivery, overnight mail or by courier service to the following addresses or to such addresses as each Respondent or IDEM may designate in writing.

Documents to be submitted to IDEM should be sent to:

Andrea Robertson
IDEM Brownfields/Site Investigation Program
Office of Land Quality
100 North Senate Avenue
P.O. Box 6015
Indianapolis, IN 46204-6015
(317) 234-0968

Documents to be submitted to Respondents should be sent to:

Environmental Manager

Fort Wayne Steel Corp.
c/o 2400 Taylor Street West
Fort Wayne, Indiana 46801
(260) 434-2800

with a copy to:

Environmental Manager
Valbruna Slater Steel Corp.
2400 Taylor Street West
Fort Wayne, Indiana 46801
(260) 434-2800

Sean Bezark
Greenberg Traurig, LLP
77 West Wacker Drive
Suite 2500
Chicago, Illinois 60601
(312) 456-5027

III.C. Sampling and Access

38. Each Respondent shall assist IDEM with the implementation of this Agreement to the extent practicable. Each Respondent shall agree to provide IDEM and IDEM's contractors all rights of access to its property as needed to perform the activities under this Agreement.
39. In accordance with the approved Quality Assurance Project Plan contemplated in Paragraph 40 (d), the Respondents shall use quality assurance, quality control, and chain of custody procedures throughout any Work Plan sample collection and analysis activities under this Agreement.
40. Each Respondent shall provide IDEM's Project Manager with reasonable advance notice of all sampling and analysis as required by the Work Plan. To provide quality assurance and maintain quality control, the Respondents shall:
 - (a) allow IDEM personnel and/or IDEM authorized representatives reasonable access to laboratories and personnel utilized by the Respondents for analyses;
 - (b) ensure that all sampling and analyses are performed according to U.S. EPA methods, the approved Quality Assurance Project Plan, or other methods deemed satisfactory by IDEM;
 - (c) ensure that any laboratories used by the Respondents for analyses participate in a documented Quality Assurance/Quality Control program that complies with U.S. EPA guidance documents. As part of such a program, and upon request by IDEM, such laboratories shall perform analyses of samples provided by IDEM to demonstrate the quality of analytical data for each such laboratory; and,

- (d) as directed by IDEM, perform confirmatory sampling for all contaminants and all media identified in the Remediation Work Plan. The Respondents shall specify in the Work Plan the means of taking confirmatory samples and notify IDEM personnel a minimum of fourteen (14) days prior to taking confirmatory samples.

IDEM reserves the right to reject any data not gathered pursuant to the requirements listed above, and if the conditions above are violated, to require that the Respondents utilize a different laboratory.

- 41. The Respondents shall, upon request, make the results of all sampling, including raw data, and/or tests or other data generated by the Respondents, or on the Respondents' behalf, available to IDEM. Neither Respondent shall make any claim of confidentiality or privilege with respect to analytical data generated under this Agreement. IDEM will make available to each Respondent the quality-assured results of sampling and/or tests or other data similarly generated by IDEM.
- 42. At the request of IDEM, each Respondent shall provide the opportunity to split or duplicate samples to IDEM and/or its authorized representative, of any samples collected by that Respondent pursuant to the implementation of this Agreement. At the request of either Respondent, IDEM or its authorized representative, shall provide the opportunity to split or duplicate samples to that Respondent of any samples collected by IDEM and/or its authorized representative pursuant to the implementation of this Agreement. Each Party shall notify the others in advance of any sample collection activity.
- 43. To the extent that the Site or other areas where work is to be performed hereunder are presently owned or controlled by parties other than those bound by this Agreement, the appropriate Respondent is responsible for obtaining access agreements to such properties. Such agreements shall provide access for IDEM and authorized representatives of IDEM, as specified below. In the event that access to the Site is not obtained, the appropriate Respondent shall so notify IDEM, which may at its discretion assist the appropriate Respondent in gaining access.

IV. Escrow Fund and Cost Reimbursement

- 44. The Respondents shall create an Escrow Fund to be used to fund the work provided herein. The Escrow Fund shall be established consistent with the terms of the Escrow Agreement attached hereto as Exhibit C. Respondents collectively shall deposit Five Hundred Thousand Dollars (\$500,000) in the Escrow Fund. The Escrow Fund shall be established and funded within thirty (30) days of the Effective Date of this Agreement. If this Escrow Fund is not established or funded, all liability protection provided in this Agreement is void and each Respondent is liable for Corrective Action at its property.
- 45. Each Respondent and Valbruna Slater Stainless, Inc. shall also deposit into the Escrow Fund all money or other consideration it receives for environmental cleanup, including but not limited to:
 - (a) any amount of the letter of credit or other financial assurance maintained by

