

## BUILDING 1 ENVIRONMENTAL REPORTS

TITLE	PREPARER	DATE
1. Building 001 Bethpage, New York Asbestos Survey	North Atlantic Laboratories	December 3, 1996
2. Determination of Hydrocarbon Product Plume Boundary Plant 1 Fuel Depot	Geraghty & Miller	July 1997
3. Plant 1 Sewer Main Project Phase II Soil Sampling Investigation	Gannett Fleming	December 18, 1998
4. Phase I Environmental Assessment Parcel X	Environmental Resources Management	February 11, 1999
5. Phase I Site Assessment – Plant 1	Dvirka & Bartilucci	May 1999
6. Interim Remedial Action Plan Plant 1 Fuel Depot	Arcadis Geraghty & Miller	7 May 1999
7. Plant 1, Number 4 Fuel Oil UST's Subsurface Investigation	Miller Environmental Group	June 28, 2000
8. DRAFT Phase II Site Assessment – Plant 1	Dvirka & Bartilucci	May 2001
9. Drainage Discharge Determination Plant 1	Dvirka & Bartilucci	May 2001
10. DRAFT Remediation Plan Plant 1	Dvirka & Bartilucci	July 2001
11. Underground Injection Control (UIC) Program Phase II Site Assessment – Plant 1	Dvirka & Bartilucci	September 2001
12. Underground Injection Control Closure Plan – Plant 1	Dvirka & Bartilucci	September 2001
13. Site Characterization and Bioventing Pilot Test – Plant 1 North Side Boiler Tanks	Handex	October 2001
14. Interim Report No. 1 Plant 1 UIC Closure Program	NGC	March 11, 2002
15. Interim Report No. 2 Plant 1 UIC Closure Program	NGC	March 11, 2002
16. Approval Letter, Plant 1 UIC Closure Program, Interim Report No. 1	USEPA	April 30, 2002
17. Approval Letter, Draft Phase II Assessment – Plant 1, Draft Remediation Plan – Plant 1	NYSDEC	May 20, 2002
18. Approval Letter, Plant 1 UIC Closure Program, Interim Report No. 2	USEPA	May 23, 2002
19. Interim Report No. 3 Plant 1 UIC Closure Program	NGC	May 30, 2002
20. Approval Letter, Plant 1 UIC Closure Program, Interim Report No. 3	USEPA	June 6, 2002
21. Geoprobe Delineation Investigation, Plant 1 North Side Boiler Tanks	Handex	July 12, 2002
22. Interim Report No. 4 Plant 1 UIC Closure Program	NGC	August 28, 2002
23. Interim Report No. 5 Plant 1 UIC Closure Program	NGC	August 29, 2002
24. Remedial Action Completion Report for the Plant 1 Facility	Dvirka & Bartilucci	August 2002
25. Plant 1 Asbestos and Lead Survey Update	Enviroscience	August 2002
26. Approval Letter, Plant 1 UIC Closure Program, Interim Report No. 4	USEPA	October 1, 2002
27. Approval Letter, Corrective Action Program – Plant 1 Facility	NYSDEC	November 26, 2002
28. Interim Report No. 5 Plant 1 UIC Closure Program, Revision 1	NGC	December 5, 2002
29. Certification of Completion of Work and Closure – Plant 1 Facility	Dvirka & Bartilucci	January 15, 2003

30. Approval Letter, Plant 1 UIC Closure Program, Interim Report No. 5


2/10/03

USEPA

February 10, 2003

**DEED**

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT-THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY

THIS INDENTURE, made <sup>as of 23rd</sup> the ~~20th~~ day of May, 2003 

**BETWEEN**

**NORTHROP GRUMMAN SYSTEMS CORPORATION**, a Delaware corporation, with offices located at 1840 Century Park East, Los Angeles, California 90067-2199

party of the first part, and

**DISTRIBUTION TRAFFIC SERVICES, INC.**, a New York corporation, with offices located at 100 West Industry Court, Deer Park, New York 11729

party of the second part,

**WITNESSETH**, that the party of the first part, in consideration of ten dollars and other valuable consideration paid by the party of the second part, does hereby remise, release and quitclaim unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

**ALL** that certain plot, piece or parcel of land, with the improvements located thereon, situate, lying and being at Bethpage, in the Town of Oyster Bay, County of Nassau, and State of New York, being more particularly bounded and described on Schedule "A", attached hereto and made part hereof (the "Premises").

The conveyance made herein is made in the ordinary course of business of the party of the first part.

Party of the first part is same as grantee in deed dated July 2, 1969, recorded on January 19, 1970 at Liber 8080, Page 136, and deed dated July 2, 1969, recorded on January 20, 1970 at Liber 8080, Page 310, covering the Premises and more.

The Premises herein are conveyed subject to that certain Declaration of Easement, Declaration of Recharge Basin Easement, Declaration of Covenants and Restrictions and Declaration of Environmental Easement, all dated of even date herewith and to be recorded immediately after the recording of this instrument with the Nassau County Clerk.

The Premises herein are conveyed subject to the following:

- (1) Laws or governmental regulations that affect the use and/or development of the Property;
- (2) Any state of facts an accurate land survey would show, provided same does not render title unmarketable. Minor variations of fences or other ancillary structures with record lines shall not be deemed to render title unmarketable;
- (3) Survey prepared by Albert A. Bianco, L.S., last dated April 11, 2002;
- (4) Covenants, agreements, easements or restrictions of record;
- (5) Variations between tax lot lines and lines of record title;
- (6) The state of facts as shown on the plan entitled "Building No. 1 Parcel Composite Utility/Easement Plan", dated July 10, 2002; and
- (7) The state of facts as shown on the subdivision map entitled "Map of Property of Grumman Industrial Park (a planned industrial commercial subdivision) at Bethpage, Town of Oyster Bay, Town of Hempstead, Nassau County, New York" prepared by Albert A. Bianco, L.S. filed in the Nassau County Clerk's Office on September 28, 1999 under Map No. 009515.

The Premises herein are also conveyed subject to the following covenants and restrictions:

1. Notice: A release of hazardous substances has occurred at the Premises. Remedial activities were performed and the New York State Department of Environmental Conservation ("DEC") has issued a "no further action" letter. At the conclusion of the remedial activities, some hazardous substances remained at the site at concentrations that are above the recommended soil cleanup guidelines for unrestricted use. A report prepared by Dvirka & Bartilucci entitled Deed Restriction Information, Plant 1 Facility, dated November 20, 2002, identifies the substances, the locations and the concentrations of the hazardous substances.

2. Use Restriction: The Premises shall not be used for uses that: (i) are or may be construed to be residential, or (ii) include persons other than employees staying over night, including, without limitation, a hotel, nursing home or congregate care facility, or (iii) involve children, including, without limitation, a school, day care facility or an outdoor recreational facility, unless otherwise approved by DEC in conjunction with the New York State and Nassau County Departments of Health. These restrictions may be removed upon the recording of certification from DEC (or its successor, if any) that there are no hazardous substances or constituents of concern at the Premises at concentrations that exceed then applicable DEC recommended cleanup levels.

