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April 19, 2013

**CERTIFIED MAIL - 9171999991703137207280**

Alexandra K. Callam  
Hinckley, Allen & Snyder LLP  
50 Kennedy Plaza, Suite 1500  
Providence, RI 02903-2319

**Re: Voluntary Cleanup Contract;  
Burlington Industries Site, Galey & Lord Industries;  
Darlington County**

Dear Ms. Callam:

Please find enclosed a Certified As True And Correct Copy of Responsible Party Voluntary Cleanup Contract 12-4735-RP which was executed on April 19, 2013.

Please note the reimbursement requirement in the Cost of Response section on page 7, item 9.

Thank you so much for your patience and cooperation in this matter. The Department looks forward to working with Galey & Lord Industries to address this Site under the South Carolina Voluntary Cleanup Program. Should you wish to further discuss the terms of the contract, please telephone either Keith Collinsworth at (803) 896-4181, or myself at (803) 896-4168.

Yours very truly,

David Wilkie, Environmental Health Manager  
Division of Site Assessment, Remediation & Revitalization  
Bureau of Land and Waste Management

Enclosure

cc: Ken Taylor, L&WM  
John Cresswell, L&WM  
Keith Collinsworth, L&WM  
Lucas Berresford, L&WM  
Buck W. Graham Jr, Director, EQC Region 4  
Pat Vincent, L&WM  
Shawn Reed, L&WM  
Linda Jackson, L&WM  
BLWM File 51548

David Wilkie

**VOLUNTARY CLEANUP CONTRACT  
12- 4735 -RP**

**IN THE MATTER OF  
BURLINGTON INDUSTRIES SITE, DARLINGTON COUNTY  
and  
GALEY & LORD INDUSTRIES, LLC**

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Galey & Lord Industries, LLC, pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 through 760, as amended, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601, et seq., as amended, and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. §§ 44-56-200, as amended, with respect to the facility known as the Burlington Industries Site ("Site"). The Burlington Industries Site property is located at 670 N. Main Street, Society Hill, South Carolina ("Property"). The Property includes approximately 235 acres and is bounded generally by the Pee Dee River on the east; Highway 15/401 on the south; mixed agricultural and residential properties, beyond which is Cheraw Highway on the west; and woodlands and agricultural property on the north. The Property is identified by County of Darlington as Tax Map Serial Number 172-00-01-006; and a legal description of the Property is attached to this Contract as Appendix A.

**DEFINITIONS**

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, 42 U.S.C. §§ 9601, et seq., as amended, the HWMA, S.C. Code Ann. §§ 44-56-10, et seq., as amended, in regulations promulgated under the foregoing statutes, or the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 through 760, as amended.

- A. "Galey & Lord" shall mean Galey & Lord Industries, LLC. Galey & Lord is a Limited Liability Company authorized to do business in South Carolina with its principal place of business located at 607 N. Main Street, Society Hill, South Carolina.





- B. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.
- C. "Department" shall mean the South Carolina Department of Health and Environmental Control or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.
- D. "Pollutant" or "Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "Contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (i) through (vi) of Paragraph (D) of CERCLA § 101, 42 U.S.C. §§ 9601, et seq., as amended, and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.
- E. "Contamination" shall mean impact by a Contaminant or hazardous substance.
- F. "Property," as described in the legal description attached as Appendix A, shall mean that portion of the Site, which is subject to ownership, prospective ownership, or possessory or contractual interest of Galey & Lord.
- G. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a Site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.
- H. "The Site" shall mean the Property and all areas where a contaminant

has been released, deposited, stored, disposed of, or placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA.

- I. "Voluntary Cleanup" shall mean a response action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710, et seq., as amended.
- J. "Work Plan" shall mean the plan for additional response actions to be conducted at the Site as described in Paragraph 3 of this Contract.

### FINDINGS

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

- A. Galey & Lord owns and operates a textile dyeing and finishing facility located on Highway 15-401 in Society Hill, Darlington County, South Carolina (Figure 1). In 1988, an environmental assessment of the facility revealed TCE contamination of groundwater at the Property. A total of 16 groundwater-monitoring wells have been installed to determine hydrogeologic conditions and the extent of TCE contamination. Sampling results indicate TCE contamination extending from the rear of the main plant toward the Pee Dee River, coincident with the direction of groundwater flow. Galey & Lord has completed a remedial investigation, baseline risk assessment, and feasibility study, and has undertaken initial remedial actions at the Site. The sampling, investigations, assessments and remedial actions taken to date are set forth in documents submitted to the Department, with the corresponding responses from the Department, which are listed in chronological order in Appendix B of this Contract.
- B. The documents listed in Appendix B identify that, based on a review of historical practices and groundwater monitoring results, there are three source areas of contamination at the Property:



- i. The first source area (SA-1) is in the vicinity of the current Chemical Blend area of the facility, where a TCE-based de-waxing system, including TCE reclamation and storage, was operated in the 1960s. This area is almost completely covered either by buildings or by asphalt roads and parking lots.
  - ii. The second source area (SA-2) is in the vicinity of a catch basin in the rear of the facility, near monitoring well SH-3R. Over 30 years ago, tanker trucks delivering TCE reportedly drove to an area behind the plant to be washed and drained, with flow leading down a paved drive to the catch basin area. This source area has been delineated and is undergoing remediation using a vapor extraction system.
  - iii. The third source area (SA-3) is located beneath the storm drain system between the first two known source areas. TCE contamination is present in the soils beneath the catch basins on the storm drain line at depths of 5 to 25 feet. Currently, a soil vapor extraction (SVE) system with five extraction points is operating in SA-2 and SA-3 with a maximum of three extraction points open at any one time.
- C. The Department invited Galey & Lord to enter the Department's Voluntary Cleanup Program (VCP) in order to reach a CERCLA-quality cleanup at the Site and in August 2012, Galey & Lord voluntarily agreed to enter the VCP.
- D. Galey & Lord agrees to provide the necessary information and/or additional investigation if so requested by the Department in order to obtain a CERCLA-quality response action.