Slater Steels, Inc.,

- (b) any grants or loans for environmental remediation obtained by any Respondent or Valbruna Slater Stainless, Inc. from any governmental entity,
 - (c) any money obtained from insurance policies relating to the Facilities, and
 - (d) any money obtained from any party as a result of that party's actual or alleged liability for environmental conditions at the Facilities.
46. Each appropriate Respondent shall be reimbursed from the Escrow Agreement for all costs required to be performed under this Agreement that are documented, reasonable, and necessary. Any request for reimbursement for money in the Escrow Agreement shall be submitted in writing to IDEM by the appropriate Respondent and shall include the amount requested, the party to whom the money is to be paid, and the method of payment. IDEM shall review the request for consistency with this Agreement and the Escrow Fund Agreement and notify the appropriate Respondent within sixty (60) days of receipt of that Respondent's request whether IDEM intends to grant or deny the request, or whether additional information is needed from that Respondent. IDEM shall not unreasonably deny requests for reimbursement, and shall send a written direction to the Escrow Account Manager to release Escrow Funds to the parties and in the amounts approved. IDEM is not responsible for ascertaining which Respondent is to receive Escrow Funds for particular work performed at either Facility.
47. If IDEM determines, in IDEM's discretion, that the balance in the Escrow Fund is insufficient to fund additional elements under the Scope of Work, IDEM may direct one or both Respondents to temporarily or permanently cease the work under this Agreement. Any Respondent so directed shall not be reimbursed for work occurring after that Respondent's receipt of this notification.
48. The Escrow Account may not be used to reimburse either Respondent for any costs incurred prior to the Effective Date of this Agreement.
49. If IDEM determines that the Remediation Work Plan, all necessary RCRA Corrective Action, and any other appropriate environmental work at the Facility has been completed, the Escrow Account funds shall be disbursed as directed by IDEM. IDEM shall consider directing the money to brownfields cleanups in Allen County.

V. Liability Protection

50. IDEM considers the work performed under this Agreement, if performed consistent with the Scope of Work, and as limited by Paragraph 32, to satisfy the exercise of "appropriate care with respect to the hazardous substances found at the Facility," as that term is used in 42 U.S.C. § 9601(40)(D). Additionally, IDEM determines that compliance with this Agreement represents a reasonable settlement of both Respondents' liability and Valbruna Slater Stainless, Inc.'s liability, if any, under IDEM's authority regarding Corrective Action. In consideration for the monetary consideration provided in Paragraph 44 and the economic development goals provided in Paragraph 5, and other good and valuable consideration, and pursuant to 42 U.S.C. § 9607(r)(1), IDEM agrees not to consider or hold the Respondent A, Respondent B or Valbruna Slater Stainless, Inc. liable under 42 U.S.C. § 9607(a), Ind. Code § 13-25-4-8(a), 42 U.S.C. § 6928(h), Ind. Code § 13-22-13-1, or regulations promulgated

thereunder, for response costs or for injunctive relief connected with Existing Contamination at, under, relating to, or emanating from the Facilities, so long as:

- (a) each Respondent (and Valbruna Slater Stainless, Inc., with respect to Valbruna Slater Stainless, Inc.'s obligations hereunder) complies with the terms of this Agreement,
- (b) each Respondent or Valbruna Slater Stainless, Inc. carries out all of the economic goals described in Paragraph 5, and
- (c) each Respondent, with respect to its property, ensures that the requirements of a bona fide prospective purchaser (established in 42 U.S.C. § 9601(40) and 42 U.S.C. § 9607(r)(1)) are satisfied.

51. As used in this Agreement, "Existing Contamination" shall mean that contamination: (1) existing at the Facilities as of the Effective Date of this Agreement or (2) described in documentation submitted to IDEM for the IDEM Voluntary Remediation Program Project file #6960103 or #6960201 or otherwise addressed by the Remediation Work Plan. The party seeking the protection afforded by this Agreement shall have the burden of demonstrating that any contamination is Existing Contamination.

52. Nothing in this Agreement shall be construed as an admission or as a waiver of any defenses in any dispute or action between either Respondent and IDEM or any third party.

53. Pursuant to Ind. Code § 13-25-4-27(b) and CERCLA § 113(f)(2), so long as each Respondent (and Valbruna Slater Stainless, Inc., with respect to Valbruna Slater Stainless, Inc.'s obligations hereunder) complies in full with this Agreement, neither Respondent A, Respondent B, nor Valbruna Slater Stainless, Inc. shall be subject to claims for contribution under CERCLA or Ind. Code § 13-25-4 for response costs relating to the Facilities brought by any other party. Nothing in this Agreement shall be construed to effect or waive claims for contribution or indemnity brought by either Respondent or any future purchaser under federal or State statute or common law. The Respondent and any future purchaser shall have the right to bring contribution claims to the extent allowed by law against potentially responsible parties who are not parties to this Agreement.

54. Each Respondent and Valbruna Slater Stainless, Inc. acknowledge that IDEM has no obligations to defend it in any suit, demand, claim for contribution, or for any matters arising from the release or threatened release of hazardous substances or other contamination from the Facilities or arising out of any response action at the Facilities.