DEED

3. Subsurface Activities: The hazardous substances referred to in paragraph "1", above, shall be covered with either topsoil, pavement or a building. Excavation or other subsurface activities at the site that may affect or involve the hazardous substances at the site should not be performed without reviewing the reports that describe the location of the hazardous substances, in consultation with DEC and, if necessary, taking appropriate precautions to prevent worker exposure to said hazardous substances. In the case of any soil removal, the soil should be sampled and disposed of in accordance with applicable law, based on the sampling results. Party of the second part shall provide notice to Regional Solid and Hazardous Materials Engineer, New York State Department of Environmental Conservation, Region One, SUNY - Building 40, Stony Brook, NY 11790, annually certifying that the institutional and/or engineering controls specified herein are being complied with.

4. Covenant Regarding Hazardous Substances: Party of the second part covenants on behalf of itself and all successors, assigns and grantees that it shall indemnify and hold party of the first part, its parent, their successors and assigns and the affiliates, directors, officers, managers, shareholders, employees and agents of each of them harmless from and against all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, judgments, costs and expenses (including, without limitation, attorney's fees and court costs) arising out of or related to the condition of the Premises or any hazardous substances present at the Premises (whether direct or indirect, known or unknown, foreseen or unforeseen, latent or patent), the breach of any covenant set forth in this Deed or any act or omission that is contrary to any restriction imposed on the Premises by the DEC. This covenant shall run with the land and be binding on all future owners of the Premises.

5. Covenant Regarding Environmental Claims: Party of the second part covenants on behalf of itself and all successors, assigns and grantees that they shall waive their right to recover from, and forever release and discharge party of the first part, its parent, their successors and assigns, and the affiliates, directors, officers, managers, shareholders, employees and agents of each of them, for, from and against any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and court costs), whether direct or indirect, known or unknown, foreseen or unforeseen, latent or patent, that may arise on account of or in any way be connected with the Premises, the condition of the Premises, or any law, regulation, order, decree or directive applicable thereto, including, without limitation, environmental laws. Without limiting the generality of the foregoing, party of the first part shall have no liability to party of the second part with respect to property conditions under common law, or any federal, state, or local law or regulation, including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., as amended; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., as amended; the Clean Air Act ("CAA"), 42 U.S.C. 7401 et seq., as amended; the Clean Water Act ("CWA"), 33 U.S.C. 1251 et seq., as amended, and party of the second part hereby releases and waives any and all claims which party of the second part has or may have against party of the first part, its subsidiaries, parent, affiliates, officers, directors, managers, shareholders, employees and agents with respect to the condition of the Premises. This covenant shall run with the land and be binding on all future owners of the Premises.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any publicly opened and dedicated streets and roads abutting the above described Premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said Premises, except as otherwise provided herein; TO HAVE AND TO HOLD the Premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.


IN WITNESS WHEREOF, the party of the first part has duly executed this Deed the day and year first above written.

IN PRESENCE OF:

NORTHROP GRUMMAN SYSTEMS CORPORATION

BY:

A. J. Paz, Director of Real Estate

  
\_\_\_\_\_

DEED

TO BE USED ONLY WHEN THE ACKNOWLEDGMENT IS MADE IN NEW YORK STATE

State of New York, County of

ss:

State of New York, County of

ss:

On the day of in the year before me, the undersigned, personally appeared

On the day of in the year before me, the undersigned, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(signature and office of individual taking acknowledgment)

(signature and office of individual taking acknowledgment)

TO BE USED ONLY WHEN THE ACKNOWLEDGMENT IS MADE OUTSIDE NEW YORK STATE

State of California

ss:

On the 16th day of May

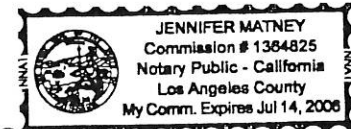
in the year 2003

before me, the undersigned, personally appeared

A.J. Paz personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the

City of Los Angeles (insert the City or other political subdivision)

in the State of California. (and insert the State or County or other place the acknowledgment was taken)



[Signature] NOTARY PUBLIC (signature and office of individual taking acknowledgment)

QUITCLAIM DEED

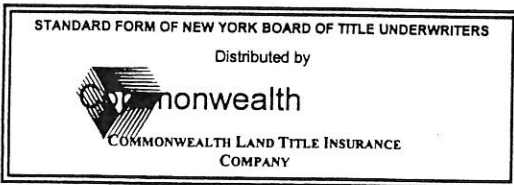
SECTION 46
BLOCK 323
LOTS 248 & 249
COUNTY - NASSAU

Title No. \_\_\_\_\_

Recorded at Request of COMMONWEALTH LAND TITLE INSURANCE COMPANY

RETURN BY MAIL TO:

Gary M. Meltzer, Esq.
Meltzer, Lippe, Goldstein, LLP
190 Willis Avenue
Mineola, New York 11501



RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

**SCHEDULE A - DESCRIPTION**

ALL that certain plot, piece or parcel of land, situate, lying and being at Bethpage, in the Town of Oyster Bay, County of Nassau and State of New York, known and designated as and by Lots 14 and 15 on a certain map entitled, "Map of Grumman Industrial Park, surveyed and compiled by Albert A. Bianco, Professional Land Surveyor," which map was filed in the Nassau County Clerk's Office on September 28, 1999 under Map No. 9515, and being bounded and described as follows:

BEGINNING at a point on the northeasterly side of Grumman Road distant 828.10 feet northerly from the corner formed by the intersection of the easterly side of Grumman Road with the northerly side of Central Avenue;

Running thence along the northerly and northeasterly side of Grumman Road the following three (3) courses and distances:

- 1). South 89 degrees 49 minutes 04 seconds West 48.11 feet;
- 2). Northwestery along the arc of a curve bearing to the left having a radius of 308.79 feet a distance of 104.04 feet;
- 3). North 49 degrees 43 minutes 41 seconds West 1577.29 feet;

Thence North 40 degrees 16minutes 19 seconds East 569.06 feet;

Thence South 49 degrees 43minutes 41 seconds East 19.00 feet;

Thence North 40 degrees 16minutes 19 seconds East 146.85 feet to lands now or formerly of the Long Island Railroad;

Thence along said last mentioned land South 49 degrees 42minutes 13 seconds East 1454.75 feet;

Thence South 40 degrees 17minutes 05 seconds West 238.09 feet;

Thence North 53 degrees 03minutes 17 seconds West 41.87 feet;

Thence North 59 degrees 49minutes 07 seconds West 16.23 feet;

Thence Southwesterly and southerly along the arc of a curve bearing to the left having a radius of 34.95 feet a distance of 73.41 feet;

Thence South 00 degrees 10minutes 56 seconds East 554.18 feet to the northeasterly side of Grumman Road at the point or place of BEGINNING.



Recording Office Time Stamp

New York State Department of Taxation and Finance  
**Combined Real Estate  
 Transfer Tax Return and  
 Credit Line Mortgage Certificate**

See instructions (TP-584-1) before completing this form. Please print or type.