### RESPONSE ACTIONS

3. Galey & Lord agrees to submit to the Department for review and written approval within forty-five (45) days of the execution date of this Contract a Work Plan to evaluate the effectiveness of the existing treatment systems at the site (Both SVE and Pump & Treat).

This Work Plan should propose sampling activities that can determine the effectiveness of the soil remediation from the SVE system. The Work Plan should also propose, activities to determine the effectiveness of the groundwater pump and treat system including but not limited to the capture zones for existing extraction wells and the need for additional extraction wells. Once the data is collected and evaluated a comprehensive report should be submitted to the Department for review.

- A. If determined feasible during the Effectiveness Evaluation for SA#1: Conduct additional soil samples to fully delineate source area, relocate existing Soil Vapor Extraction system after remediation of SA#3 is complete, and remediate soils to below the 18 ppb TCE concentration in soils.
- B. If determined feasible during the Effectiveness Evaluation for SA#2: Continue current Soil Vapor Extraction system to remediate soils to below the 18 ppb TCE concentration in soils.
- C. If determined feasible during the Effectiveness Evaluation for SA#3: Relocate existing Soil Vapor Extraction system after remediation of SA#2 is complete and remediate soils to below the 18 ppb TCE concentration in soils.
- D. Continue to monitor groundwater annually in existing groundwater monitoring well network.
- E. Continue to operate existing groundwater recovery well near SH-3R.
- F. If determined by routine Site monitoring or by pilot study that Soil Vapor Extraction system is not effective for a Source Area, conduct a Feasibility Study to evaluate remedial alternatives for addressing Contamination at the Site.

4. Galey & Lord shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan that is consistent with Occupational Safety and Health Administration regulations. The Health and Safety Plan is submitted for information purposes only to the Department. The Department expressly disclaims any liability that



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may result from implementation of the Health and Safety Plan by Galey & Lord.

5. Galey & Lord shall inform the Department in writing at least five (5) working days in advance of all field activities pursuant to this Contract and, if deemed necessary by the Department, shall allow the Department and its authorized representatives to take duplicates of any samples collected by Galey & Lord pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and semiannually thereafter, Galey & Lord shall submit to the Department a written progress report that must include the following: (A) actions taken under this Contract during the previous reporting period; (B) actions scheduled to be taken in the next reporting period; (C) sampling, test results, and any other data, in summary form, generated during the previous reporting period, whether generated pursuant to this Contract or not; and (D) a description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.

7. All correspondence which may or are required or permitted to be given by either party to the other hereunder shall be in writing and deemed sufficiently given if delivered by (A) regular U.S. mail, (B) certified or registered mail, postage prepaid, return receipt requested, or (C) nationally recognized overnight delivery service company or by hand delivery to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.

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

The Department: Lucas Berresford  
South Carolina Department Health & Environmental Control  
Bureau of Land and Waste Management  
2600 Bull Street  
Columbia, South Carolina 29201  
berresjl@dhec.sc.gov

Galey & Lord: Galey & Lord Industries, LLC  
David Limbacher, Maintenance Department Manager  
P.O. Box 157  
Society Hill, SC 29593-0157

All final work plans and reports shall include three (3) paper copies and one (1) electronic copy on compact disk.

### **PUBLIC PARTICIPATION**

8. Upon execution of this Contract, the Department will seek public participation in accordance with S.C. Code Ann. § 44-56-740, as amended, and not inconsistent with the National Contingency Plan. Galey & Lord will pay costs of response associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

### **COSTS OF RESPONSE**

9. Galey & Lord shall, within thirty (30) days of the execution date of this Contract, pay to the Department by certified or cashier's check the sum of two thousand eight hundred fourteen dollars and fourteen cents (\$2,814.14) to reimburse estimated past costs of response incurred by the Department through December 31, 2012 ("Past Costs") relating to the Site. Galey & Lord's payment for Past Costs should be submitted to:

The Department: John K. Cresswell  
South Carolina Department of Health & Environmental Control  
Bureau of Land and Waste Management  
2600 Bull Street  
Columbia, SC 29201

In accordance with S.C. Code Ann. §§ 44-56-200, as amended, and 44-56-740(B), as amended, Galey & Lord shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract occurring after December 31, 2012. Oversight Costs include, but are not limited to, the direct and indirect costs of negotiating the terms of this Contract, reviewing Work Plans and reports, supervising corresponding work and activities and costs associated with public participation. Payments



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will be due within thirty (30) days of the Department's invoice date. The Department shall provide documentation of its Oversight Costs in sufficient detail so as to show the personnel involved, amount of time spent on the project for each person, expenses, and other specific costs. Invoices shall be submitted to:

Galey & Lord:           Galey & Lord Industries, LLC  
                                  Tim Dickerson, Plant Controller  
                                  P.O. Box 157  
                                  Society Hill, SC 29593-0157

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

**The South Carolina Department of Health & Environmental Control**

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

**ACCESS**

10. The Department, its authorized officers, employees, representatives, and all other persons performing response actions will not be denied access to the Site during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). Galey & Lord and subsequent owners of the Property shall ensure that a copy of this Contract is provided to any lessee or successor or other transferee of the Property, and to any owner of other property that is included in the Site. If Galey & Lord is unable to obtain access from the Property owner, the Department may obtain access and perform response activities. All of the Department's costs associated with access and said response actions will be reimbursed by Galey & Lord.

