

In the Matter of the Implementation of a Remedial Program
for an Inactive Hazardous Waste Disposal Site, Under Article
27, Title 13, and Article 71, Title 27 of the Environmental
Conservation Law of the State of New York by:

CROSMAN CORPORATION

and

NEW COLEMAN HOLDINGS, INC.,

Respondents.

**ORDER
ON
CONSENT**

Site Code #835012
Index #B8-0404-92-04

WHEREAS,

1. The New York State Department of Environmental Conservation (the "Department") is responsible for enforcement of Article 27, Title 13 of the Environmental Conservation Law of the State of New York ("ECL"), entitled "Inactive Hazardous Waste Disposal Sites." This Order is issued pursuant to the Department's authority under, inter alia, ECL Article 27, Title 13 and ECL 3-0301.

2. Crosman Corporation and New Coleman Holdings, Inc., the latter formerly known as Coleman, Inc., ("Respondents") are organized in the states of Delaware and Kansas respectively. Airguns and related products are manufactured at a facility located on a 53-acre site on Routes 5 & 20 in East Bloomfield, New York (hereinafter referred to as "the Site"). A map of the site is attached to this Order as Appendix "A." The facility had used trichloroethylene ("TCE") in its manufacturing processes which use was permanently discontinued in July 1995.

3. Respondents entered into an Order on Consent with the Department on September 23, 1993 which permitted Respondents to perform an interim remedial measure ("IRM") and required them to perform a Remedial Investigation/Feasibility Study ("RI/FS")

concerning the nature and extent of the contaminants at the Site, the results of which are contained in reports approved by the Department.

4. The Department alleges that the Site is an inactive hazardous waste disposal site, as that term is defined under ECL 27-1301.2, and presents a significant threat to the public health or environment. The Site has been listed in the Registry of Inactive Hazardous Waste Disposal Sites in New York State as Site Number 835012. The Department has classified the Site as a Class "2" site pursuant to ECL 27-1305.4.b.5.

5. A. Pursuant to ECL 27-1313.3.a, whenever the Commissioner of Environmental Conservation (the "Commissioner") "finds that hazardous wastes at an inactive hazardous waste disposal site constitute a significant threat to the environment, he may order the owner of such site and/or any person responsible for the disposal of hazardous wastes at such site (i) to develop an inactive hazardous waste disposal site remedial program, subject to the approval of the Department, at such site, and (ii) to implement such program within reasonable time limits specified in the order."

B. Any person under order pursuant to ECL 27-1313.3.a has a duty imposed by ECL Article 27, Title 13 to carry out the remedial program committed to under such order. ECL 71-2705 provides that any person who fails to perform any duty imposed by ECL Article 27, Title 13 shall be liable for civil, administrative and/or criminal sanctions.

C. The Department also has the power, inter alia, to provide for the prevention and abatement of all water, land, and air pollution. See, e.g., ECL 3-0301.1.i.

6. Following a period of public comment on the remedial alternatives presented in the Proposed Remedial Action Plan for the Site, the Department selected a final remedy for the Site in a Record of Decision dated March 26, 1997 ("ROD"). The ROD, attached to this Order

as Appendix "B," is incorporated as an enforceable part of this Order.

7. The Department and Respondents agree that the goals of this Order are for Respondents to (i) implement, in accordance with the ROD, an inactive hazardous waste disposal site remedial program ("Remedial Program") for the Site that shall include implementation, and operation, maintenance and monitoring of the selected remedial alternative; and (ii) reimburse the State's administrative costs.

8. Respondents have submitted, and the Department has approved, a remedial design/remedial action work plan entitled "Remedial Design/Remedial Action Work Plan Crosman Corporation Site East Bloomfield, New York 14443" dated May 15, 1997, as amended by Addendum #1, dated July 16, 1997, for implementing the selected remedial alternative ("Remedial Design"). The Remedial Design, attached to this Order as Appendix "C," is incorporated as an enforceable part of this Order.

9. Respondents, having waived their right to a hearing herein as provided by law, and having consented to the issuance and entry of this Order, agree to be bound by its terms. With respect to this Order and its terms, Respondents consent to and agree not to contest the authority or jurisdiction of the Department to issue or enforce this Order, and agree not to contest the validity of this Order or its terms. The recitals, findings, provisions, terms and conditions of this Order, however, shall not give rise to any presumption of law or finding of fact which shall inure to the benefit of any third party and shall not be deemed to be admissions of any kind on the part of either Respondent.