**Schedule A — Information Relating to Conveyance**

<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other	Grantor	Name (if individual; last, first, middle initial) <b>Northrop Grumman Systems Corporation</b>	Social Security Number
		Mailing address <b>1840 Century Park East</b>	Social Security Number
		City State ZIP code <b>Los Angeles CA 90067-2199</b>	Federal employer ident. number <b>95 1055798</b>
	Grantee	Name (if individual; last, first, middle initial) <b>Distribution Traffic Services, Inc.</b>	Social Security Number
<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other		Mailing address <b>100 West Industry Court</b>	Social Security Number
		City State ZIP code <b>Deer Park NY 11729</b>	Federal employer ident. number <b>06 1681043</b>

Location and description of property conveyed

Tax map designation			Address	City/Village	Town	County
Section	Block	Lot				
46	323	248 & 249	1 Grumman Road West	Bethpage	Oyster Bay	Nassau

Type of property conveyed (check applicable box)

<input type="checkbox"/> 1 - 3 family house	<input checked="" type="checkbox"/> 5 Commercial/Industrial	Date of conveyance 5   23   03 month day year	Percentage of real property conveyed which is residential real property <u>0</u> % (see instructions)
<input type="checkbox"/> 2 Residential cooperative	<input type="checkbox"/> 6 Apartment building		
<input type="checkbox"/> 3 Residential condominium	<input type="checkbox"/> 7 Office building		
<input type="checkbox"/> 4 Vacant land	<input type="checkbox"/> 8 Other		

Condition of conveyance (check all that apply)

- a.  Conveyance of fee interest
- b.  Acquisition of a controlling interest (state percentage acquired \_\_\_\_\_ %)
- c.  Transfer of a controlling interest (state percentage transferred \_\_\_\_\_ %)
- d.  Conveyance to cooperative housing corporation
- e.  Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest (attach Form TP-584.1, Schedule E)
- f.  Conveyance which consists of a mere change of identity or form of ownership or organization (attach Form TP-584.1, Schedule F)
- g.  Conveyance for which credit for tax previously paid will be claimed (attach Form TP-584.1, Schedule G)
- h.  Conveyance of cooperative apartment(s)
- i.  Syndication
- j.  Conveyance of air rights or development rights
- k.  Contract assignment
- l.  Option assignment or surrender
- m.  Leasehold assignment or surrender
- n.  Leasehold grant
- o.  Conveyance of an easement
- p.  Conveyance for which exemption from transfer tax is claimed (complete Schedule Part III)
- q.  Conveyance of property partly within and partly without the state
- r.  Other (describe) \_\_\_\_\_

**Schedule B — Real Estate Transfer Tax Return (Article 31 of the Tax Law)**

Part I — Computation of Tax Due

1 Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III)..... <input type="checkbox"/> Exemption claimed	1	11,371,366
2 Continuing lien deduction (see instructions if property is taken subject to mortgage or lien).....	2	- 0 -
3 Taxable consideration (subtract line 2 from line 1).....	3	11,371,366
4 Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3.....	4	45,486
5 Amount of credit claimed (see instructions and attach Form TP-584.1, Schedule G).....	5	- 0 -
6 Total tax due* (subtract line 5 from line 4).....	6	45,486

Part II — Computation of Additional Tax Due on the Conveyance of Residential Real Property for \$1 Million or More

1 Enter amount of consideration for conveyance (from Part I, line 1).....	1	
2 Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property; see instructions).....	2	
3 Total additional transfer tax due* (1% of line 2).....	3	

\*Please make check(s) payable to the county clerk where the recording is to take place or if the recording is to take place in New York City, make check(s) payable to the NYC Department of Finance. If no recording is required, send this return and your check(s) made payable to the Department of Taxation and Finance, directly to the NYS Tax Department, TTB-Transfer Tax, PO Box 5045, Albany N 12205-5045.

For recording officer's use	Amount received	Date received	Transaction number
	Part I \$ _____ Part II \$ _____		

**Schedule B — (continued)**

Part III — Explanation of Exemption Claimed in Part I, line 1 (check any boxes that apply)

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- Conveyance is to the United Nations, the United States of America, the state of New York or any of their instrumentalities, agencies or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada)..... a
- Conveyance is to secure a debt or other obligation..... b
- Conveyance is without additional consideration to confirm, correct, modify or supplement a prior conveyance..... c
- Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts..... d
- Conveyance is given in connection with a tax sale..... e
- Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F..... f
- Conveyance consists of deed of partition..... g
- Conveyance is given pursuant to the federal bankruptcy act..... h
- Conveyance consists of the execution of a contract to sell real property without the use or occupancy of such property or the granting of an option to purchase real property without the use or occupancy of such property..... i
- Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a 1-, 2-, or 3-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment..... j
- Conveyance is not a conveyance within the meaning of section 1401(e) of Article 31 of the Tax Law (attach documents supporting such claim)..... k
- Other (attach explanation)..... l

**Schedule C — Credit Line Mortgage Certificate (Article 11 of the Tax Law)**

Complete the following only if the interest being transferred is a fee simple interest. We certify that: (check the appropriate box)

- The real property being sold or transferred is not subject to an outstanding credit line mortgage.
  - The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
    - The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
    - The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
    - The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee or other officer of a court.
    - The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more and the real property being sold or transferred is not principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

**Please note:** for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.

  - Other (attach detailed explanation).
- The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
  - A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
  - A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
- The real property being transferred is subject to an outstanding credit line mortgage recorded in \_\_\_\_\_ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is \_\_\_\_\_. No exemption from tax is claimed and the tax of \_\_\_\_\_ is being paid herewith. (Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City, make check payable to the NYC Department of Finance.)

**Signature (both the grantor(s) and grantee(s) must sign).**

I undersigned certify that the above return, including any certification, schedule or attachment, is to the best of his/her knowledge, true and complete.

Orthrop Grumman Systems Corporation

Distribution Traffic Services, Inc.

By: A. J. Paz  
A. J. Paz, Director of Real Estate

By: Lawrence Frisina  
Lawrence Frisina, President

Reminder: Did you complete all of the required information in Schedules A and B? Were you required to complete Schedule C? If you checked "e" in Schedule A, did you complete TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in New York City, to the NYC Department of Finance? If no recording is required, send your check(s), made payable to Department of Taxation and Finance, directly to the NYS Tax Department, TTB-Transfer Tax, PO Box 5045, Albany NY 12205-5045.



FOR COUNTY USE ONLY

C1. SWIS Code \_\_\_\_\_  
C2. Date Deed Recorded \_\_\_\_\_  
Month / Day / Year  
C3. Book \_\_\_\_\_ C4. Page \_\_\_\_\_



**REAL PROPERTY TRANSFER REPORT**  
STATE OF NEW YORK  
STATE BOARD OF REAL PROPERTY SERVICES  
**RP - 5217**  
RP-5217 Rev 3/97

**PROPERTY INFORMATION**

1. Property Location: 1 Grumman Road West  
STREET NUMBER STREET NAME  
Oyster Bay Bethpage 11714  
CITY OR TOWN VILLAGE ZIP CODE

2. Buyer Name: Distribution Traffic Services, Inc.  
LAST NAME / COMPANY FIRST NAME

3. Tax Billing Address: \_\_\_\_\_  
Indicate where future Tax Bills are to be sent if other than buyer address (at bottom of form)  
LAST NAME / COMPANY FIRST NAME  
STREET NUMBER AND STREET NAME CITY OR TOWN STATE ZIP CODE

4. Indicate the number of Assessment Roll parcels transferred on the deed 2 # of Parcels OR  Part of a Parcel (Only if Part of a Parcel) Check as they apply:  
4A. Planning Board with Subdivision Authority Exists   
4B. Subdivision Approval was Required for Transfer   
4C. Parcel Approved for Subdivision with Map Provided

5. Deed Property Size: X 2.49.9  
FRONT FEET DEPTH OR ACRES

6. Seller Name: \_\_\_\_\_  
LAST NAME / COMPANY FIRST NAME

7. Check the box below which most accurately describes the use of the property at the time of sale: Check the boxes below as they apply:  
A  One Family Residential E  Agricultural I  Community Service  
B  2 or 3 Family Residential F  Commercial J  Industrial  
C  Residential Vacant Land G  Apartment K  Public Service  
D  Non-Residential Vacant Land H  Entertainment / Amusement L  Forest  
8. Ownership Type is Condominium   
9. New Construction on Vacant Land   
10A. Property Located within an Agricultural District   
10B. Buyer received a disclosure notice indicating that the property is in an Agricultural District

**SALE INFORMATION**

11. Sale Contract Date: 3 / 7 / 03  
Month Day Year

12. Date of Sale / Transfer: 5 / 23 / 03  
Month Day Year

13. Full Sale Price: 1,137,367.00  
(Full Sale Price is the total amount paid for the property including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) Please round to the nearest whole dollar amount.