*dw*

## RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Galey & Lord have completed the actions required under this Contract, Galey & Lord shall enter and file a restrictive covenant. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of Galey & Lord and, if the Property is not owned by Galey & Lord, the current owner of the Property, and witnessed, signed, and sealed by a notary public. Galey & Lord shall file this restrictive covenant with the Register of Mesne Conveyance or Deeds in the county in which the Property is located. The signed covenant shall be incorporated into this Contract as an Appendix. A Certificate of Completion shall not be issued by the Department until the Restrictive Covenant, if required, is executed and recorded. With the approval of the Department, the restrictive covenant may be modified in the future if additional remedial activities are carried out which meet appropriate clean-up standards at that time or circumstances change such that the restrictive covenant would no longer be applicable. The Department may require Galey & Lord or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Galey & Lord or subsequent owners of the Property shall file an annual report with the Department by May 31<sup>st</sup> of each year detailing the current land uses and compliance with the restrictive covenants for as long as the restrictive covenant remains in effect on the Property. The report must be submitted in a manner prescribed by the Department.

## OBLIGATIONS AND BENEFITS

12. The obligations of this Contract apply to and inure to the benefit of Galey & Lord's signatories, parents, successors, assigns, and subsidiaries.

13. Subject to Paragraph 16, nothing in this Contract is intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against any person, firm, or corporation not a signatory of this Contract or a signatory's parent, successor, assign, or subsidiary.



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14. Subject to Paragraph 16, nothing in this Contract is intended to limit the right of the Department to undertake future response actions at the Site or to seek to compel parties to perform or pay for costs of response actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of response actions that may be taken or be required by the Department in exercising its authority under State and Federal law.

15. Subject to the provisions of Paragraph 16, nothing in this Contract is intended to be or shall be construed as a release or covenant not to sue for any claim or cause of action that the Department may have against Galey & Lord for any matters not expressly included in this Contract.

16. Upon successful completion of the terms of this Contract and the approved Work Plan as referenced in Paragraph 3 above, Galey & Lord shall submit to the Department a written notice of completion.

Once the Department determines that Galey & Lord has successfully and completely complied with this Contract, the Department, pursuant to S.C. Code Ann. § 44-56-740(A)(5) and (B)(1), will give Galey & Lord a Certificate of Completion that provides a covenant not to sue to Galey & Lord, its signatories, parents, successors, and subsidiaries, for the work done in completing the response actions specifically covered in the Contract and completed in accordance with the approved work plans and reports. The covenant not to sue is contingent upon the Department's determination that the responsible party successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Galey & Lord its signatories, parents, successors, assigns, and subsidiaries agree not to assert any claims or causes of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, except for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

17. Galey & Lord and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty-(30)-day advance written

SIGNATURE DW

notice of the election to terminate this Contract to the other party. Should Galey & Lord or subsequent owners of the Site elect to terminate, it must submit to the Department all data generated pursuant to this Contract, and certify to the Department's satisfaction that any environmental or physical hazard shall be stabilized and/or mitigated such that the Site does not pose a hazard to human health or the environment that did not exist prior to any initial response action addressing Contamination identified in this Contract.

18. The Department may terminate this Contract only for cause, which may include but is not limited to, the following:

- A. Events or circumstances at the Site that are inconsistent with the terms and conditions of this Contract;
- B. Failure to complete the terms of this Contract or the Work Plan;
- C. Failure to submit timely payments for Past Costs and/or for Oversight Costs as defined in Paragraph 9 above;
- D. Additional Contamination or releases or consequences at the Site caused by Galey & Lord its parents, successors, assigns, and subsidiaries;
- E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
- F. Change in Galey & Lord's or its parents, successors, assigns, and subsidiaries business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract; or
- G. Failure by Galey & Lord to obtain the applicable permits from the Department for any response actions or other activities undertaken at the Property.

19. Upon termination of the Contract, the covenant not to sue will be null and void. Termination of this Contract by Galey & Lord or the Department does not end the obligations of Galey & Lord to pay Oversight Costs already incurred by the Department and payment of such costs shall become immediately due.



THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE                     DW                    

20. The parties to this Contract agree that this Contract governs Galey & Lord's liability to the Department for civil sanctions arising from the matters set forth herein and constitutes the entire agreement between the Department and Galey & Lord with respect to this Contract. The parties are not relying upon any representations, promises, understandings or agreements except as expressly set forth in this Contract.

21. The signatories below hereby represent that they are authorized to and enter into this Contract on behalf of their respective parties.

THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE DW

THE SOUTH CAROLINA DEPARTMENT OF HEALTH  
AND ENVIRONMENTAL CONTROL

BY: Daphne G. Neel for  
Daphne G. Neel, Chief  
Bureau of Land and Waste Management  
Environmental Quality Control

DATE: 4/19/13

Clair W. Quinn  
Reviewed by Office of General Counsel

DATE: 4/9/13

GALEY & LORD INDUSTRIES, LLC

Mansour Nejad  
Signature

DATE: 3-28-2013

MANSOUR NEJAD VP OF ENGINEERING  
Printed Name and Title



THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

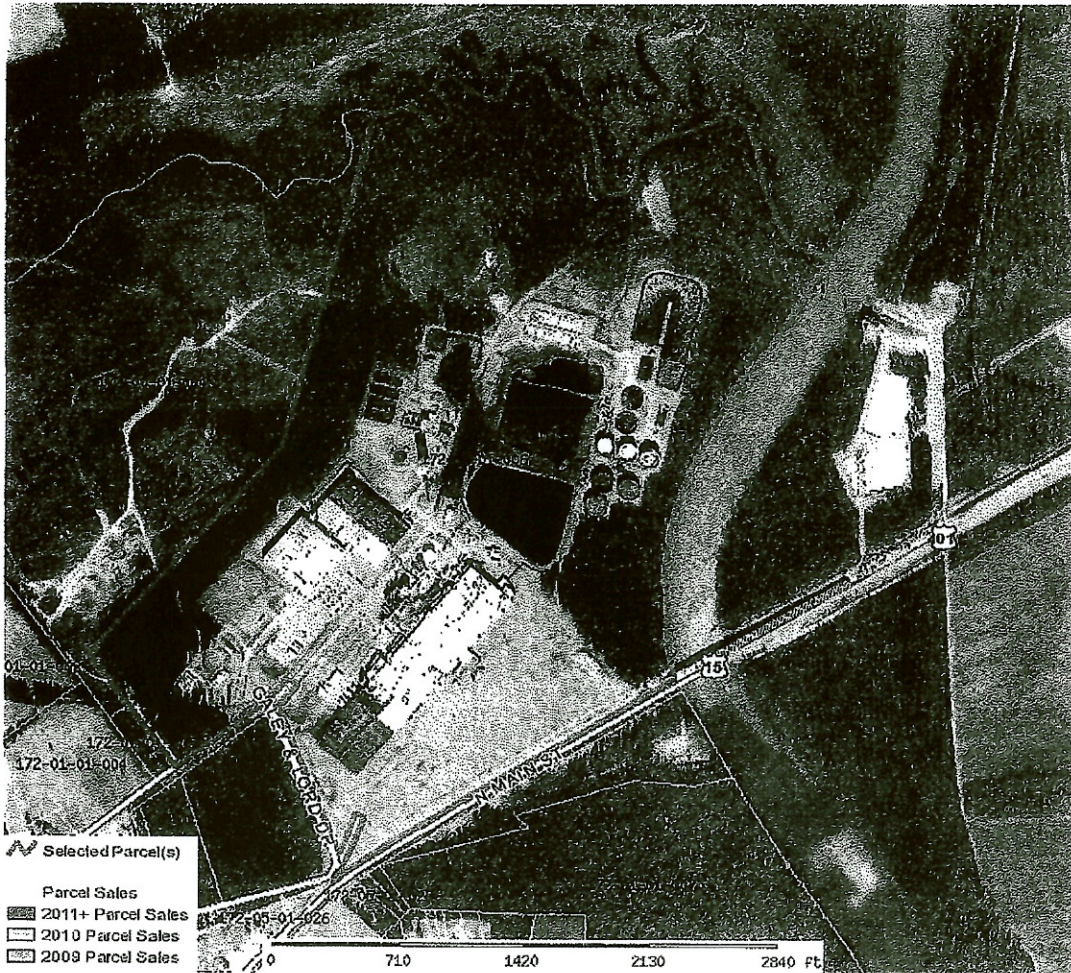
SIGNATURE DW

APPENDIX A

Legal Description of the Property

County of Darlington

Tax Map Serial Number 172-00-01-006





THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

EXHIBIT "A"

Society Hill I and II, Society Hill, SC (Fee Parcels)