NOW, having considered this matter and being duly advised, IT IS ORDERED AND AGREED THAT:

I. Remedial Construction

A. Within the period of time specified in the Department-approved Remedial Design, which is attached hereto as Appendix "C," Respondents shall commence construction of the Remedial Design.

B. Respondents shall implement the selected remedial alternative in accordance with the Department-approved Remedial Design.

C. During implementation of all construction activities identified in the Remedial Design, Respondents shall have on-Site a full-time representative who is qualified to supervise the work done.

D. Within 60 days after completion of the construction activities specified in the Department-approved Remedial Design, Respondents shall submit to the Department "as-built" drawings and a Final Engineering Report (each including all changes made to the Remedial Design during construction); and a certification that the Remedial Design was constructed and that all construction activities were completed in accordance with the Department-approved Remedial Design. Within 60 days after the termination of operation of the soil vapor extraction ("SVE") system specified in the Department-approved Remedial Design, Respondents shall submit to the Department a detailed post-remedial operation and maintenance plan ("O&M Plan"). The O&M Plan, "as built" drawings, Final Engineering Report, and certification must be prepared by or for, and signed and sealed by, a professional engineer.

E. Within 60 days after receipt of the O&M Plan, the Department shall notify Respondents in writing whether the Department is satisfied with the O&M Plan. Upon the Department's approval of the O&M Plan, Respondents shall implement the O&M Plan in accordance with the requirements of the Department-approved O&M Plan.

F. Within 60 days after receipt of the "as-built" drawings, Final Engineering Report, and certification specified in Subparagraph I.D above, the Department shall notify Respondents in writing whether the Department is satisfied that all construction activities have been constructed and completed in compliance with the Department-approved Remedial Design. Before its acceptance and approval of the engineer's certification that construction was completed in accordance with the approved Remedial Design, the Department may seek to require Respondents to modify the Remedial Design and Construction if the Department determines that such modification is necessary due to:

(1) environmental conditions on-Site or off-Site which are related to the presence of hazardous wastes identified and described in the Department-approved RI for the Site and which were unknown to the Department at the time of the effective date of this Order; or

(2) information received, in whole or in part, after the effective date of this Order, where such unknown environmental conditions or such information indicates that the Remedial Program is not sufficiently protective of human health or the environment.

G. If, after review, the Department accepts and approves the engineer's certification that construction of the Remedial Program was completed in accordance with the approved Remedial Design, then, unless any element of the Remedial Design fails to achieve any of its objectives or otherwise fails to sufficiently protect human health or the environment, and except for the provisions of Paragraphs VI and VIII hereof, and except for the implementation of the O&M Plan, and any Natural Resource Damage claims that may arise, such acceptance shall constitute a release for each and every claim, demand, remedy or action whatsoever against Respondents, their directors, officers, employees, agents, successors and assigns, and their secured creditors, which the Department has or may have pursuant to Article 27, Title 13 of

the ECL relative to or arising from the disposal of hazardous wastes at the Site; provided, however, that the Department specifically reserves all of its rights concerning, and any such release and satisfaction shall not extend to, any investigation or remediation the Department deems necessary due to:

(1) environmental conditions on-Site or off-Site which are related to the presence of hazardous wastes at the Site and were unknown to the Department at the time of its approval of the Final Engineering Report; or

(2) information received, in whole or in part, after the Department's approval of the Final Engineering Report; and such unknown environmental conditions or information indicates that the Remedial Program is not sufficiently protective of human health or the environment. The Department shall notify Respondents of such environmental conditions or information, its basis for determining that the Remedial Program is not sufficiently protective of human health and the environment, and the inapplicability of this release and satisfaction.

This release shall inure only to the benefit of Respondents, their directors, officers, employees, agents, successors and assigns, and their secured creditors.

Nothing herein shall be construed as barring, diminishing, adjudicating, or in any way affecting any legal or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against anyone other than Respondents, their directors, officers, employees, agents, successors and assigns, and their secured creditors.

H. If the Department concludes that any element of the Department-approved Remedial Program fails to achieve the Remedial Action Objectives specified in the Department-approved Remedial Design attached as Appendix "C" or is not sufficiently protective of human health or the environment with respect to the nature and extent of the hazardous contaminants

identified and described in the Department-approved RI, Respondents shall take whatever action the Department determines necessary to achieve those objectives or to ensure that the Remedial Program otherwise sufficiently protects human health and the environment.