14. Indicate the value of personal property included in the sale: 0.00

15. Check one or more of these conditions as applicable to transfer:  
A  Sale Between Relatives or Former Relatives  
B  Sale Between Related Companies or Partners in Business  
C  One of the Buyers is also a Seller  
D  Buyer or Seller is Government Agency or Lending Institution  
E  Deed Type not Warranty or Bargain and Sale (Specify Below)  
F  Sale of Fractional or Less than Fee Interest (Specify Below)  
G  Significant Change in Property Between Taxable Status and Sale Date  
H  Sale of Business is Included in Sale Price  
I  Other Unusual Factors Affecting Sale Price (Specify Below)  
J  None

**ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill**

16. Year of Assessment Roll from which information taken: 03 17. Total Assessed Value (of all parcels in transfer): 1,711,781

18. Property Class: 7.1.0-14 19. School District Name: Bethpage School District 21

20. Tax Map Identifier(s) / Roll Identifier(s) (If more than four, attach sheet with additional identifier(s))  
Section 46, Block 323, Lots 248 and 249

**CERTIFICATION**

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and I understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

**BUYER**  
DISTRIBUTION TRAFFIC SERVICES, INC.  
By: Lawrence Frisina 5/23/03  
BUYER SIGNATURE DATE  
100 West Industry Court  
STREET NUMBER STREET NAME (AFTER SALE)  
Deer Park NY 11729  
CITY OR TOWN STATE ZIP CODE

**BUYER'S ATTORNEY**  
Buckvar Morton  
LAST NAME FIRST NAME  
212 962-2173  
AREA CODE TELEPHONE NUMBER

**SELLER**  
NORTHROP GRUMMAN SYSTEMS CORPORATION  
By: [Signature] MAY 16, 2003  
SELLER SIGNATURE DATE

NEW YORK STATE  
COPY

7.4 Buyer's Acknowledgment. Buyer acknowledges and agrees that as of the expiration of the Due Diligence Period, Buyer shall have had the complete opportunity to review and evaluate the condition of the Property including, without limitation, environmental conditions, drainage, title, zoning, the developability of the Property, the availability of utility services to the Property, the subdivision of the Property, the compliance of the Property with applicable law, and any other matter pertinent to Buyer's inspection of the Property. Subject to the terms of this Contract, Buyer agrees to accept the Property in its "as is" condition in accordance with paragraph "6" hereof.

## 8. ENVIRONMENTAL MATTERS

8.1 Environmental Conditions. Seller has performed an environmental site assessment of the Property ("ESA") and has provided Buyer with the ESA reports described in Exhibit "K" hereto.

### 8.2 Seller's Remedial Work.

8.2(a) UIC Remediation. (i) Seller has performed an investigation regarding underground injection control ("UIC") features at the Property. The results of that investigation are the reports listed as items 9 and 11 in Exhibit "K" hereto. Based on those reports, a UIC closure plan was prepared (item 12 in Exhibit "K") and submitted to the United States Environmental Protection Agency ("EPA"). The UIC closure plan, which sets the remedial goals for the UIC closures, was approved by EPA and closure of the UIC features was performed in accordance with the closure plan. The closure reports, items 14, 15, 19, 22, 23 and 28 listed in Exhibit "K" hereto, describe the closure work, including what materials were removed and sent off-site and the end-point sampling results used to demonstrate that the remedial goals had been met. Item 29 listed in Exhibit "K" hereto contains a certification from Seller's environmental consultant, Dvirka & Bartilucci (D&B) certifying that the closure work was done in accordance with the approved closure plan. Based on the closure reports, EPA has issued No Further Action letters or similar documents approving the completion of the remedial work ("NFAs") for all UIC structures.

(ii) Buyer has reviewed the UIC reports, including the UIC closure plan and closure reports and is therefore familiar with what levels of contamination EPA has permitted to remain on site. Buyer acknowledges that waivers, releases and indemnity provided in paragraphs "6.1", "8.3" and "8.4" herein apply to the UIC features and any hazardous materials related to those features.

8.2(b) Non-UIC Remediation. (i) Seller has performed an investigation regarding non-UIC environmental conditions at the Property. The results of that investigation, items 4, 5 and 8 listed in Exhibit "K" hereto, were forwarded to the New York State Department of Environmental Conservation ("DEC") RCRA group for review. Based on those reports, a remediation work plan was prepared, submitted to the DEC RCRA group and approved by the DEC RCRA group. The approved remediation work plan is item 10 listed in Exhibit "K"

hereto. Seller has performed the remedial work in accordance with the remediation work plan and has submitted the completion report to the DEC RCRA group with a request for an NFA. Item 29 listed in Exhibit "K" hereto, contains a certification from D&B certifying that the work was performed in accordance with the approved DEC RCRA remediation work plan. The NFA received from DEC is item 27 on Exhibit "K".

(ii) The remediation work plan provides for an industrial cleanup standard, specifying the concentrations of specific constituents of concern that may remain on site. Buyer has reviewed the remediation work plan and the completion report, is familiar with what constituents of concern DEC has permitted to remain on site and the location of those constituents of concern. Buyer acknowledges that the releases, waivers and indemnity provided in paragraphs "6.1", "8.3" and "8.4" herein apply to these remaining constituents of concern.

8.2(c) Petroleum Spill Remediations. (i) There are two (2) active petroleum spill remediations on site, associated with a former fuel depot and a boiler area. An investigation was performed and, based on the results of the investigation (items 7, 13 and 21 listed in Exhibit "K" hereto), remedial work plans were prepared and submitted to DEC. DEC has approved the remedial work plans and remediation of both spills has begun. Seller's consultant estimates that the remedial goals for both will be achieved in approximately 3 to 5 years, although Buyer acknowledges and agrees that neither Seller nor its remediation contractor is bound to such time frame.

(ii) Seller shall complete the remediation of the petroleum spills and, upon completion, provide NFAs to Buyer upon issuance thereof by DEC.

(iii) Buyer has reviewed the remedial work plans and the remedial goals contained therein and acknowledges that the releases and waivers provided in paragraphs "6.1", "8.3" and "8.4" herein, apply to the areas being remediated.