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TRACT ONE - PLANT SITES

Beginning at a concrete monument (P.O.B.) on the northern right-of-way at U.S. Highway No. 15, said concrete monument being the joint corner of Marnot Packing Company N/F property, then leaving said northern right-of-way of U.S. Highway No. 15 and running along property line of Marnot Packing Company N/F North 19° 51' West 1047.97 feet to a concrete monument on the southern right-of-way of Burlington Road (S-16-465) thence running along the southern right-of-way of Burlington Road North 52° 36' East 7.41 feet to a concrete monument, thence crossing said Burlington Road from southern right-of-way to the northern right-of-way North 38° 10' West 66.02 feet to a concrete monument; thence running along the northern right-of-way of Burlington Road South 51° 56' West 539.62 feet to an iron pin corner of Burlington Industries, Inc. N/F; thence leaving said northern right-of-way of Burlington Road and running along property lines of Burlington Industries, Inc. N/F the following courses and distances North 34° 05' West 850.03 feet to an iron pin, thence North 40° 14' East 1650.00 feet to an iron pin, thence North 14° 22' East 1831.77 feet to an iron pin near Cedar Creek, said iron pin being the beginning of traverse lines of said Cedar Creek, said centerline of Cedar Creek being the property line, also the centerline of said creek being the division line between Darlington and Chesterfield Counties, thence running along the southern traverse of Cedar Creek the following courses and distances: North 71° 36' East 176.89 feet to an iron pin, then South 42° 17' East 210.91 feet to an iron pin, thence North 51° 13' East 182.56 feet to an iron pin, thence North 8° 03' West 116.09 feet to an iron pin, thence North 6° 43' West 121.81 feet to an iron pin, thence South 57° 27' East 257.71 feet to an iron pin, thence North 75° 28' East 137.48 feet to an iron pin, thence North 35° 14' East 171.12 feet to an iron pin, thence South 40° 11' East 240.49 feet to an iron pin, thence South 58° 20' East 119.68 feet to an iron pin, thence South 13° 34' East 450.24 feet to an iron pin, thence South 66° 41' East 184.36 feet to an iron pin, thence South 68° 38' East 340.70 feet to an iron pin, thence North 22° 10' West 388.10 feet to an iron pin, thence North 61° 48' East 407.25 feet to an iron pin, thence North 40° 52' East 114.54 feet to an iron pin, thence South 20° 58' East 209.51 feet to an iron pin, thence South 17° 25' East 300.85 feet to an iron pin, thence South 20° 41' East 190.66 feet to an iron pin, thence South 39° 45' East 226.05 feet to an iron pin, thence South 11° 32' East 74.57 feet to an iron pin on the Western side of the Great Pee Dee River, said iron pin being the intersecting point between the Cedar Creek traverse and the beginning of the Western traverse of the Great Pee Dee River, said high water line of the Great Pee Dee River being the property line of Tract No. 1, thence along the Western traverse of said Great Pee Dee River the following courses and distances: South 31° 35' West 351.75 feet to an iron pin, thence South 36° 08' West 242.83 feet to an iron pin, thence South 35° 54' West 211.44 feet to an iron pin, thence South 26° 43' West 247.91 feet to an iron pin, thence South 17° 26' West 155.97 feet to an iron pin, thence South 39° 40' West 164.39 feet to an iron pin, thence South 11° 45' West 210.12 feet to an iron pin, thence South 22° 16' West 182.77 feet to an iron pin, thence South 4° 17' East 221.25 feet to an iron pin, thence South 10° 31' East 161.47 feet to an iron pin, thence South 1° 22' West 262.64 feet to an iron pin, thence South 14° 12' East 237.45 feet to an iron pin on the northern right-of-way of U.S. Highway No. 15, thence running along the northern right-of-way of U.S. Highway No. 15 the following courses and



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distances: South 59° 29' West 1720.78 feet to an iron pin, thence South 54° 41' West 512.26 feet to the point of beginning, containing 234.73 acres according to a plat prepared by Dalton & Neves Co., Inc., Engineers, Greenville, South Carolina, dated January, 1988.

TOGETHER WITH:

**TRACT TWO**

Beginning at an iron pin (P.O.B.) on the Southern right-of-way of Burlington Road (5-16-465) and being the joint corner of C. P. & L. Co. (Sub-station), thence leaving said Southern right-of-way and running along property line of C. P. & L. Co. the following courses and distances: South 17° 54' East 231.71 feet to an iron pin, thence North 72° 02' East 200.11 feet to an iron pin on line of Marnot Packing Company property, thence running along line of Marnot Packing Company property South 16° 09' East 379.96 feet to an iron pin on the Northern side of a dirt road, thence running along the Northern side of said dirt road South 72° 55' West 198.53 feet to an iron pin corner of G. W. Bradshaw N/F property, thence leaving said Northern side of dirt road and running along lines of G. W. Bradshaw N/F, the following courses and distances: North 16° 35' West 127.81 feet to an iron pin, thence South 75.34' West 10.0 feet to an iron pin, thence North 21° 27' West 222.02 feet to an iron pin, thence North 21° 23' West 243.93 feet to an iron pin on the Southern right-of-way of Burlington Road, thence running with the Southern right-of-way of Burlington Road North 53° 57' East 48.02 feet to the point of Beginning, containing 2.06 acres, according to a plat prepared by Dalton & Neves Co., Inc. Engineers, Greenville, South Carolina, dated January, 1988.

TOGETHER WITH all right, title and interest, if any, of Galey & Lord Industries, Inc. in and to the following:

1. All lands lying between the property line of Tract No. 1 as delineated on the Dalton & Neves plat referred to herein and the centerline of the Great Pee Dee River.
2. Any lands lying between the centerline of Cedar Creek as it now exists and the centerline of the old stream bed of Cedar Creek as shown on the aforesaid Dalton & Neves plat.

**EASEMENT PARCEL:**

TOGETHER WITH an easement forty feet in width for the construction, operation and maintenance of a railway spur track to serve Tract No. 1 as herein described, said easement to run with the land for whose benefit it is granted, and being more particularly described according to the Dalton & Neves plat referred to herein, as follows:

Beginning at a point on the joint line between Tract No. 1 and property of Burlington Industries, Inc. N/F, and running thence with the said joint line North 86° 20' West 300.85 feet to a point on the existing right-of-way for a spur track; thence with the said right-of-way North 36° 42' West 52.50 feet to a point; thence with

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AND CORRECT COPY

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the line of Burlington Industries, Inc. N/F, South 86° 20' East 303.89 feet to a point in the line of Tract No. 1; thence with the line of Tract No. 1 South 34° 05' East 50.58 feet to the point of Beginning.