II. Progress Reports

A. Respondents shall submit to the parties identified in Subparagraph X.A.1 in the numbers specified therein copies of written progress reports on a monthly basis during the construction of the Remedial Design and on a quarterly basis during implementation of the SVE system. Thereafter the progress reports shall be submitted according to the schedule specified in the Department-approved O&M Plan. The progress reports shall:

1. describe the actions which have been taken toward achieving compliance with this Order during the reporting period;
2. include all results of sampling and tests and all other data received or generated by Respondents or their contractors or agents during the reporting period, including quality assurance/quality control information, whether conducted pursuant to this Order or conducted independently by Respondents;
3. identify all work plans, reports, and other deliverables required by this Order that were completed and submitted during the reporting period;
4. describe all actions, including, but not limited to, data collection and implementation of work plans, that are scheduled for the next reporting period and provide other information relating to the progress at the Site;
5. include information regarding percentage of completion, unresolved delays encountered or anticipated that may affect the future schedule for implementation of Respondents' obligations under the Order, and efforts made to mitigate those delays or

anticipated delays;

6. include any modifications to the Department-approved Remedial Design and to any other work plans that Respondents have proposed to the Department or that the Department has approved; and

7. describe all activities undertaken in support of the Citizen Participation Plan, which is specified in the Department-approved Remedial Design, during the previous reporting period and those to be undertaken in the next reporting period.

B. 1. Respondents shall submit these progress reports to the Department by the fifteenth day after the end of every reporting period following the effective date of this Order. The Respondents' obligation to submit quarterly progress reports shall terminate after the submission of the report for the reporting period in which the construction of the Remedial Design and implementation of the SVE system is completed.

2. Respondents' obligations to submit the progress reports specified in the O&M Plan shall terminate after the submission of the report for the reporting period in which all activities under the Department-approved O&M Plan are completed in compliance with the O&M Plan.

C. Respondents also shall allow the Department to attend, and shall provide the Department at least five days advance notice of, any of the following: prebid meetings, formal job progress meetings, substantial completion meeting and inspection, and final inspection and meeting, if any.

III. Review of Submittals

A. The Department shall review each of the submittals, other than the progress reports made pursuant to Subparagraph II.A, that Respondents make pursuant to this Order to

determine whether it was prepared, and whether the work done to generate the data and other information in the submittal was done, in accordance with this Order and generally accepted technical and scientific principles. The Department shall notify Respondents in writing of its approval or disapproval of the submittal. All Department-approved submittals shall be incorporated into and become an enforceable part of this Order.

B. 1. If the Department disapproves a submittal, it shall so notify Respondents in writing and shall specify the reasons for its disapproval within 30 days after its receipt of the submittal (in the case of the review of the Final Engineering Report and certification, however, such period shall be 60 days), and may request Respondents to modify or expand the submittal, provided, however, that the matters to be addressed by such modification or expansion are within the scope of the Department-approved Remedial Design or are required pursuant to Subparagraph I.H. Within 30 days after receiving written notice that Respondents' submittal has been disapproved, Respondents shall make a revised submittal to the Department that addresses and resolves all of the Department's stated reasons for disapproving the first submittal.

2. After receipt of the revised submittal, the Department shall notify Respondents in writing within 30 days of its approval or disapproval. Respondents shall be in violation of this Order ten(10) days after Respondents receive written notice of the Department's disapproval of the revised submittal, unless Respondents have invoked within the ten (10) day period the dispute resolution procedure of Paragraph XII, and the Department and the Respondents may pursue whatever remedies at law or in equity (by declaratory relief) that may be available to them. If the Department approves the revised submittal, it shall be incorporated into and become an enforceable part of this Order.

IV. Enforcement

A. Respondents' failure to comply with any term of this Order constitutes a violation of this Order and the ECL.

B. Respondents shall not suffer any penalty or be subject to any proceeding or action for any remedy or relief if they cannot comply with any requirement hereof because of an act of God, war, riot, or because of any condition or event entirely beyond the control of Respondents or their agent or agents carrying out Respondents' obligations under this Order. Respondents shall, within five days of when either one obtains knowledge of any such condition, notify the Department in writing. Respondents shall include in such notice the measures taken and to be taken by Respondents to prevent or minimize any delays and shall request an appropriate extension or modification of this Order. Failure to give such notice within such five-day period constitutes a waiver of any claim that a delay is not subject to penalties. Respondents shall have the burden of proving that an event is a defense to compliance with this Order pursuant to this Subparagraph IV.B.

