Parker-Hannifin Corporation - Wilkerson Operation Environmental Covenant Summary

Covenant ID: HMCOV00031

Covenant Information:

Covenant Date: November 16, 2006
Self Reporting: Yes
Media of Concern:
Surface Water: No
Groundwater: Yes
Air: No
Soil: No
Other: No
Contaminants of Concern: TCE (trichloroethylene), 1,2-dichloroethylene
Property Restrictions:
1. No use of alluvial groundwater, located between the ground surface and bedrock, for any purpose
2. Maintain all aspects of the corrective actions for the site specified in the Revised Corrective Action Plan (October 15, 2003)
3. Prohibit any uses or activities that would in any manner interfere or adversely affect corrective actions

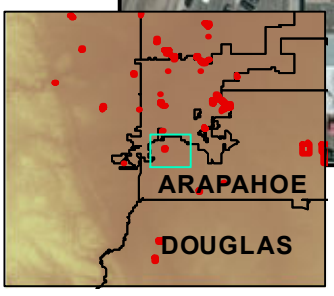
Site Information:

ID: COD007061294
Name: Parker Hannifin/Wilkerson Corporation
Address: 1201 West Mansfield Avenue
City: Englewood
State: CO
Zip Code: 80110
Legal Description:
County: Arapahoe

Site Contact Information:

Attn: President
Name: c/o CKD USA Corporation
Address: 4080 Winnetka Avenue
City: Rolling Meadows
State: IL Zip Code: 60008

PARKER HANNIFIN WILKERSON CORP



HMCOV00031

0 100 200 Meters

Colorado Department of Public Health and Environment

STATE OF COLORADO
Department of Law
Natural Resources &
Environment Section
1525 Sherman St. 5th Fl
Denver CO 80203

31

This property is subject to an Environmental Covenant held by the Colorado Department of Public Health and Environment pursuant to section 25-15-321, C.R.S.

Arapahoe County Clerk & Recorder, Nancy A. Doty
Reception #: B7010024
Receipt #: 5317089 Recording Fee: $31.00
Pages Recorded: 6
Date Recorded: 1/23/2007 1:05:03 PM

ENVIRONMENTAL COVENANT

Parker Hannifin Corporation grants an Environmental Covenant ("Covenant") this 16th day of November, 2006 to the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and the Environment ("the Department") pursuant to § 25-15-321 of the Colorado Hazardous Waste Act, § 25-15-101, *et seq*. The Department's address is 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530.

WHEREAS, Parker Hannifin Corporation is the owner of certain property commonly referred to as Parker Hannifin/Wilkerson Corporation Facility, located at 1201 West Mansfield Avenue, Englewood, Colorado 80110, more particularly described in Attachment A, attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as "the Property"); and

WHEREAS, pursuant to the Revised Corrective Action Plan (dated October 15, 2003) for the Parker Hannifin/Wilkerson Corporation Facility, the Property is the subject of remedial action pursuant to the Colorado Hazardous Waste Act, § 25-15-301, et. seq. ("CHWA"); and associated Colorado Hazardous Waste Regulations at 6 Colorado Code of Regulations 1007-3, including § 100.26.

WHEREAS, the purpose of this Covenant is to ensure protection of human health and the environment by restricting the use of the Property to prohibit the use of alluvial groundwater located between the ground surface and bedrock underlying the Property, from any beneficial use and ensure continued operation of the corrective actions specified in the Revised Corrective Action Plan that has been approved by the Department for the Property.

WHEREAS, Parker Hannifin Corporation desires to subject the Property to certain covenants and restrictions as provided in Article 15 of Title 25, Colorado Revised Statutes, which covenants and restrictions shall burden the Property and bind Parker Hannifin Corporation and all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and any persons using the land, as described herein, for the benefit of the Department and third-party beneficiary CKD Corporation ("CKD").

NOW, THEREFORE, Parker Hannifin Corporation hereby grants this Environmental Covenant to the Department, with CKD as a third-party beneficiary, and declares that the Property as described in Attachment A shall hereinafter be bound by, held, sold, and conveyed subject to the following requirements set forth in paragraphs 1 a) through c), below, which shall run with the Property in perpetuity, unless modified or terminated

pursuant to Paragraph 2 below, and be binding on Parker Hannifin Corporation and all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and any persons using the land, as described herein. As used in this Environmental Covenant, the term OWNER means the record owner(s) of the Property at any given point in time subsequent to execution of this Covenant and prior to its termination and, if any, any other person or entity otherwise legally authorized to make decisions regarding the transfer of the Property or placement of encumbrances on the Property, other than by the exercise of eminent domain.