8.3 Waiver and Release. Except for claims arising out of the alleged breach of Seller's obligation regarding the NFA as provided in paragraph "8.2(c)" above, Buyer, on behalf of itself and its successors and assigns, waives Buyer's right to recover from, and forever releases and discharges, Seller, Seller's parent, and the affiliates, directors, officers, managers, shareholders, employees and agents of Seller and Seller's parent, for, from and against any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and court costs), whether direct or indirect, known or unknown, foreseen or unforeseen, latent or patent, that may arise on account of or in any way be connected with the Property, the condition of the Property, or any law, regulation, order, decree or directive applicable thereto, including, without limitation, environmental laws. Without limiting the generality of the foregoing, Seller shall have no liability to Buyer with respect to property conditions under common law, or any federal, state, or local law or regulation, including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., as amended; the Resource Conservation and

Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., as amended; the Clean Air Act ("CAA"), 42 U.S.C. 7401 et seq., as amended; the Clean Water Act ("CWA"), 33 U.S.C. 1251 et seq., as amended, and Buyer hereby releases and waives any and all claims which Buyer has or may have against Seller, its subsidiaries, parent, affiliates, officers, directors, managers, shareholders, employees and agents with respect to the condition of the Property. Buyer hereby agrees, represents and warrants that Buyer recognizes and acknowledges that factual matters now unknown to Buyer may give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Buyer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit Seller from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included in the waivers and matters released as set forth above, and that the provisions hereof are material and included as a material portion of the consideration given to Seller by Buyer in exchange for Seller's performance under this Contract. Upon Seller's delivery of each NFA in accordance with paragraph "8.2(c)", above, the waiver and release contained in this paragraph shall be effective as to areas remediated to obtain the NFA. Seller, at its sole cost and expense, will provide to Buyer at Closing an environmental insurance policy with a coverage limit of \$10,000,000.00 for ten (10) years. The policy will generally provide coverage for remediation of unknown conditions and third party personal injury and property damage claims. The policy will be available for Buyer's review and comment during the Due Diligence Period. The policy will have a self insured retention of \$100,000.00 and Buyer shall be responsible for the self insured retention. Buyer will be named as an additional insured in the policy. Buyer shall give all notices required by the policy in a timely fashion and provide Seller with copies of all notices to the insurer under the policy.

8.4 Buyer's Indemnity. Buyer accepts all responsibility for the condition of the Property, including, without limitation, any hazardous materials that may be present and the restrictions set forth in the Deed, and hereby agrees to indemnify, defend by legal counsel selected by Buyer to the reasonable satisfaction of Seller, and hold Seller, Seller's parent and their affiliates, directors, officers, managers, shareholders, employees and agents harmless from and against all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, judgments, costs and expenses (including, without limitation, attorney's fees and court costs) arising out of or related to the condition of the Property or any hazardous materials present at the Property (whether direct or indirect, known or unknown, foreseen or unforeseen, latent or patent), the breach of any covenant set forth in the Deed or any act or omission of Buyer or its employees, contractors or agents that is contrary to any restriction imposed on the Property by the DEC.

8.5 Access. At Closing, the parties will execute the Declaration of Environmental Easement, attached hereto as Exhibit "J", which describes Seller's rights to access the Property after Closing for environmental activities.

8.6 Deed Restrictions.

(a) The Deed will contain language that prohibits the use of the Property for

certain uses such as for residential uses or schools, unless further environmental work is performed. It will also include language in the Deed that notifies future purchasers of the use restriction and that further requires that certain areas of the Property remain capped or covered to prevent exposure to hazardous materials. Buyer acknowledges that it accepts the Deed restrictions and agrees to comply with the use limitations and other requirements.

(b) The Deed will also include a covenant of Buyer, which will run with the land and be binding on all future purchasers of the Property, which will provide that Buyer and all successive owners of the Property waive and release Seller, and its successors and assigns, in accordance with paragraph "8.3" above.

8.7 Confidentiality. Any and all of the environmental assessments, studies, test results, reports, plans, records and documents regarding the Property given to or in receipt of Buyer and/or its officers, employees, agents, contractors and lenders, shall be held in confidence and shall not be disclosed to any third party unless permitted by Seller, in writing, required under applicable laws or permitted by that certain Confidentiality Agreement executed by the parties dated May 23, 2002 (the "Confidentiality Agreement"). Buyer shall not contact or communicate with EPA, DEC or any regulatory agency with regard to the Property without the express written permission of Seller. Any contact or communication by Buyer in violation of this paragraph shall relieve Seller of its obligations regarding the NFAs.

## 9. FACILITY COMMITMENTS

9.1 Drainage. As provided in the Recharge Basin Easement in Exhibit "F" hereto, Seller shall grant to Buyer as of the Closing Date, the non-exclusive right to discharge surface water from the Property to the designated recharge basins owned and operated by Seller for naturally occurring storm water run-off from the Property. Buyer shall pay its pro-rata share of the real property taxes, tax assessments and repair and maintenance costs incurred by Seller in connection with its ownership and operation of the Recharge Basins as provided in the Recharge Basin Easement (Exhibit "F"), based on the ratio of the acreage of the Property to the total acreage of all properties that use the Recharge Basins. The cost/share ratio for the Property is estimated to be 14.1%. Buyer shall be responsible for any drainage water from the Property that contains Hazardous Materials from sources on or off the Property which enter and run through the drains on the Property not caused by Seller. Buyer shall not conduct any activity which will result in an increase of volume of run-off into the Recharge Basins in excess of that occurring as of the Closing Date.

9.2 Electricity. From and after Closing, Buyer shall, at its sole cost and expense, arrange for electric service, if any, to the Property and the improvements thereon from the applicable electric utility provider.

9.3 Gas. From and after Closing, Buyer shall, at its sole cost and expense, arrange for gas service, if any, to the Property and the improvements thereon from the applicable gas utility provider.

## DECLARATION OF ENVIRONMENTAL EASEMENT

THIS DECLARATION OF ENVIRONMENTAL EASEMENT (this "Declaration"), is made as of the <sup>23<sup>rd</sup></sup> day of May, 2003 by and between **DISTRIBUTION TRAFFIC SERVICES, INC.**, a New York corporation with offices located at 100 West Industry Court, Deer Park, New York 11729 (hereinafter referred to as the "Grantor") and **NORTHROP GRUMMAN SYSTEMS CORPORATION**, a Delaware corporation, with offices located at 1840 Century Park East, Los Angeles, California 90067-2199 (hereinafter referred to as the "Grantee"). (Grantor and Grantee are sometimes collectively referred to as the "parties" or individually as a "party".)

### WITNESSETH:

**WHEREAS**, Grantee conveyed to Grantor the fee simple interest in those parcels of land and the improvements located thereon, more particularly described in Exhibit "A", attached hereto (the "Grantor's Premises"), and as shown on the survey attached hereto as Exhibit "B"; and

**WHEREAS**, Grantee has performed environmental remedial work at the Grantor's Premises and requires continuing access to Grantor's Premises to perform additional remedial work; and

**WHEREAS**, Grantor desires to grant to Grantee for the benefit of Grantee and Grantee desires to reserve and to accept from Grantor for the benefit of Grantee an easement in, under, on, upon, through, across and along the Grantor's Premises as described below.

**NOW, THEREFORE**, in consideration of the mutual agreements made herein between Grantee and Grantor, and in further consideration of Ten (\$10.00) Dollars and other good and valuable consideration paid by the Grantee to the Grantor, the receipt and legal sufficiency of which is hereby acknowledged, the parties hereto covenant as follows:

1. **Definitions.**

- A. "Effective Date" means the date of this document set forth above.
- B. "Grantor's Premises" means those certain parcels of land and the improvements located thereon, more particularly described in Exhibit "A".
- C. "Persons" means any person, employee, individual, corporation, unincorporated association, partnership, trust, federal, state or local governmental agency, authority or other private or public entity.

D. "Occupant" or "Occupants" means Grantor and any tenant, subtenant, licensee and any other holder of a legal estate or rights with regard to the Grantor's Premises that is in possession of any portion of the Grantor's Premises.