55. The liability protection contained in this Section V (Liability Protection) does not pertain to any matters other than those expressly specified this Section, and does not extend to any other party other than those expressly specified this Section. The rights, benefits and obligations conferred under this Agreement may not be assigned or transferred to any person. The State of Indiana and IDEM reserve and this Agreement is without prejudice to all rights against either Respondent, Valbruna Slater Stainless, Inc., and any other party with respect to all other matters, including but not limited to, the following:

- (a) claims based on a failure to meet a requirement of this Agreement;

- (b) any liability resulting from past or future releases of hazardous substances, pollutants or contaminants, at or from the Facilities caused or contributed to by either Respondent or Valbruna Slater Stainless, Inc., or their successors, any future purchasers, or lessees, sublessees, tenants or other operators of the Facilities or a portion thereof;
- (c) any liability resulting from affirmative actions to worsen the condition of any contamination, including Existing Contamination, other than exacerbation resulting from work required by this Agreement and the Remediation Work Plan;
- (d) any liability resulting from the release or threat of release of hazardous substances, pollutants, or contaminants not the result of Existing Contamination;
- (e) criminal liability;
- (f) liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessment incurred by federal agencies;
- (g) liability for violations of local, State or federal law or regulations, except for those discussed herein.

56. Nothing in this Agreement is intended as a release or covenant not to sue for any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the State of Indiana may have against any person, firm, corporation or other entity not a party to or otherwise specifically identified in this Agreement.
57. Nothing in this Agreement precludes the U.S. EPA from bringing an enforcement action under the federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. Each Respondent retains all rights and defenses in any such action.
58. Nothing in this Agreement is intended to limit the right of IDEM to undertake future response actions at either Facility or to seek to compel parties, other than Respondent A or Respondent B, to perform or pay for response actions at its property. Nothing in this Agreement shall in any way restrict or limit the nature or scope of response actions which may be taken or be required by IDEM in exercising its authority under federal or state law. By signing this Agreement, each Respondent and Valbruna Slater Stainless, Inc. acknowledge their understanding that future response actions may be required at its property.
59. In consideration of the liability protection contained in this Section V (Liability Protection) each Respondent and Valbruna Slater Stainless, Inc. hereby covenant not to sue and not to assert any claims or causes of action against the State of Indiana, its agencies, departments, instrumentalities, authorized officers, employees, or representatives with respect to its property or this Agreement, including but not limited to, any direct or indirect claims for reimbursement from the Hazardous Substance Response Trust Fund established pursuant to the Ind. Code 13-25-4 or any other provision of law, any claim against the State of Indiana, including any department, agency, officer, employee, representative, or instrumentality of the State of Indiana under CERCLA, Ind. Code 13-25-4, or any other claim related to the Facilities, or any claims arising out of response activities at the Facilities, including claims based on IDEM's oversight of such activities or approval of plans for such activities.

60. This Agreement shall apply to and be binding upon the State of Indiana and shall apply to and be binding on each Respondent (and Valbruna Slater Stainless, Inc., with respect to Valbruna Slater Stainless, Inc.'s obligations hereunder). Each signatory of this Agreement represents that he or she is fully authorized to enter into the terms and conditions of this Agreement and to legally bind the party he or she represents.
61. Due to the special nature of this Agreement, the liability protection contained in this Section V (Liability Protection) shall not be effective with respect to any assignees or transferees of the Facilities unless IDEM consents as described in Paragraph 62. However, should either Respondent decide to sell its property to a party other than the other Respondent, IDEM agrees to be reasonable in attempting to resolve outstanding liabilities with respect to a future purchaser. Notwithstanding this paragraph, a transfer of some or all of the Facilities only between Respondent A, Respondent B, and/or Valbruna Slater Stainless, Inc., shall be permitted and the liability protection contained in this Section V shall apply to such transfers and such transferees.
62. In order to request the liability protections afforded under this Agreement, any future purchaser shall provide written notice to IDEM sixty (60) days prior to the transfer of an interest in either Facility, along with a description of the interest in the Facility to be obtained by such future purchaser. Such notice shall include a signed statement that the future purchaser understands the requirements set forth in this Agreement and that the future

purchaser accepts the obligations imposed by the Agreement. The assignor or transferor shall continue to be bound by all the terms and conditions of this Agreement except as IDEM and the assignor or transferor agree otherwise and so modify this Agreement, in writing, accordingly. IDEM shall review such request and negotiate in good faith with the applicable Respondent and other interested parties.

63. This Agreement neither constitutes a finding by IDEM as to the risks (or lack of risks) to human health and the environment that may be posed by contamination at the Facilities nor constitutes any representation by IDEM that the Facility is fit for any particular purpose.

64. By entering into this Agreement, Respondent A, Respondent B, and Valbruna Slater Stainless, Inc. each certify that it has neither contributed to, nor had an ownership interest in

66. Each Respondent and Valbruna Slater Stainless, Inc. acknowledge that IDEM has no obligations to defend either Respondent in any suit, demand, or claim for contribution or for any matters arising from the release or threatened release of hazardous substances, hazardous wastes, petroleum, or other contaminants from the Facilities or arising out of any response action at the Facilities.
67. Nothing in this Agreement shall prevent IDEM from communicating any information about the Facilities or the work performed under this Agreement to the United States Environmental Protection Agency.