C. The obligations of Respondents to finance and perform obligations under this Order and to pay amounts owed the Department under this Order are joint and several. In the event of insolvency or other failure of any one of the Respondents to implement the requirements of this Order, the remaining Respondent shall complete such requirement.

V. Entry upon Site

Respondents hereby consent to the entry upon the Site or areas in the vicinity of the Site which may be under the control of Respondents by any duly designated employee, consultant, contractor, or agent of the Department or any State agency at reasonable times for purposes of inspection, sampling, and testing and for purposes of ensuring Respondents' compliance with

this Order. To the extent practicable, such representative shall promptly identify himself or herself to Respondent Crosman Corporation's facilities manager or its environmental engineer. During the Remedial Program, Respondents shall provide the Department with access to a telephone at the Site, and shall permit the Department full access to all records relating to matters addressed by this Order and formal job meetings. Respondents shall not be required under this Order to submit any portions of records and/or information that would disclose privileged communications, attorney work product, mental impressions, conclusions, opinions, or legal theories, as provided for by applicable New York law.

VI. Payment of State Costs

Within 30 days after receipt of an itemized invoice from the Department, Respondents shall pay to the Department a sum of money not to exceed \$64,000 which shall represent reimbursement for the State's expenses including, but not limited to, direct labor, fringe benefits, indirect costs, travel, analytical costs, and contractor costs incurred by the State of New York for work related to the Site prior to the effective date of this Order, as well as for reviewing and revising submittals made pursuant to this Order, overseeing activities conducted pursuant to this Order, collecting and analyzing samples, and administrative costs associated with this Order. Such payment shall be made by certified check payable to the Department of Environmental Conservation and shall be sent to:

Bureau of Program Management
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Wolf Road
Albany, NY 12233-7010

Personal service costs shall be documented by reports of Direct Personal Service, which shall identify the employee name, title, biweekly salary, and time spent (in hours) on the project

during the billing period, as identified by an assigned time and activity code. Approved agency fringe benefit and indirect cost rates shall be applied. Non-personal service costs shall be summarized by category of expense (e.g., supplies, materials, travel, contractual) and shall be documented by expenditure reports.

VII. Reservation of Rights

A. Except as otherwise provided in this Order with respect to the Respondents and their lessees, sublessees, successors and assigns, and their respective secured creditors, nothing contained in this Order shall be construed as barring, diminishing, adjudicating, or in any way affecting any of the Department's civil, criminal, or administrative rights or authorities.

B. Nothing contained in this Order shall be construed to prohibit the Commissioner or his duly authorized representative from exercising any summary abatement powers.

C. Upon Department's approval of the submittals pursuant to Paragraph III and the termination of the progress reports submitted according to the schedule specified in the Department-approved O&M Plan pursuant to Paragraph II.B.2, and upon payment of all monies specified in Paragraph VI of this Order, Respondents' obligations pursuant to this Order shall terminate with the exception of those under Paragraph VIII.

D. Each Respondent reserves any rights that it may have to contest, defend against, dispute or disprove any actions, proceedings, allegations, assertions, determinations, findings or orders of the Department, except with respect to the validity of this Order or its terms, and reserves its right to notice, to be heard, to appeal, and to any other due process in any action or proceeding pursuant to or to enforce this Order or its terms.

VIII. Indemnification

Respondents shall indemnify and hold the Department, the State of New York, and their

representatives and employees harmless for all claims, suits, actions, damages, and costs of every name and description arising out of or resulting from the fulfillment or attempted fulfillment of this Order by Respondents and/or any of their directors, officers, employees, servants, agents, successors and assigns; provided, however, that Respondents shall not indemnify the Department, the State of New York, and their representatives and employees if such claims, suits, actions, damages, or costs relate to or arise from any unlawful, willful, negligent, grossly negligent, or malicious act or omission on the part of the Department, the State of New York, or their representatives or employees.

IX. Public Notice

A. Within 30 days after the effective date of this Order, Respondents shall file the Notice of Order attached hereto as Appendix "D" with the Clerk of the County wherein the Site is located to give all parties who may acquire any interest in the Site notice of this Order. Respondents may terminate the Notice when this Order terminates as specified in Subparagraph VII.C of this Order.