BEING the same property conveyed by Burlington Industries, Inc. to Galey & Lord, Inc. by deed recorded at Deed Book 923, Page 537, Darlington County Registry, and by that certain Certificate of Amendment to Certificate of Incorporation change the name of the corporation to Galey & Lord Industries, Inc., recorded in Book D-22, Page 24, Darlington County Registry.

LESS AND EXCEPT THE FOLLOWING PARCEL AND EASEMENT:

All that certain piece, parcel or lot of land with Improvements thereon situate lying and being located in Darlington County, near Society Hill, South Carolina on Tract #1 as shown on a Plat prepared for Galey & Lord Industries, Inc. by Dalton & Neves Co., Inc., Engineers of Greenville, South Carolina dated April, 1992 and recorded in Plat Book 17, Page 19 in the Office of the Clerk of Court for Darlington County, South Carolina and being more particularly described as that certain building located approximately 1000.0° northeast of the eastern most point of Tract #1 and approximately 300.0° on the southeastern side of the western most boundary line of Tract #1.

Together with a non-exclusive right of ingress and egress over driveways as they exist from time to time on the property designated as Tract #1 on the referenced Plat.

BEING the same property conveyed by Galey & Lord Industries, Inc. to Darlington County, South Carolina by quitclaim deed recorded at Deed Book 2187, Page 196, Darlington County Registry.

SUBJECT TO THE FOLLOWING:

1. Terms, conditions and obligations as contained in that certain Lease Purchase Agreement by and between Darlington County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina ("Lessor") and Galey & Lord Industries, Inc., a Delaware corporation ("Lessee"), dated as of December 1, 1997, filed for record December 31, 1997 at 12:59 p.m., recorded in Book D-187, Page 203, aforesaid Records.
2. Terms, conditions and obligations as contained in that certain Easement granted in that certain Warranty Deed from Burlington Industries, Inc., a Delaware corporation to Galey & Lord, Inc., a Delaware corporation, dated February 1, 1988, filed for record February 1, 1988 at 4:41 p.m., recorded in Book 923, Page 537, aforesaid Records.



THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE \_\_\_\_\_

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3. Easement from Ettie Richardson to Carolina Power & Light Company, filed for record April 15, 1960 at 4:50 p.m., recorded in Book 468, Page 281, aforesaid Records.
4. Easement from Burlington Industries, Inc., Klopman Division to Carolina Power & Light Company, dated November 20, 1972, filed for record January 22, 1973 at 9:53 a.m., recorded in Book 687, Page 390, aforesaid Records.
5. Easement from Burlington Industries, Inc. to Carolina Power & Light Company, dated August 14, 1973, filed for record August 24, 1973 at 10:45 a.m. recorded in Book 698, Page 290, aforesaid Records.
6. Easement from Burlington Industries, Inc., a corporation to Carolina Power & Light Company, dated November 27, 1972, filed for record October 3, 1973 at 2:19 p.m., recorded in Book 699, Page 311, aforesaid Records.
7. Right of Way Easement from Galey & Lord, Inc. to South Carolina Department of Transportation, dated October 6, 2003, filed for record November 12, 2003 at 9:41 a.m., recorded in Book 1030, Page 5876, aforesaid Records.
8. Terms, conditions and obligations as contained in that certain Permit for Crossing Transmission Gas Line Right-of-Way from South Carolina Pipeline Corporation, a South Carolina corporation to Galey & Lord Society Hill Plant, dated effective September 20, 2002, filed for record September 30, 2002 at 11:04 a.m., recorded in Book 366, Page 1558, aforesaid Records.
9. Title to that portion of the property lying between the high water marks and center lines of the Great Pee Dee River and Cedar Creek as it now exists and as it did exist on the old stream bed as shown on that certain plat by Dalton & Neves and rights of upper and lower riparian owners in and to said river and creek are excepted herefrom.
10. Easement from Galey & Lord, Inc. to Progress Energy Carolinas, Inc., a North Carolina public service corporation, dated November 6, 2003, filed for record February 10, 2004 at 9:04 a.m., recorded in Book 1031, Page 8790, aforesaid Records.
11. Mortgage from Galey & Lord Industries Group, LLC to Patriarch Partners Services Agency, LLC, recorded immediately prior to this instrument.

EXHIBIT "B"

Society Hill I and II, Society Hill, SC

LEASEHOLD PARCEL

THIS IS CERTIFIED AS A TRUE  
AND CORRECT COPY

SIGNATURE \_\_\_\_\_

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All that certain piece, parcel or lot of land with Improvements thereon situate lying and being located in Darlington County, near Society Hill, South Carolina on Tract #1 as shown on a Plat prepared for Galey & Lord Industries, Inc. by Dalton & Neves Co., Inc., Engineers of Greenville, South Carolina dated April, 1992 and recorded in Plat Book 17, Page 19 in the Office of the Clerk of Court for Darlington County, South Carolina and being more particularly described as that certain building located approximately 1000.0' northeast of the eastern most point of Tract #1 and approximately 300.0' on the southeastern side of the western most boundary line of Tract #1.

Together with a non-exclusive right of ingress and egress over driveways as they exist from time to time on the property designated as Tract #1 on the referenced Plat.

BEING the same property conveyed by Galey & Lord Industries, Inc. to Darlington County, South Carolina by quitclaim deed recorded at Deed Book 2187, Page 196, Darlington County Registry.