VI. Dispute Resolution

68. This section (Dispute Resolution) shall apply to any dispute arising under any section of this Agreement, unless specifically excepted.
69. The Parties shall use their best efforts to resolve in good faith all disputes or differences of opinion informally. If, however, disputes arise concerning this Agreement which the Parties are unable to resolve informally, either Respondent may present written notice of such dispute to IDEM and set forth specific points of dispute and the position of that Respondent. This written notice shall be submitted no later than five (5) calendar days after that Respondent discovers the Project Managers are unable to resolve the dispute. That Respondent's Project Manager will notify IDEM's Project Manager immediately by phone or other appropriate method of communication, prior to written notice, when s/he believes the Parties are unable to resolve a dispute.
70. Within ten (10) calendar days of receipt of such a written notice, IDEM shall provide a written response to that Respondent setting forth its position and the basis therefore. During the five (5) calendar days following the receipt of the response, the Parties shall attempt to negotiate in good faith a resolution of their differences.
71. Following the expiration of the time periods described in the immediately preceding paragraph, if IDEM concurs with the position of the Respondent, the Respondent shall be notified in writing and this Agreement shall be modified to include any necessary extensions of time or variances of work. If IDEM does not concur with the position of the Respondent, IDEM, through the Commissioner or his/her designee, shall make a determination regarding the dispute, based upon and consistent with the terms of this Agreement, and shall provide written determination of such resolution to the Respondent.

VII. Miscellaneous Provisions

72. IDEM and both Respondents intend that nothing in this Agreement shall be construed as an admission or as a waiver of any defenses in any dispute or action between Respondents and IDEM or any third party, except that each Respondent and Valbruna Slater Stainless, Inc. agree that they will not challenge the Findings of Fact, Conclusions of Law, or any other terms or provisions of the Agreement in any proceedings in which IDEM seeks to enforce the obligations under this Agreement of each Respondent or Valbruna Slater Stainless, Inc.
73. If IDEM determines that either Respondent is unwilling or unable to perform the work

required under this Agreement, IDEM shall send written notice to each Respondent. The Respondents shall not be reimbursed for work occurring after the Respondents' receipt of this notification. Each Respondent shall submit all costs for reimbursement within thirty (30) days of receipt of this notification. After payment of costs due to the Respondents, the money in the Escrow Fund shall be disposed of as directed by IDEM.

74. This Agreement shall constitute the entire integrated agreement of the Parties. No prior or contemporaneous communications or prior drafts shall be relevant or admissible for purposes of determining the meaning or extent of any provision herein in any litigation or other proceeding. No modifications or amendments of this Agreement shall be effective unless they are set out in writing and signed by necessary parties. Valbruna Slater Stainless, Inc. is an intended third party beneficiary of this Agreement.
75. The paragraphs of this Agreement shall be severable. Should any part of this Agreement be declared invalid or unenforceable, the remainder shall continue in full force and effect between the parties.
76. This Agreement may be signed by separate counterparts.
77. The undersigned representatives of the State of Indiana, each Respondent, and Valbruna Slater Stainless, Inc. certify that they are fully authorized to enter into and execute the terms and conditions of this Agreement and fully authorized to legally bind the parties they represent to this Agreement.
78. Each Respondent and Valbruna Slater Stainless, Inc. agree to indemnify, save and hold harmless the State of Indiana, its agencies, departments, agents, and employees from any and all claims or causes of action arising from, or on account of, acts, or omissions of that Respondent or Valbruna Slater Stainless, Inc., their officers, employees, receivers, trustees, agents, or assigns, in carrying out the activities pursuant to this Agreement, to the extent permitted by State or Federal law.
79. Neither Respondent shall be deemed in breach of this Agreement due to any loss, injury, damage, failure, delay or other non-compliance suffered or incurred by that Respondent or its agents as a result of strikes, lockouts or other work stoppages, riots storms, fires, explosions, lack of fuels or other critical items, acts of nature, war, acts of terrorism, or other causes which are beyond the reasonable control of that Respondent.

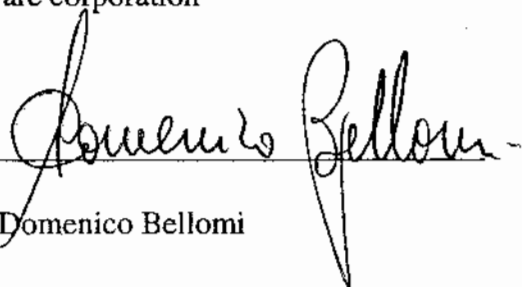
IT IS SO ORDERED.