B. If Respondent Crosman Corporation proposes to convey the whole or any part of its ownership interest in the Site, it shall, not fewer than 60 days before the date of conveyance, notify the Department in writing of the identity of the transferee and of the nature and proposed date of the conveyance and shall notify the transferee in writing, with a copy to the Department, of the applicability of this Order.

X. Communications

A. All written communications required by this Order shall be transmitted by United States Postal Service, by private courier service, or hand delivered as follows:

1. Communication from Respondent shall be sent to:

Mary Jane Peachey, P.E.
Division of Environmental Remediation
New York State Department of Environmental Conservation
6274 East Avon-Lima Road
Avon, New York 14414-9519

with copies to:

Director, Bureau of Environmental Exposure Investigation
New York State Department of Health
2 University Place
Albany, New York 12203

Bureau Director
Construction Services
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Wolf Road
Albany, New York 12233-7010

James Charles, Esq.
Division of Environmental Enforcement
New York State Department of Environmental Conservation
270 Michigan Ave.
Buffalo, New York 14203-2999

2. Copies of work plans and reports shall be submitted as follows:

- a. Three copies to:

Todd M. Caffoe, P.E., Region 8
New York State Department of Environmental Conservation
6274 East Avon-Lima Road
Avon, New York 14414

- b. Two copies to:

Director, Bureau of Environmental Exposure Investigation
New York State Department of Health
2 University Place
Albany, New York 12203

c. One copy to:

Bureau Director
Western Remedial Actions
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Wolf Road
Albany, New York 12233-7010

d. One copy to:

James Charles, Esq.
Division of Environmental Enforcement
New York State Department of Environmental Conservation
270 Michigan Ave.
Buffalo, New York 14203-2999

Ownership of the originals of all submittals retained by Respondents shall rest solely with Respondents.

B. Communication to be made from the Department to the Respondents shall be sent to:

1. David Stolz
Crosmann Corporation
Routes 5 & 20
East Bloomfield, New York 14443
2. Lorelei Borland, Esq.
New Coleman Holdings, Inc.
625 Madison Avenue, 14th Floor
New York, New York 10022
3. Thomas F. Walsh, Esq.
Jaeckle Fleischmann & Mugel, LLP
39 State Street
Rochester, New York 14614-1310
4. William B. Popham
Blasland Bouck & Lee, Inc.
30 Corporate Woods
Suite 160
Rochester, New York 14623

C. Within 30 days after its approval of the drawings and submittals described in

Subparagraph I.D of this Order, Respondents shall submit suitable electronic copies of Department-approved submittals as directed by the DEC Project Manager. Respondents shall submit same to Mary Jane Peachey.

D. The Department and Respondents reserve the right to designate additional or different addressees for communication or written notice to the other.

XI. Miscellaneous

A. All activities and submittals required by this Order shall address both on-Site and off-Site the hazardous contaminants identified and described in the Department-approved RI for the Site.

B. As set forth in the Departmental-approved Remedial Design attached hereto, Respondents have retained professional consultants, contractors, laboratories, quality assurance/quality control personnel and data validators acceptable to the Department to perform the technical, engineering and analytical obligations required by this Order. The experience, capabilities and qualifications of the firms or individuals selected by Respondents have been separately submitted to the Department. The Department's approval of any change in these firms or individuals shall be obtained prior to initiation of any activities for which the Respondents and such firms or individuals will be responsible. The responsibility for the performance of the professionals retained by Respondents shall rest solely with Respondents.

C. The Department shall have the right to obtain split samples, duplicate samples, or both, of all substances and materials in environmental media sampled by Respondents, and the Department also shall have the right to take its own samples. Respondents shall make available to the Department the results of all sampling and/or tests or other data generated by Respondents with respect to implementation of this Order and shall submit these results in the

progress reports required by this Order. The Department shall make available as soon as practicable the results of all sampling and/or tests or other data generated by the Department with respect to this Order.

D. Respondents shall notify the Department at least five (5) working days in advance of any field activities to be conducted pursuant to this Order.