E. "Environmental Actions" means any complaint, summons, citation, notice of violation, notice of potential liability, directive, order, claim, litigation, proceeding or judgment from any governmental agency, department, bureau or office involving Environmental Conditions or violations of Environmental Laws at, on, into or out of the Property.

F. "Environmental Conditions" means the presence on, in or under the Property of Hazardous Materials at levels of contamination that require Remediation under standards required by Environmental Laws.

G. "Environmental Laws" means the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., as amended; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., as amended; the Clean Air Act ("CAA"), 42 U.S.C. 7401 et seq., as amended; the Clean Water Act ("CWA"), 33 U.S.C. 1251 et seq., as amended; and any other federal, state, local or municipal laws, statutes, regulations, rules or ordinances imposing liability or establishing standards for protection of the environment.

H. "Hazardous Materials" means any element, compound or chemical (excluding asbestos), that is defined, listed or otherwise classified as a pollutant, toxic pollutant, toxic or hazardous waste, special waste, or hazardous substance under Environmental Laws.

I. "Remediation" or "Remediate" means all work performed or to be performed to investigate, characterize and remove, contain, dispose, treat, or otherwise deal with Environmental Conditions in order to render the Property in compliance with applicable Environmental Laws. For purposes of this definition, Remediation shall be complete when the appropriate governmental agency states that no further action is required, or, if no governmental agency is involved, when Grantee is advised by its independent professional environmental consultant that all requirements of Environmental Law have been satisfied and Grantee provides Grantor with written notice thereof.

## 2. Exhibits.

The following Exhibits are incorporated herein by reference:

Exhibit "A"	Legal Description of Grantor's Premises
Exhibit "B"	Survey of Grantor's Premises

### 3. Easement and Covenants.

A. Easement. Grantor hereby grants and conveys to Grantee a perpetual, nonexclusive and permanent easement in, under, on, over through and across the Grantor's Premises to enter upon the Grantor's Premises as reasonably necessary to remediate Environmental Conditions and to respond to Environmental Actions, together with reasonable rights of ingress and egress to and from the Grantee's Premises (the "Easement").

#### B. Covenants.

(a) Grantee's Access and Use. Subject to the terms and conditions of this Declaration, Grantee shall have the uninterrupted access to and use of the Easement, provided Grantee shall diligently pursue to completion its response to the subject Environmental Action and any required Remediation, as determined by Grantee or its independent professional consultant.

(b) Cooperation. Grantor and Grantee agree to cooperate with each other to carry out the purposes of the Easement in a manner that minimizes the effects of the Easement on Grantor, the Occupants and Grantor's Premises and the obligations of Grantee.

(c) Further Acts. Grantor and Grantee agree to perform any further acts and execute, deliver and record, if necessary, any further documents as may be reasonably necessary to carry out the purposes of this Declaration and, without limiting the generality of the foregoing, either party, as the case may be, shall execute any permits, applications and other documents necessary in connection with the Easement.

(d) Restoration. If Grantee performs any excavation at the Grantor's Premises in connection with the exercise of its Easement, Grantee shall be obligated to back fill with the material that was excavated on non-paved surfaces, and to cold patch in the area that was excavated on paved surfaces.

### 4. Notices For Entry.

Grantee may enter the Grantor's Premises with two (2) days prior notice or, in the case of an emergency, with written notice promptly after such entry. Grantee may enter such portions of the Grantor's Premises within ordinary business hours, unless Grantor approves the entry at other hours, such approval not to be unreasonably withheld or delayed. Each notice shall be given by Grantee to Grantor at the address set forth in paragraph "5.B" below or the last known owner of the Grantor's Premises at the address provided and in the manner required by paragraph "5.B". The notice shall describe the activities to be performed and when and where they will be performed. For purposes of this notice requirement, each subsequent owner of the Grantor's Premises or any portion thereof shall, from time to time as ownership transfers, deliver to Grantee in writing such owner's name, address and telephone number. Each notice by Grantee pursuant to this paragraph "4" shall be given to the last known owner of the Grantor's Premises or any portion thereof based on such



written notice of ownership transfer or other public record, if any. Grantee's tender of notice to such last known owner (whether or not received) or the posting of such notice at the Grantor's Premises or such portion of the Grantor's Premises shall constitute proper notice under this paragraph "4".

**5. Miscellaneous.**

A. No Waiver. Notwithstanding anything to the contrary contained herein, any failure of Grantor or Grantee to exercise its right to perform or to institute suit for the specific performance of any covenant contained in this Declaration or to recover damages resulting from the non-performance of any such covenant or take action as permitted hereunder on any given occasion shall in no way constitute a waiver with regard to such occasion or any other or future occasion.

B. Notices. All notices required to be given or given under this Declaration may be given by the attorney for either party with the same force and effect as if given by a party hereto, and all such notices shall be sent by courier service (such as Federal Express) with receipt, as follows: if to Grantor: to the address set forth above; if to Grantee: to the address set forth above to the attention of Corporate Real Estate, with a copy in a like manner to Northrop Grumman Systems Corporation, 1840 Century Park East, Los Angeles, California 90067-2199, Attn: Corporate Real Estate-Legal Notices, with a copy to Environmental Technology and Compliance Group c/o Northrop Grumman Systems Corporation, Building 25, 600 Grumman Road West, Bethpage, New York 11714, Attn: Larry Leskovjan or his successor. All notices shall be deemed given upon the date the notices are received with receipt or refused by the addressee, whichever is earlier. Either party may change the address to which notices are to be given by a notice pursuant to this paragraph. In the event of a transfer of the respective property by either party, then such transferring party shall notify the other party of the name and address of the transferee within ten (10) days of such transfer.

C. Run with the Land. Grantor grants and Grantee reserves and accepts the grant of the Easement subject to the covenants and agreements herein set forth which shall, without exception, run with the land and be construed as covenants running with the land and bind all future owners and Occupants.

D. Modifications Only in Writing. This Declaration may not be modified or terminated nor may any of its provisions be waived orally, except by an instrument in writing and in recordable form signed by the parties.

E. Severability. If any provision of this Declaration, or the application thereof to any person or circumstance, is found to be invalid under applicable law, the remainder of the provisions of this Declaration, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

F. Successors. The covenants, terms, conditions, and restrictions of this Declaration shall be binding upon, and inure to the benefit of the Grantor and Grantee and their respective successors and permitted assigns and shall continue as a servitude running in perpetuity with the

Grantor's Premises.

G. Assignment. Grantee may assign its rights under this Declaration and record an instrument with the Nassau County Clerk regarding such assignment.

H. Captions. The captions herein are for convenience or reference only, and do not determine or limit the meaning of this Declaration.

I. Attorneys' Fees. In any legal or equitable proceedings for enforcement, or to restrain the violation of these restrictions or any provision hereof, the losing party shall pay to the prevailing party the prevailing party's reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such proceedings. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.

J. Indemnity. Each party (the "Indemnitor") covenants for itself, its successors and assigns, to hold harmless, indemnify and defend the other (the "Indemnitee"), its successors and assigns, from and against any and all claims, suits, losses, damages, costs and liabilities (including reasonable attorney fees and disbursements) on account of injury or death of any person or persons whatsoever or damage to any property, whatsoever arising out of or in connection with (i) the use of the Easement by the Indemnitor, its successors, assigns, tenants, employees and agents, except to the extent arising out of the negligence or wilful misconduct of the Indemnitee; or (ii) breach of any of the covenants and agreements contained in this Declaration.