In the Matter of : Remediation and Corrective Action of releases of Hazardous Wastes and Hazardous Substances at the Slater Steels Facility, Ft. Wayne, Allen County, Indiana

FOR RESPONDENT A:

Valbruna Slater Steel Corp.,
a Delaware corporation

Signed



Name: Domenico Bellomi

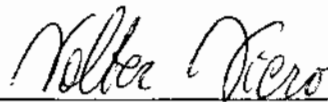
Title: Vice President

Date: April 19, 2004

FOR RESPONDENT B:

Fort Wayne Steel Corp.
A Delaware corporation

Signed



Name: Valter Veiro

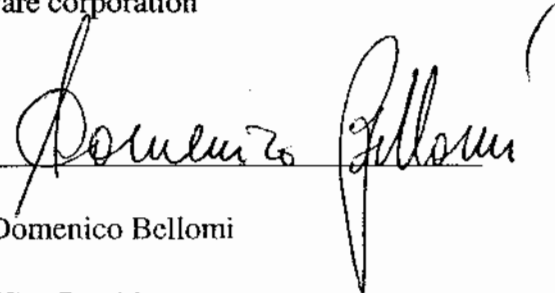
Title: Secretary

Date: April 19, 2004

FOR VALBRUNA SLATER STAINLESS, INC. (for the limited purposes of acknowledging Valbruna Slater Stainless, Inc.'s intentions under paragraph 6 and the obligations and liability protections under paragraphs 9, 15, 16, 20, 45, 50, 52, 53, 54, 58, 59, 61, 64, 66, 72, 77 and 78 hereunder)

Valbruna Slater Stainless, Inc.
a Delaware corporation

Signed



Name: Domenico Bellomi

Title: Vice President

Date: April 19, 2004

In the Matter of : Remediation and Corrective Action of releases of Hazardous Wastes and Hazardous Substances at the Slater Steels Facility, Ft. Wayne, Allen County, Indiana

FOR THE INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT:

TECHNICAL RECOMMENDATION:

APPROVED FOR LEGALITY AND FORM:

By: Bruce Palin
Bruce Palin, Deputy
Assistant Commissioner
Office of Land Quality

By: Thomas W. Baker
Thomas W. Baker
Attorney
Office of Legal Counsel

Date: 4/19/04

Date: April 19, 2004

APPROVED AND ADOPTED BY THE INDIANA DEPARTMENT OF ENVIRONMENTAL

MANAGEMENT, THIS 19th DAY OF APRIL, 2004.

Lori F. Kaplan
Lori F. Kaplan
Commissioner

EXHIBIT A

LEGAL DESCRIPTION (WEST PART)

Commencing at a point on the north 40 foot right-of-way line of Taylor Street by DOC. #70-002560 and the intersection of the northwesterly right-of-way of Norfolk & Western Railroad by DOC. #95-27051; thence South 89 degrees 58 minutes 00 seconds West (bearing based on previous survey no. 24034 by Dickmeyer & Associates, dated February 16, 2004) along said north right-of-way line of Taylor Street, a distance of 17.06 feet to the point of beginning. Beginning at the above described point; thence South 89 degrees 58 minutes 00 seconds West, a distance of 935.56 feet; thence following the meanderings of said ditch right bank in the following (12) courses; (1) North 18 degrees 34 minutes East, a distance of 168.95 feet; (2) North 5 degrees 17 minutes East, a distance of 91.8 feet; (3) North 7 degrees 53 minutes West, a distance of 93.2 feet; (4) North 24 degrees 18 minutes West, a distance of 168.6 feet; (5) North 31 degrees 24 minutes West, a distance of 335.1 feet; (6) North 22 degrees 37 minutes West, a distance of 149.5 feet; (7) North 1 degrees 24 minutes West, a distance of 194.6 feet; (8) North 1 degrees 05 minutes East, a distance of 217.3 feet to the centerline of Johnson Street as in said Addition recorded; (9) North 16 degrees 04 minutes East, a distance of 229.2 feet; (10) North 25 degrees 36 minutes East, a distance of 181.5 feet; (11) North 36 degrees 54 minutes East, a distance of 231.1 feet; (12) North 44 degrees 38 minutes East, a distance of 87.3 feet to the Southwesterly right-of-way line of the Pennsylvania Railroad, said right-of-way line being situated 66.5 feet normally distant Southwestward of the centerline of the West bound main track and 259.8 feet North 71 degrees 14 minutes West of the centerline of Berghoff Street, as in said Addition recorded; thence South 71 degrees 08 minutes 00 seconds East, a distance of 521.30 feet; thence South 00 degrees 06 minutes 00 seconds West, a distance of 16.90 feet; thence South 71 degrees 08 minutes 00 seconds East, a distance of 332.12 feet; thence South 00 degrees 39 minutes 14 seconds East along the west face of an existing building and its northerly projection, a distance of 101.25 feet; thence South 00 degrees 30 minutes 30 seconds East on a line projected through the interior of the existing building, a distance of 437.97 feet; thence South 00 degrees 32 minutes 51 seconds East along the west face of the existing building, a distance of 139.62 feet; thence South 13 degrees 11 minutes 00 seconds East, a distance of 556.31 feet to the corner post of an existing chain link fence; thence South 18 degrees 47 minutes 15 seconds East, a distance of 39.76 feet to the corner post of an existing chain link fence; thence South 07 degrees 33 minutes 07 seconds East, a distance of 48.71 feet to the corner post of an existing chain link fence; thence South 22 degrees 01 minutes 12 seconds West, a distance of 208.60 feet to the corner post of an existing chain link fence; thence South 15 degrees 04 minutes 56 seconds West, a distance of 92.55 feet to the corner post of an existing chain link fence; thence South 57 degrees 55 minutes 36 seconds East, a distance of 12.30 feet to the corner post of an existing chain link fence; thence South 19 degrees 07 minutes 04 seconds West, a distance of 46.70 feet to the corner post of an existing chain link fence; thence South 27 degrees 22 minutes 09 seconds West, a distance of 19.98 feet to the corner post of an existing chain link fence; thence South 00 degrees 02 minutes 00 seconds East, a distance of 11.76 feet to the POINT OF BEGINNING, containing 44.911 acres of land, more or less.