E. 1. Subject to Subparagraph XI.E.2 below, Respondents shall use their best efforts to obtain all permits, easements, rights-of-way, rights-of-entry, approvals, or authorizations necessary to perform their obligations under this Order. For purposes of this Paragraph "best efforts" include the payment of reasonable sums of money in consideration. If any access required to perform this Order is not obtained despite best efforts within 45 days of the effective date of this Order, or within 45 days of the date the Department notifies the Respondents in writing that additional access beyond that previously secured is necessary, Respondents shall promptly notify the Department, and shall include in that notification a summary of the steps Respondents have taken in their attempt to obtain access. The Department may, as it deems appropriate, assist Respondents in obtaining access. Respondents shall reimburse the Department, subject to the procedures and limits in Paragraph VI, for costs incurred by the Department in obtaining access, including, but not limited to, attorneys fees. If neither Respondents nor the Department can, despite their best efforts, obtain such permits or authorizations, the time for the performance of any obligation dependent on such permits or authorizations shall be appropriately extended or this Order shall be modified.

2. In performing Respondents obligations under this Order, Respondents shall be exempt from the requirement to obtain any Department permit for any activity that is conducted on the Site and that satisfies all substantive technical requirements applicable to like

activity conducted pursuant to a permit.

F. Respondents, and their officers, directors, agents, servants, and employees in their corporate capacity, shall be bound by this Order. Any change in ownership or corporate status of Respondents including, but not limited to, any transfer of assets or real or personal property shall in no way alter Respondents' responsibilities under this Order.

G. Respondents shall provide a copy of this Order to each contractor hired to perform work required by this Order and to each person representing Respondents with respect to the Site. Respondents or their contractors shall provide written notice of this Order to all subcontractors hired to perform any portion of the work required by this Order. Respondents shall nonetheless be responsible for ensuring that their contractors and subcontractors perform the work in satisfaction of the requirements of this Order.

H. All references to "professional engineer" in this Order are to an individual registered as a professional engineer in accordance with Article 145 of the New York State Education Law.

I. All references to "days" in this Order are to calendar days unless otherwise specified.

J. The section headings set forth in this Order are included for convenience of reference only and shall be disregarded in the construction and interpretation of any of the provisions of this Order.

K. 1. The terms of this Order constitute the complete and entire Order concerning the Site's remediation as an inactive hazardous waste disposal site. No term, condition, understanding, or agreement purporting to modify or vary any term of this Order shall be binding unless made in writing and subscribed by the party to be bound. No informal

advice, guidance, suggestion, or comment by the Department regarding any report, proposal, plan, specification, schedule, or any other submittal shall be construed as relieving Respondents of their obligation to obtain such formal approvals as may be required by this Order.

2. If Respondents desire that any provision of this Order be changed, Respondents shall make timely written application, signed by Respondents, to the Commissioner setting forth reasonable grounds for the relief sought. Copies of such written application shall be delivered or mailed to James Charles, Esq. and to Mary Jane Peachey pursuant to Subparagraph X.A.1.

L. The effective date of this Order shall be the date it is signed by the Commissioner or his designee.

XII. Dispute Resolution

A. The Department and Respondents shall attempt to resolve expeditiously and informally any disagreements concerning implementation of this Order or any work required under this Order.

B. 1. If (a) the Department disapproves a revised submittal and no further revised submittal is made, or (b) the Department disapproves the further revised submittal if made, Respondents may serve within 10 business days of receipt of the Department's notice of disapproval a request for an appointment of an Administrative Law Judge ("ALJ"), and a written statement of the issues in dispute with copies to the parties indicated in Subparagraph X.A.1, containing the relevant facts upon which the dispute is based, and factual data, analysis or opinion supporting Respondents' position, and all supporting documentation on which Respondents rely (hereinafter called "Respondents' Statement of Position"). The Department may send a similar statement of position to Respondents within ten business days

of receipt of Respondents' Statement of Position ("Department's Statement of Position"). Respondents shall be given an opportunity to meet with the appointed ALJ and the Department and to present their responses to the Department's Statement of Position.

2. The Department shall maintain an administrative record of any dispute under the preceding subparagraph. The record shall include the Statement of Position of each party served pursuant to Subparagraph XII.B.1, and any relevant information. The record shall be available for review of all parties and the public.

3. Upon review of the administrative record as developed pursuant to this Paragraph, the ALJ shall issue a final decision and order resolving the dispute. Respondents shall revise the submittal in accordance with the Department's specific comments, as may be modified by the ALJ and except for those which have been withdrawn by the ALJ, and shall submit a revised submittal. The period of time within which the submittal must be revised as specified by the Department shall control unless the ALJ revises the time frame in the ALJ's final decision and order. After receipt of the conformed revised submittal, the Department shall notify Respondents in writing of its approval or disapproval of the conformed revised submittal. The Department shall make a reasonable effort to provide the written notification to Respondents within 45 days of submittal to the Department. If the Department disapproves of the conformed revised submittal, the Department's notice shall state the reasons for the Department's disapproval.