IN WITNESS WHEREOF, the parties hereto have executed one or more copies of this Agreement effective as of the date last written below.

**Grantor:**

**DISTRIBUTION TRAFFIC SERVICES, INC.**

By:  \_\_\_\_\_


Name: Lawrence Frisina

Its: President

Date: 5/23/2003 \_\_\_\_\_

**Grantee:**

**NORTHROP GRUMMAN SYSTEMS CORPORATION**

By:  \_\_\_\_\_

Name: A.J. Paz

Its: Director of Real Estate

Date: May 16, 2003 \_\_\_\_\_

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK )

On the 23<sup>rd</sup> day of May, 2003, before me, the undersigned, a notary public in and for said state, personally appeared LAWRENCE FRISINA personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

*Carolyn Lamonica*  
Notary Public

CAROLYN LAMONICA  
Notary Public, State of New York  
No. 01LA6027901  
Qualified In Suffolk County 2005  
Commission Expires July 19, 2005

STATE OF CALIFORNIA )  
 ) ss.:  
COUNTY OF LOS ANGELES )

On the 16<sup>th</sup> day of May, 2003, before me, the undersigned, a notary public in and for said state, personally appeared A. J. PAZ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



*Jennifer Matney*  
Notary Public

EXHIBIT A - DESCRIPTION

ALL that certain plot, piece or parcel of land, situate, lying and being at Bethpage, in the Town of Oyster Bay, County of Nassau and State of New York, known and designated as and by Lots 14 and 15 on a certain map entitled, "Map of Grumman Industrial Park, surveyed and compiled by Albert A. Bianco, Professional Land Surveyor," which map was filed in the Nassau County Clerk's Office on September 28, 1999 under Map No. 9515, and being bounded and described as follows:

BEGINNING at a point on the northeasterly side of Grumman Road distant 828.10 feet northerly from the corner formed by the intersection of the easterly side of Grumman Road with the northerly side of Central Avenue;

Running thence along the northerly and northeasterly side of Grumman Road the following three (3) courses and distances:

- 1). South 89 degrees 49 minutes 04 seconds West 48.11 feet;
- 2). Northwesterly along the arc of a curve bearing to the left having a radius of 308.79 feet a distance of 104.04 feet;
- 3). North 49 degrees 43 minutes 41 seconds West 1577.29 feet;

Thence North 40 degrees 16minutes 19 seconds East 569.06 feet;

Thence South 49 degrees 43minutes 41 seconds East 19.00 feet;

Thence North 40 degrees 16minutes 19 seconds East 146.85 feet to lands now or formerly of the Long Island Railroad;

Thence along said last mentioned land South 49 degrees 42minutes 13 seconds East 1454.75 feet;

Thence South 40 degrees 17minutes 05 seconds West 238.09 feet;

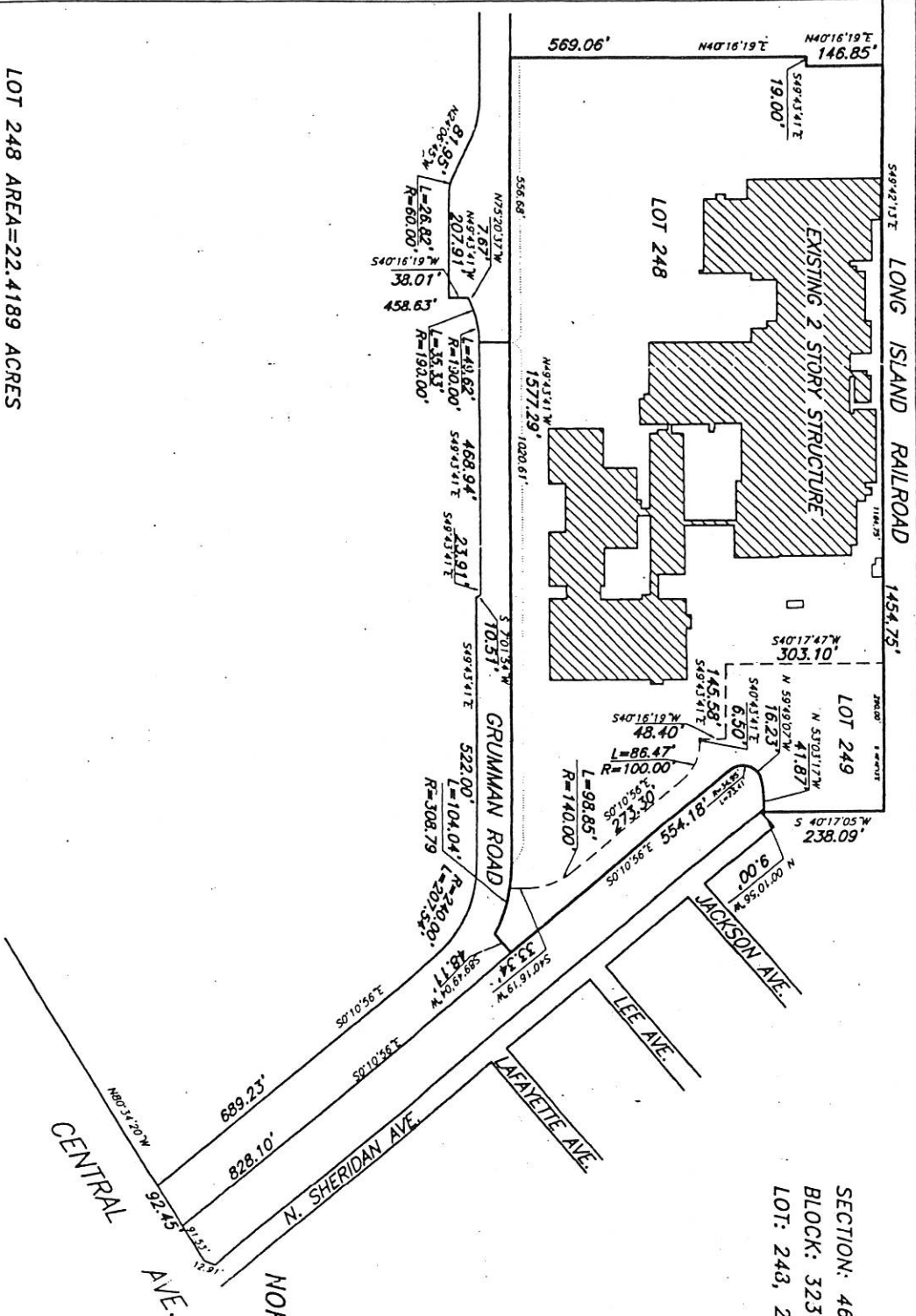
Thence North 53 degrees 03minutes 17 seconds West 41.87 feet;

Thence North 59 degrees 49minutes 07 seconds West 16.23 feet;

Thence Southwesterly and southerly along the arc of a curve bearing to the left having a radius of 34.95 feet a distance of 73.41 feet;

Thence South 00 degrees 10minutes 56 seconds East 554.18 feet to the northeasterly side of Grumman Road at the point or place of BEGINNING.

LOT 248 AREA=22.4189 ACRES  
LOT 249 AREA=2.5793 ACRES



SECTION: 46  
BLOCK: 323  
LOT: 248, 249

APRIL 11, 2002-LOT 249 10000

PREPARED FEBRUARY 9, 2000

SURVEY OF PROPERTY  
AT  
BETHPAGE  
IN  
NORTHROP GRUMMAN CORP.