TOGETHER with the strip of land lying between said traverse line and the centerline of the Junk Ditch, containing 1.36 acres, more or less.

Total parcel contains 46.271 acres of land, more or less.

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EXHIBIT B

LEGAL DESCRIPTION (EAST PART)

Beginning at a point on the north 30 foot right-of-way of Taylor Street and the intersection of the northwesterly right-of-way line of the Norfolk & Western Railroad by DOC. #94-27051; thence North 27 degrees 13 minutes 05 seconds East (bearing based on previous survey by Dickmeyer & Associates, survey no. 24034, dated February 16, 2004) along the northwesterly right-of-way line of Norfolk & Western Railroad, a distance of 11.25 feet to a point on the north 40 foot right-of-way line of Taylor Street by DOC. #70-002560; thence South 89 degrees 58 minutes 00 seconds West along said right-of-way line, a distance of 17.06 feet; thence North 00 degrees 02 minutes 00 seconds West, a distance of 11.76 feet to the corner post of a chain link fence; thence North 27 degrees 22 minutes 09 seconds East, a distance of 19.98 feet to the corner post of a chain link fence; thence North 19 degrees 07 minutes 04 seconds East, a distance of 46.70 feet to the corner post of a chain link fence; thence North 57 degrees 55 minutes 36 seconds West, a distance of 12.30 feet to the corner post of a chain link fence; thence North 15 degrees 04 minutes 56 seconds East, a distance of 92.55 feet to the corner post of chain link fence; thence North 22 degrees 01 minutes 12 seconds East, a distance of 208.60 feet to the corner post of chain link fence; thence North 07 degrees 33 minutes 07 seconds West, a distance of 48.71 feet to the corner post of a chain link fence; thence North 18 degrees 47 minutes 15 seconds West, a distance of 39.76 feet to the corner post of chain link fence; thence North 13 degrees 11 minutes 00 seconds West, a distance of 556.31 feet to the southwest corner of an existing building; thence North 00 degrees 32 minutes 51 seconds West along the west face of an existing building a distance of 139.62 feet; thence North 00 degrees 30 minutes 30 seconds West on a line projected through the interior on the existing building, a distance of 437.97 feet; thence North 00 degrees 39 minutes 14 seconds West along the west face of the existing building and its northerly extension, a distance of 101.25 feet; thence South 71 degrees 08 minutes 00 seconds East, a distance of 601.48 feet; thence on a non-tangent curve to the right having a radius of 1827.00 feet an arc length of 630.60 feet and being subtended by a chord of 627.47 feet bearing South 8 degrees 58 minutes 59 seconds West; thence South 32 degrees 02 minutes 39 seconds East, a distance of 38.45 feet; thence South 27 degrees 13 minutes 05 seconds West, a distance of 682.09 feet; thence South 89 degrees 58 minutes 00 seconds West, a distance of 33.75 feet to the POINT OF BEGINNING, containing 12.979 acres of land, more or less.

TOGETHER WITH:

A part of the Northwest Quarter of Section 10, Township 30 North, Range 12 East, Wayne Township, Allen County, Indiana, also being part of the lands now or formerly owned by General Electric Company, a New York Corporation, as recorded in Deed Record Book 390, pages 345 and 346 and in Document Number 73-00436, in the Office of the Recorder of Allen County, Indiana, more particularly described as follows: COMMENCING at the Southwest corner of Lot Number 6 of General Electric Company, as recorded in Plat Record 14, page 40, in the Office of the Recorder of Allen County, Indiana, said Southwest corner also being the Easterly right-of-way line of the Norfolk and Western Railway Company; thence North 26 degrees 40 minutes 00 seconds East (assumed), along the Westerly line of said Lot Number 6 and the Easterly right-of-way line of said Railroad, a distance of 626.22 feet to the Point of Beginning; thence continuing North 26 degrees 40 minutes 00 seconds East, along said Easterly right-of-way line of said Railroad, a distance of 22.35 feet to a point of curvature of a curve concave to the Northwest with a radius of 1926.00 feet; thence Northerly, along said Easterly right-of-way line of said Railroad, an arc distance of 855.79 feet (true arc - 855.89 feet; chord distance - 848.86 feet; chord bearing North 13 degrees 56 minutes 10 seconds East) to a point on a curve concave to the Southwest with a radius of 496.44 feet; thence Southerly, an arc distance of 761.06 feet (true arc - 762.35 feet; chord distance - 689.62 feet); chord bearing - South 03 degrees 38 minutes 25 seconds West) to a point; thence South 47 degrees 37 minutes 59 seconds West a distance of 231.08 feet to the Point of Beginning, containing 2.12 acres of land, more or less.