4. In the event that Respondents do not invoke the procedures set forth in Subparagraph XII.B, the Department and Respondents remain free to pursue whatever remedies at law or in equity (by declaratory relief) that may be available to Respondents, without prejudice to any party's right to contest the same.

5. The invocation of formal dispute resolution procedures under this Paragraph shall not of itself extend, postpone or affect in any way Respondents' obligations under this Agreement that are not the subject of the dispute resolution procedures set forth in this Paragraph XII.

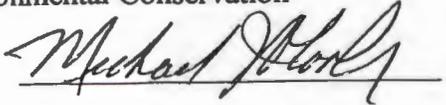
6. The ALJ's decision is final. Respondents may, however, exercise their rights under Article 78 of the Civil Practice Law and Rules of the State of New York to appeal the final decision provided that such Article 78 petition is filed within thirty (30) days of Respondents' receipt of the ALJ's decision or receipt of the Department's notice disapproving the conformed revised submittal pursuant to Subparagraph XII.B.3.

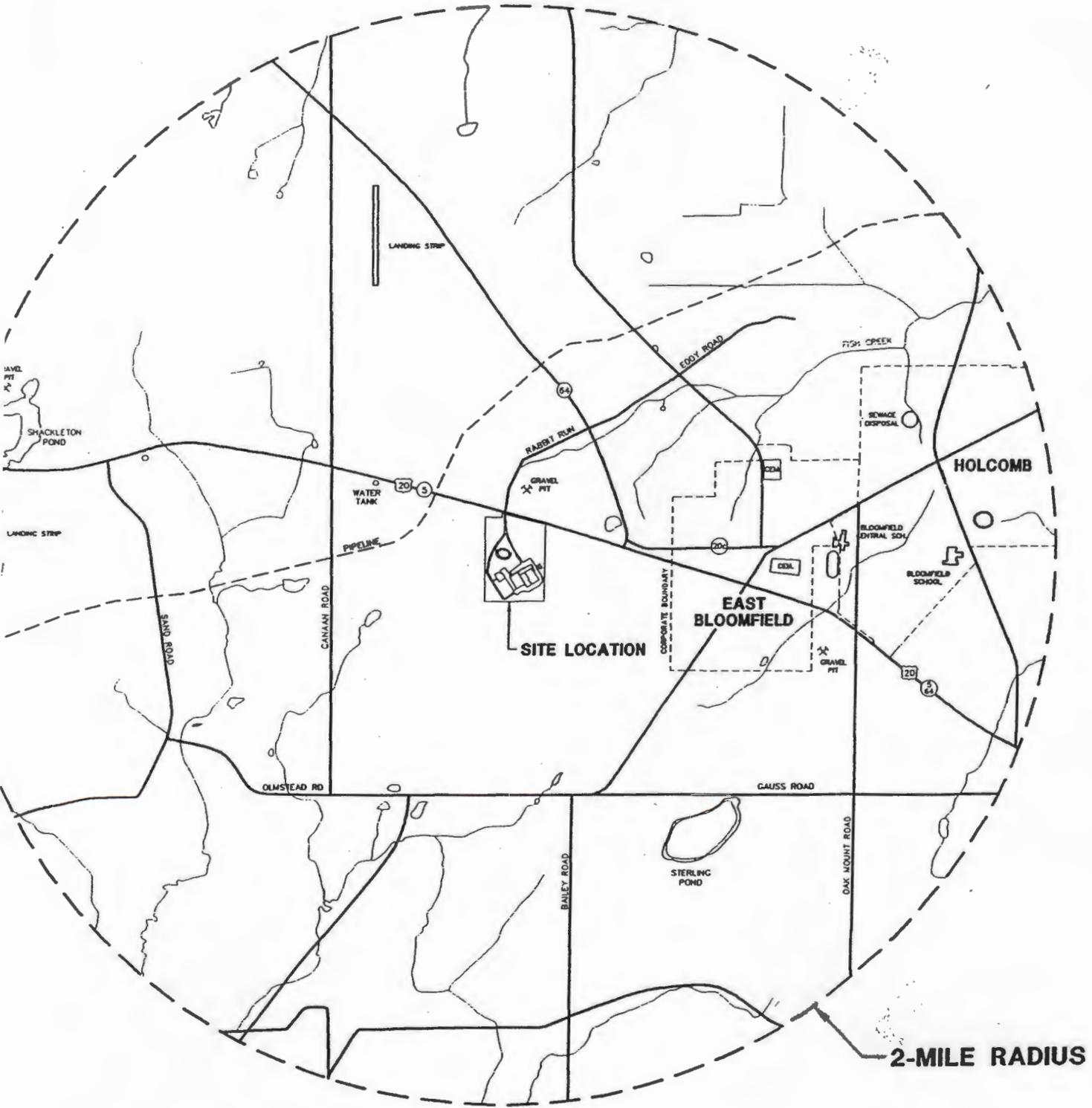
XIII. Respondent's Disclaimer

By entering into or taking actions under this Order, Respondents do not admit, adopt, accept, concede or acknowledge the recitals, provisions, conditions, findings of fact, alleged rights of the Department, conclusions of law or other terms of this Order. Except in an action brought by the Department to enforce this Order, Respondents reserve the right to contest, at any proceeding, hearing or action regarding or relating to the Site, any terms of this Order, any allegation that hazardous waste has been disposed at the Site, allegations that the Site constitutes a significant threat to the environment, or the necessity of a remedial program for the Site. Furthermore, the existence of this Order or the fact that Respondents participated in activities pursuant to this Order shall not constitute, not be construed as, nor be considered an admission of liability.

Dated: March 25, 1998
Albany, New York

JOHN P. CAHILL
Commissioner
New York State Department of
Environmental Conservation

By: 



APPENDIX "A"

APPENDIX "D"

NOTICE OF ORDER

This Notice is made as of the _____ day of _____, 1998 by the Crosman Corporation, the fee owner of a parcel of real property that consists of approximately 53 acres of land located at Routes 5 & 20 in East Bloomfield, New York, as more particularly described on Exhibit "A" attached hereto (the "Property"); and