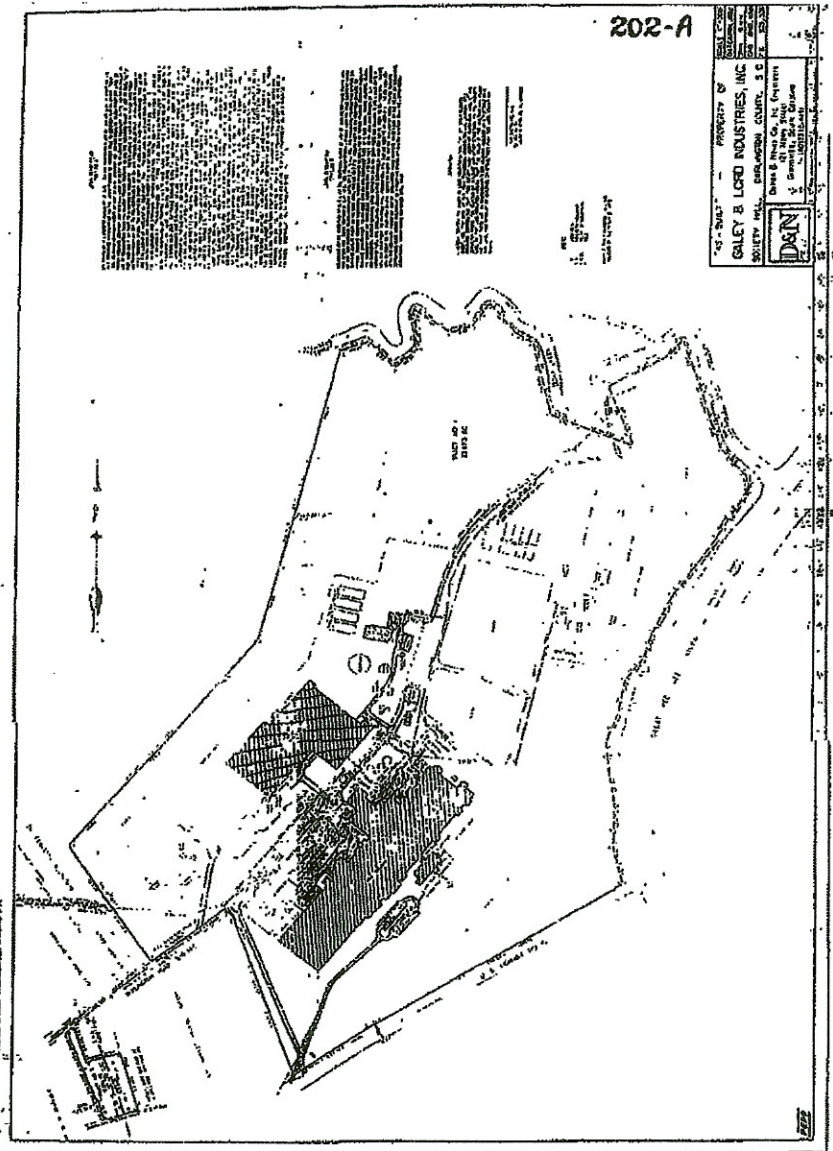
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11. Mortgage from Galey & Lord Industries Group, LLC to Patriarch Partners Services Agency, LLC, recorded immediately prior to this instrument.



SIGNATURE DW

ADDENDUM TO SOUTH CAROLINA MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, AND MIXTURE FILING (Society Hill Plant I and II, Society Hill South Carolina; Second Lien)

42. GECC Credit Agreement Controls. To the extent there may be any discrepancies between the terms set forth herein and the terms set forth in that certain Credit Agreement (as amended, supplemented or otherwise modified from time to time), dated as of November 8, 2004, among Patriarch GL Acquisition, LLC (t/b/k/a Galey & Lord, LLC), a Delaware limited liability company, Galey & Lord Industries, LLC, a Delaware limited liability company, Swift Textiles, LLC, a Delaware limited liability company, as Credit Parties, General Electric Capital Corporation, a Delaware corporation, for itself, as lender, and as agent for lenders, and the other lenders signatory thereto from time to time, the terms of such Credit Agreement shall control.



## APPENDIX B

### List of sampling, investigations, assessments and remedial actions

- Approval of construction of three monitoring wells granted to Dames & Moore dated May 23, 1988
- Letter of September 1, 1988 to Ralph Gibson, Galey & Lord, from Michael Young, SCDHEC Industrial and Agricultural Wastewater Division requesting hydrogeologic assessment plan to define source of and horizontal and vertical extent of TCE contamination
- Workplan for Hydrogeologic Investigation and Groundwater Quality Assessment October 1988 by RMT, Inc. of Greenville, S.C.
- Groundwater Quality Assessment for Galey & Lord, Inc., February 1989 by RMT, Inc.
- Phase II Groundwater Quality Assessment for Galey & Lord, Inc., August 1989 by RMT, Inc.
- Interim Phase III Groundwater Quality Assessment for Galey & Lord, Inc. November 1991 by RMT, Inc.
- Letter of March 9, 1999 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water request to sample monitoring wells and to submit an Initial Site Assessment Plan
- Letter of May 24, 1999 to John Wright, SCDHEC Bureau of Water from Edwin Horton, Galey & Lord submitting a Work Plan for Sampling Monitoring Wells
- Letter of June 4, 1999 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water approving the Initial Site Assessment Plan
- Letter of August 16, 1999 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water approving the installation of four monitoring wells
- Groundwater Quality Assessment for TCE Plume, August 1999 by Bensinger & Garrison Environmental, Inc. (B&G)
- Letter of September 20, 1999 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water commenting on the assessment report and requesting assessment plan to address SCDHEC comments
- Letter of November 18, 1999 to John Wright, SCDHEC Bureau of Water from Edwin Horton, Galey & Lord responding to comments in September 20, 1999 letter
- Letter of March 21, 2000 1999 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water commenting on the assessment report and requesting assessment plan to address SCDHEC comments
- FAX of April 17, 2000 to Tim Monroe, Bensinger & Garrison Environmental, Inc. from John Wright, SCDHEC Bureau of Water providing Groundwater Mixing Zone Guidance