Parcel contains a total of 15.099 acres of land.

Exhibit C

**Remediation and Corrective Action at the Slater Steels Facility
Ft. Wayne, Allen County, Indiana**

Escrow Agreement

This Agreement, made and entered into this 19th day of April, 2004, by and between Fort Wayne Steel Corp. and Valbruna Slater Steel Corp. (hereinafter referred to as the "Settlors") and Chicago Title & Trust Company (hereinafter referred to as "Chicago Title"), WITNESSETH THAT:

WHEREAS, the Settlors and the Indiana Department of Environmental Management (hereinafter referred to as "IDEM") have entered or will enter into a Prospective Purchasers Agreement (hereinafter referred to as the "PPA") which provides that the Settlors will conduct corrective and remedial actions at the Former Slater Steels Facility and the former Joslyn Manufacturing and Supply Facility located in Ft. Wayne, Indiana; and,

WHEREAS, pursuant to the PPA, the Settlors are required to deposit a sum of money into an escrow account to be held therein until the Settlors and/or IDEM withdraws the funds;

WHEREAS, other monies for corrective and remedial actions may be located and deposited into escrow; and,

WHEREAS, Chicago Title has agreed to serve as the depository for the escrow account and to accept appointment as escrow agent;

NOW, THEREFORE, the Settlors and Chicago Title (collectively referred to as the "Parties" hereinafter) do hereby agree as follows:

1. Chicago Title is hereby appointed as the Escrow Agent for the Settlors and is designated the depository for the monies delivered by the Settlors for placement in escrow. Accordingly, Chicago Title shall establish an escrow account, termed the "Slater Steels Facility Corrective Action Escrow Account" (hereinafter referred to as the "Escrow Account") into which will be deposited the monies delivered by the Settlors.
2. Chicago Title shall also accept for deposit into the escrow account any other monies as directed by IDEM or the Settlors. Such monies, and the interest therefrom, shall be treated in the same manner as the initial monies deposited per paragraph 1.
3. Upon approval by IDEM as described in paragraph 5, the Settlors may be reimbursed with the monies in the Escrow Account for investigation, remediation, and corrective action work performed consistent with, and pursuant to, the PPA. The remaining

monies in the Escrow Account shall be paid to IDEM (in accordance with paragraph 7, below) upon termination or certification of completion of the PPA.

4. Chicago Title shall have no duty to monitor the adequacy or accuracy of the deposit of funds pursuant to the terms of the PPA.
5. The monies in the Escrow Account shall be invested or reinvested by Chicago Title upon receipt of written direction by the Settlers. To the extent the Settlers direct Chicago Title to invest the funds in any instrument other than an interest-bearing account, savings certificate, or certificate of deposit of FDIC-insured financial institutions, such investment shall be only in direct obligations of the Government of the United States of America or in obligations of agencies or insurers that are guaranteed by the Government of the United States of America (hereinafter referred to as "Government Obligations") or in such other investments as directed from time to time, by the Settlers and as approved in writing by IDEM. Any instrument must be subject to redemption on or prior to the dates the funds will be needed by the Settlers. Interest on the funds deposited shall accrue and be deposited into the Escrow Account, and shall be payable in the same manner as the Principal.
6. As allowed by the PPA, IDEM will direct Chicago Title to make periodic payments to one or more of the Settlers. A written demand for payment shall be made to Chicago Title by the Deputy Assistant Commissioner of the Office of Land Quality of IDEM, or his/her designee, with a copy of said demand provided to the Settlers. Within ten (10) days of receipt of the demand, Chicago Title shall pay to one or more of the Settlers, or another party indicated by the Settlers, the amount requested to the extent such amount does not exceed the balance available in the Escrow Account. All payments shall be in the form of bank drafts payable as directed by the Settlers. In the absence of such direction, payments shall be in the form of a check.
7. Upon direction from IDEM, Chicago Title agrees to arrange for the closing of the Escrow Account, as provided in the PPA, and to otherwise facilitate the payment of the remainder of Escrow Account monies to IDEM. Upon receipt of notice of request to close the Escrow Account by IDEM, Chicago Title shall complete a final accounting and other obligations required under this Fund, and pay over the balance remaining to IDEM, as Remainder Beneficiary, or to another party or parties as directed in writing by IDEM. In absence of other direction, payment shall be made to order of the Indiana Hazardous Substances Response Trust Fund, referencing "Slater Steels Corrective Action."
8. The fee to be paid to Chicago Title for the services provided hereunder shall be seven hundred and fifty dollars (\$750.00).
9. Escrow Account statements shall be rendered by Chicago Title to the Settlers and the IDEM once monthly, and shall show deposits, disbursements, and balance, and the dates thereof. Upon receipt by Chicago Title of the Notice specified in paragraph 7,

above, Chicago Title shall prepare a final accounting showing all transactions relating to the Escrow Account and provide said accounting to the Settlers and the IDEM at the addresses shown in paragraph 12.