WHEREAS, the Property is used for the manufacture of airguns and related products, which manufacturing operations may have resulted in the discharge of wastes containing hazardous substances, pollutants or contaminants, such as trichloroethylene, to the ground surface in the area where aboveground storage tanks were found; and

WHEREAS, the Property is listed on the New York State Registry of Inactive Hazardous Waste Disposal Sites as Site Number 835012 as a Class "2" site; and

WHEREAS, Crosman Corporation entered into an administrative Order on Consent ("Order") with the New York State Department of Environmental Conservation ("the Department"), Index #B8-0404-92-04, concerning the implementation of an inactive hazardous waste disposal site remedial program for the Property, which Order was signed by the Commissioner of the New York State Department of Environmental Conservation or his designee on _____, 1998; and

WHEREAS, in return for the remediation of the Property pursuant to the Order to the satisfaction of the Department, the Department will provide Crosman Corporation and New Coleman Holdings, Inc. and their directors, officers, employees, agents, successors, assigns, and secured creditors, with a limited release related to the further investigation or remediation of the Property in accordance with and subject to certain reservations set forth in the Order; and

WHEREAS, pursuant to that Order, Crosman Corporation agreed that it would give notice of the Order to all parties who may acquire any interest in the Property by filing this Notice with the Ontario County Clerk;

NOW, THEREFORE, Crosman Corporation, for itself, its successors and assigns declares that:

1. Notice of the Order is, hereby, given to all parties who may acquire any interest in the Property.
2. This Notice shall terminate upon the filing by the Crosman Corporation or its successors and assigns of a termination of Notice of Order.

IN WITNESS WHEREOF, Crosman Corporation has executed this Notice of

Agreement by its duly authorized representative.

CROSMAN CORPORATION

By: James R. Gieschen

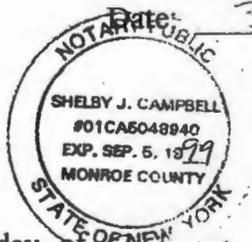
Its: Sr. VP, Mfg Operations

Date: 3/17, 1998

State of New York)

SS:

County of Ontario)



On this 17 day of March, 1998, before me personally came

James R. Gieschen to me known, who, being duly sworn, did depose and say that (s)he resides in Webster, NY, that (s)he is the Sr. VP of Operations of Crosman Corporation, the corporation described in and which executed the foregoing instrument; that (s)he is authorized to sign the foregoing instrument, and that (s)he signed his/her name thereto.

Shelby J. Campbell

Notary Public

Exhibit "A" to Appendix "D"
Description of the Property