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- Site Assessment Plan for TCE Source Investigation – June 2000 by B&G
- Letter of June 28, 2000 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water approving the assessment plan to address SCDHEC comments
- Additional Monitoring Well Installation and Site Assessment for TCE Plume November 2000 by B&G.
- Letter of January 22, 2001 to John Wright, SCDHEC Bureau of Water from Edwin Horton, Galey & Lord proposed Schedule for Sampling and Investigation of TCE Plume
- Letter of January 24, 2001 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water approving the assessment plan to address SCDHEC comments
- Letter of May 29, 2001 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Quarterly Groundwater Monitoring Report
- Letter of September 24, 2001 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Quarterly Groundwater Monitoring Report
- Letter of March 14, 2002 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Quarterly Groundwater Monitoring Report
- Letter of August 21, 2002 to John Wright, SCDHEC Bureau of Water from Forrest Putnam, Galey & Lord proposed Work Plan for Delineation of TCE Source Area #2
- Letter of August 28, 2002 to Forest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water approving installation of soil and groundwater borings to further delineate contamination at the site
- TCE Source Area #2 Assessment and Delineation – October 2002 by B&G.
- Letter of December 10, 2002 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of TCE Source Area #2 Assessment and Delineation report requesting further sampling upgradient
- Remedial Action Plan and Engineering Report for Source Area #2, September 2003 by B&G.
- Letter of October 13, 2003 to Edwin Horton, Galey & Lord from John Wright, SCDHEC Bureau of Water approving Remedial Action Plan and Engineering Report for Source Area #2 and notifying Galey & Lord of DOT sampling of soil and groundwater across the river
- Letter of April 2, 2004 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Quarterly Groundwater Monitoring Report
- Initial Soil Vapor Extraction/Soil Remediation Progress Report – July 2004 by B&G.
- Letter of August 24, 2004 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Initial Soil Vapor Extraction/Soil Remediation Progress Report

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- Storm Drain & Catch Basin Assessment Report – September 2004 by B&G.
- Letter of November 5, 2004 to Forrest Putnam, Galey & Lord from Timothy Fitzgerald, SCDHEC Bureau of Air Quality exempting the SVE system from air permitting
- Letter of November 16, 2004 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Storm Drain & Catch Basin Assessment Report
- Letter of February 18, 2005 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report and request for plan to further assess Source Area #3
- Additional Storm Drain Line & Catch Basin Assessment Schedule – February 2005 by B&G
- 150 Day Operations Report for Soil Vapor Extraction dated April 2005 by Wallace–Lee Consultants, LLC.
- Letter of June 1, 2005 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of 150 Day Operations Report for Soil Vapor Extraction
- Letter of July 25, 2005 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report and request for plan to further assess Source Area #3
- Work Plan for Delineation of TCE Source Area #3 and Storm Drain Line – September 2005 by B&G
- Letter of September 27, 2005 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Source Area #1 Assessment Plan
- Letter of December 12, 2005 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report
- Storm Drain Line & Catch Basin Assessment Report – January 2006 by B&G.
- Letter of April 10, 2006 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Storm Drain Line & Catch Basin Assessment Report and request for plan to remediate soils in Source Area #3
- Letter of June 19, 2006 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report and request for plan to address groundwater in Source Areas #2 and #3
- Remedial Action Plan for Source Area #3 – June 2006 by B&G.
- Letter of July 31, 2006 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Remedial Action Plan for Source Area #3
- Letter of December 7, 2006 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC



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Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report

- Engineering Report for Permit to Construct & Operate Source Area #3 Soil Vapor Extraction System – March 2007 by B&G.
- Letter of April 26, 2007 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water approving Remedial Action Plan for Source Area #3
- Letter of May 7, 2007 to Forrest Putnam, Galey & Lord from Kirk Schneider, SCDHEC Bureau of Air Quality exempting the SVE system from air permitting
- Letter of July 23, 2007 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report
- Letter of February 20, 2008 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report
- Remedial Action Plan Progress Report for Source Area #3 – July 2008 by B&G.
- Letter of August 1, 2008 to Forrest Putnam, Galey & Lord from John Wright, SCDHEC Bureau of Water acknowledging receipt of Semiannual Groundwater Monitoring Report
- Letter of January 18, 2011 to Forrest Putnam, Galey & Lord from Bobbi Coleman, SCDHEC Bureau of Land & Waste Management acknowledging receipt of Semiannual Groundwater Monitoring Reports dated December 2008, April 2009 and October 20, 2010 and requesting Sampling and Analysis Plan
- Sampling and Analysis Plan for TCE Groundwater Monitoring, March 2011 by B&G
- Quarterly, Semi-Annual, and Annual Groundwater Monitoring Reports, April 2001 through October 2011 by B&G.