BY  
**ALBERT A. BIANCO**  
Professional Land Surveyor - City Surveyor  
MASSACHUSETTS REG. NO. 11500  
NEW YORK REG. NO. 1700

*Albert A. Bianco*

**DECLARATION OF ENVIRONMENTAL EASEMENT BY AND BETWEEN  
DISTRIBUTION TRAFFIC SERVICES, INC.**

**AND**

**NORTHROP GRUMMAN SYSTEMS CORPORATION**

SECTION: 46  
BLOCK: 323  
LOTS: 248 and 249  
COUNTY: NASSAU

**Record and return to:**

FORCHELLI, CURTO, SCHWARTZ, MINEO,  
CARLINO & COHN, LLP  
330 Old Country Road  
P.O. Box 31  
Mineola, New York 11501

Attn: Brian R. Sahn, Esq.



New York State Department of Taxation and Finance  
**Combined Real Estate  
 Transfer Tax Return and  
 Credit Line Mortgage Certificate**

Recording Office Time Stamp

See instructions (TP-584-1) before completing this form. Please print or type.

**Schedule A — Information Relating to Conveyance**

<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other	Grantor	Name (if individual; last, first, middle initial)	Social Security Number	
		Distribution Traffic Services, Inc.		
		Mailing address	Social Security Number	
		100 West Industry Court		
	City	State	ZIP code	Federal employer ident. number
	Deer Park	NY	11729	06   1681043
				Social Security Number
<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other	Grantee	Name (if individual; last, first, middle initial)	Social Security Number	
		Northrop Grumman Systems Corporation		
		Mailing address	Social Security Number	
		1840 Century Park East		
	City	State	ZIP code	Federal employer ident. number
	Los Angeles	CA	90067-2199	95   1055798

Location and description of property conveyed

Tax map designation			Address	City/Village	Town	County
Section	Block	Lot				
46	323	248 & 249	1 Grumman Road West	Bethpage	Oyster Bay	Nassau

Type of property conveyed (check applicable box)

- 1  1 - 3 family house
- 2  Residential cooperative
- 3  Residential condominium
- 4  Vacant land
- 5  Commercial/Industrial
- 6  Apartment building
- 7  Office building
- 8  Other Easement

Date of conveyance

5	23	03
month	day	year

Percentage of real property conveyed which is residential real property 0 %  
 (see instructions)

Condition of conveyance (check all that apply)

- a. - Conveyance of fee interest
- b. - Acquisition of a controlling interest (state percentage acquired \_\_\_\_\_ %)
- c. - Transfer of a controlling interest (state percentage transferred \_\_\_\_\_ %)
- d. - Conveyance to cooperative housing corporation
- e. - Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest (attach Form TP-584.1, Schedule E)
- f. - Conveyance which consists of a mere change of identity or form of ownership or organization (attach Form TP-584.1, Schedule F)
- g. - Conveyance for which credit for tax previously paid will be claimed (attach Form TP-584.1, Schedule G)
- h. - Conveyance of cooperative apartment(s)
- i. - Syndication
- j. - Conveyance of air rights or development rights
- k. - Contract assignment
- l. - Option assignment or surrender
- m. - Leasehold assignment or surrender
- n. - Leasehold grant
- o.  Conveyance of an easement
- p. - Conveyance for which exemption from transfer tax is claimed (complete Schedule B, Part III)
- q. - Conveyance of property partly within and partly without the state
- r. - Other (describe) \_\_\_\_\_

**Schedule B — Real Estate Transfer Tax Return (Article 31 of the Tax Law)**

Part I — Computation of Tax Due

1 Enter amount of consideration for the conveyance (If you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III)  Exemption claimed

2 Continuing lien deduction (see instructions if property is taken subject to mortgage or lien)

3 Taxable consideration (subtract line 2 from line 1)

4 Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3

5 Amount of credit claimed (see instructions and attach Form TP-584.1, Schedule G)

6 Total tax due\* (subtract line 5 from line 4)

1	-	0	-
2	(-	0	-)
3	-	0	-
4	-	0	-
5	(-	0	-)
6	-	0	-

Part II — Computation of Additional Tax Due on the Conveyance of Residential Real Property for \$1 Million or More

1 Enter amount of consideration for conveyance (from Part I, line 1)

2 Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property; see instructions)

3 Total additional transfer tax due\* (1% of line 2)

1	
2	
3	

\*Please make check(s) payable to the county clerk where the recording is to take place or if the recording is to take place in New York City, make check(s) payable to the NYC Department of Finance. If no recording is required, send this return and your check(s) made payable to the Department of Taxation and Finance, directly to the NYS Tax Department, TTTB-Transfer Tax, PO Box 5045, Albany NY 12205-5045.

For recording officer's use	Amount received	Date received	Transaction number
	Part I \$ _____ Part II \$ _____		



**Schedule B — (continued)**

**Part III — Explanation of Exemption Claimed in Part I, line 1 (check any boxes that apply)**

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- a. Conveyance is to the United Nations, the United States of America, the state of New York or any of their instrumentalities, agencies or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada).  a
- b. Conveyance is to secure a debt or other obligation.  b
- c. Conveyance is without additional consideration to confirm, correct, modify or supplement a prior conveyance.  c
- d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts.  d
- e. Conveyance is given in connection with a tax sale.  e
- f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F.  f
- g. Conveyance consists of deed of partition.  g
- h. Conveyance is given pursuant to the federal bankruptcy act.  h
- i. Conveyance consists of the execution of a contract to sell real property without the use or occupancy of such property or the granting of an option to purchase real property without the use or occupancy of such property.  i
- j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a 1-, 2-, or 3-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment.  j
- k. Conveyance is not a conveyance within the meaning of section 1401(e) of Article 31 of the Tax Law (attach documents supporting such claim).  k
- l. Other (attach explanation) Conveyance of easement without consideration.  l

**Schedule C — Credit Line Mortgage Certificate (Article 11 of the Tax Law)**

Complete the following only if the interest being transferred is a fee simple interest.

I (we) certify that: (check the appropriate box)

- 1  The real property being sold or transferred is not subject to an outstanding credit line mortgage.
- 2  The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
  - The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
  - The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
  - The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee or other officer of a court.
  - The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more and the real property being sold or transferred is not principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.
  - Please note:** for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.
  - Other (attach detailed explanation).
- 3  The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
  - A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
  - A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
- 4  The real property being transferred is subject to an outstanding credit line mortgage recorded in \_\_\_\_\_ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is \_\_\_\_\_. No exemption from tax is claimed and the tax of \_\_\_\_\_ is being paid herewith. (Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City, make check payable to the NYC Department of Finance.)

**Signature (both the grantor(s) and grantee(s) must sign).**

The undersigned certify that the above return, including any certification, schedule or attachment, is to the best of his/her knowledge, true and complete.

Distribution Traffic Services, Inc.

Northrop Grumman Systems Corporation

By: Lawrence Frisina  
Grantor  
Lawrence Frisina, President

By: A. J. Paz  
Grantee  
A. J. Paz, Director of Real Estate

Reminder: Did you complete all of the required information in Schedules A and B? Were you required to complete Schedule C? If you checked e, f or g in Schedule A, did you complete TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in New York City, to the NYC Department of Finance? If no recording is required, send your check(s), made payable to the Department of Taxation and Finance, directly to the NYS Tax Department, TTB-Transfer Tax, PO Box 5045, Albany NY 12205-5045.