10. It is understood and agreed that Chicago Title shall not be liable or responsible to ascertain the terms or conditions of any provision of the aforementioned PPA. It is further understood and agreed that if any controversy arises between the IDEM, the Settlers and/or any other party with respect to the subject matter of this Escrow Agreement, Chicago Title is authorized, unless precluded by order of a court of competent jurisdiction, to disburse monies in accordance with the terms of this Escrow Agreement. In the event that Chicago Title is required to respond to any legal summons or proceedings, the Settlers agree to pay all reasonable escrow fees, costs, and expenses (including attorney fees) expended. In the event that Chicago Title is named in any proceeding concerning this Agreement, Chicago Title shall be entitled to retain independent counsel and rely on the opinion of such counsel.
11. The Settlers shall pay all fees, taxes, commissions, and costs associated with the Escrow Account. Any such fees, taxes, commissions, and costs that may be assessed or levied against or in respect of the Escrow Account and all brokerage commissions incurred by the Escrow Account may be paid from the Escrow Account. All expenses, fees, taxes, commissions, and costs payable by the Settlers according to this Agreement incurred by the Escrow Agent in connection with the administration of this Agreement, including fees for legal services rendered to the Escrow Agent, the compensation of the Escrow Agent, and all other proper charges and disbursements of the Escrow Agent, may be paid from the Escrow Account.
12. All notices, statements, or payments specified in this Agreement shall be deemed to have been duly given if in writing and delivered personally, given via prepaid telegram, or mailed by first-class (postage-prepaid) registered or certified mail as follows:

If to the Settlers:

Environmental Manager
Valbruna Slater Steel Corp.
2400 Taylor Street West
Fort Wayne, Indiana 46801

Environmental Manager
Fort Wayne Steel Corp.
c/o 2400 Taylor Street West
Fort Wayne, Indiana 46801



If to IDEM:

Andrea Robertson
IDEM Brownfields/Site Investigation Program
Office of Land Quality
100 North Senate Avenue
P.O. Box 6015
Indianapolis, IN 46204-6015
(317) 234-0968

If to Chicago Title:

Chicago Title & Trust Company
171 North Clark Street
Chicago, Illinois 60601
Attention: Patricia Butler
Reference Escrow Number D2 024042607
(312) 223-2345

Monthly Escrow Account statements required by paragraph 9 may be sent via pre-paid first class mail and need not be sent via registered or certified mail.

13. Nothing in this Agreement shall be considered as vesting title in Chicago Title to the deposited funds except as Escrow Agent for the Settlers and the IDEM, as Remainder Beneficiary, for the purpose set forth herein. Title to said funds shall not vest in the Settlers or IDEM until payment is made as provided herein.
14. This Agreement shall take effect upon the initial deposit of funds into the Escrow Account by Settlers and shall continue in full force until the Notice specified in paragraph 7 hereof is received by Chicago Title and the balance remaining is paid as directed by IDEM.
15. Chicago Title may resign as Escrow Agent at any time by giving sixty (60) days written notice of its resignation in the manner described in paragraph 12, specifying the effective date thereof. Within sixty (60) days after receipt of the aforesaid notice, the Settlers, with approval from IDEM, shall appoint a successor as Escrow Agent to which Chicago Title may distribute the property held hereunder. If a successor Escrow Agent has not accepted such appointment by the end of such sixty (60) day period, Chicago Title may engage a court of competent jurisdiction to arrange the appointment of a successor Escrow Agent.
16. All escrow costs of the Settlers shall be apportioned on a 50%/50% basis and all rights and directions of Settlers and payments to Settlers under this escrow agreement shall be on a 50%/50% basis unless Settlers provide written notice or direction to the contrary.

17. This Agreement may not be amended except by written modification signed by the Parties and IDEM.

IN WITNESS WHEREOF, the following hereby execute this Escrow Agreement:

FOR THE SETTLORS:

Fort Wayne Steel Corp.

By: Valter Viero

Name: Valter Viero

Title: Secretary

Date: April 19, 2004

Valbruna Slater Steel Corp.

By: Domenico Bellomi

Name: Domenico Bellomi

Title: Vice President

Date: April 19, 2004

FOR CHICAGO TITLE:

By: _____

Name: _____

Title: _____

Date: _____