1) Use restrictions and Maintenance of Remedy:

   a) The alluvial groundwater, located between the ground surface and bedrock underlying the Property, may not be used for any purpose. This limitation does not apply to the installation or use of any monitoring or treatment well on the Property used solely to obtain samples for analysis and/or conduct remediation at, on, under, or arising from or relating to, the property.

   b) OWNER shall cooperate with CKD and any former record owners of the Property whose ownership was subject to this environmental covenant to maintain all aspects of the corrective actions specified in the Revised Corrective Action Plan (dated October 15, 2003) for the Parker Hannifin/Wilkerson Corporation Facility and any amendments thereto to insure protection of human health and the environment. The Revised Corrective Action Plan and any amendments thereto are on file at the Colorado Department of Public Health and Environment, Hazardous Materials and Waste Management Division, Records Center.

   c) Any uses or activities that would in any manner interfere with or adversely affect the implementation, integrity, or protectiveness of the corrective actions at the Property are prohibited.

2) Modifications This Covenant runs with the land and is perpetual, unless modified or terminated pursuant to this paragraph. OWNER may request that the Department approve a modification or termination of the Covenant. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information, and may request additional information. If the Department determines that the proposal to modify or terminate the Covenant will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Covenant shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:

   a) a proposal to perform additional remedial work;
   b) new information regarding the risks posed by the residual contamination;
   c) information demonstrating that residual contamination has diminished;
   d) information demonstrating that an engineered feature or structure is no longer necessary;

e) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and
f) other appropriate supporting information.

3) Conveyances OWNER shall notify the Department and CKD at least fifteen (15) days in advance of any proposed grant, transfer or conveyance of any interest in any or all of the Property.

4) Notice to Lessees OWNER agrees to incorporate either in full or by reference the restrictions of this Covenant in any leases, licenses, or other instruments granting a right to use the Property.

5) Notification for proposed construction and land use OWNER shall notify the Department and CKD simultaneously when submitting any application to a local government for a building permit or change in land use.

6) Inspections The Department shall have the right of entry to the Property at reasonable times with prior notice for the purpose of determining compliance with the terms of this Covenant. Nothing in this Covenant shall impair any other authority the Department may otherwise have to enter and inspect the Property.

7) No Liability The Department does not acquire any liability under State law by virtue of accepting this Covenant, nor does any other named beneficiary of this Covenant acquire any liability under State law by virtue of being such a beneficiary .

8) Enforcement The Department may enforce the terms of this Covenant pursuant to §25-15-322. C.R.S. Parker Hannifin Corporation and CKD may file suit in district court to enjoin actual or threatened violations of this Covenant.

9) Owner's Compliance Certification OWNER shall execute and return a certification form provided by the Department, on an annual basis, detailing OWNER's compliance, and any lack of compliance, with the terms of this Covenant.

10) Notices Any document or communication required under this Covenant shall be sent or directed to:

For the Department

Hazardous Waste Corrective Action Unit Leader
Hazardous Materials and Waste Management Division
Colorado Department of Public Health and the Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

For CKD

c/o CKD USA Corporation

4080 Winnetka Avenue
Rolling Meadows, IL 60008-1374
Attn: President

Upon written notice from CKD to the Department and OWNER that CKD shall no longer require notice pursuant to paragraphs 3 and 5 of this Covenant, the obligation to provide such notice to CKD shall terminate.

Parker Hannifin Corporation has caused this instrument to be executed November 16, 2006.

Parker Hannifin Corporation

By: Thomas A. Piraino Jr.
Thomas A. Piraino, Jr.
Vice President

STATE OF Ohio)
) ss:
COUNTY OF Cuyahoga)

The foregoing instrument was acknowledged before me this 16 day of November, 2006 by Thomas A. Piraino, Jr. Vice President on behalf of Parker-Hannifin Corporation.

James M. Donchess
Notary Public

JAMES M. DONCHESS, Attorney At Law
Notary Public - State of Ohio
My commission has no expiration date.
Ohio R.C. 147.03

NOTARIAL SEAL STATE OF OHIO

Accepted by the Colorado Department of Public Health and Environment this 10th day of January, 2007.

By: Gary W. Baughman

Title: Director, HMWMD

STATE OF COLORADO)
) ss:
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 10 day of JANUARY, 2007 by GARY BAUGHMAN on behalf of the Colorado Department of Public Health and Environment.

Claudette Ferris
Notary Public

4300 Cherry Creek Dr So
Address Denver, CO 80246

My commission expires: October 21, 2007

Attachment A

Site Address: 1201 W. MANSFIELD AVE.
Site City: ENGLEWOOD

Parcel #: 2077-04-1-13

ALL BLK C & LOTS 14 THRU 35 BLK 10 & E 1/2 OF LOTS 1 THRU 13 ALL OF LOTS 14 THRU 48 BLK 11 & ALL OF VAC STS & ALLEYS ADJ SD LOTS LOGANDALE & S 5 FT OF LOT 7 LEHIGH PARK

Neighborhood: ENGLEWOOD IND AREA

Neighborhood Code: 3537