

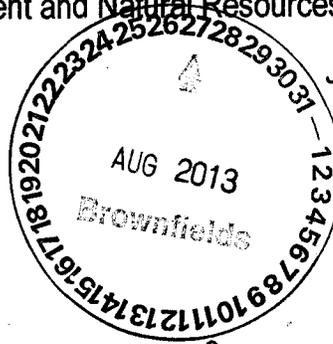


North Carolina Department of Environment and Natural Resources

Pat McCrory
Governor

John E. Skvarla, III
Secretary

August 13, 2013



Mr. David C. Foushee, Senior VP
First Bank
P.O. Box 1248
Sanford, NC 27330



please correct address - S/b

Subject: Notice of Noncompliance, N.C.G.S. §130A-310.35(f)
Annual Land Use Restrictions Update
Sanford WWTP, #06017-02-53
Corner US1 Bypass & Spring Lane, Lee County

P.O. Box 1789
Sanford, NC
27331

Dear Mr.Foushee:

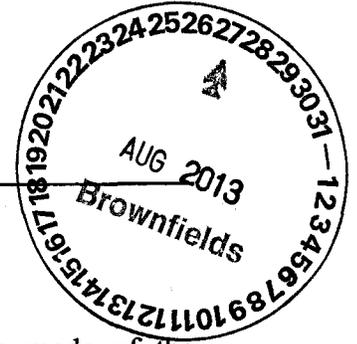
Pursuant to the land use restrictions listed in the Notice of Brownfields Property recorded at the Lee County Register of Deeds, all owners of the subject brownfields property are required to submit an annual certification in January to maintain liability protection granted by the Brownfields Agreement. Our records indicate that First Bank is a current owner of at least part of the subject brownfields property and that the last annual certification from this company was received 8/25/2011.

To minimize the chance of an assessment and/or cleanup order, and/or civil penalties, First Bank or its authorized agent should immediately complete, sign, notarize, and submit a Land Use Restrictions Update ("LURU") to the following address:

**NC Division of Waste Management
Brownfields Program
1646 Mail Service Center
Raleigh, NC 27699-1646**

Site specific LURU forms are available by visiting <http://portal.ncdenr.org/web/wm/bf-lurus> or you may send a request to me via the contact information provided.

Brownfields Project #: 06017-02-53
Brownfields Property: Sanford WWTP, US-1 Bypass and Spring Lane
Property Owner (In whole or part): FIRST BANK



LAND USE RESTRICTIONS ("LUR") UPDATE

LUR 1: No uses other than commercial or retail uses may be made of the Property.

In compliance Out of compliance

Remarks: _____

LUR 2: The fill above the areas of buried sludge on the Property may not be reduced to a thickness of less than four (4) feet. Exhibit D, as recorded with the Notice of Brownfields Property, shows the extent of sludge on the Property.

In compliance Out of compliance

Remarks: _____

LUR 3: Surface water and underground water at the Property may not be used for any purpose without the approval of the Department of Environment and Natural Resources ("DENR") or its successor in function.

In compliance Out of compliance

Remarks: _____

LUR 4: No activities that encounter, expose, remove or use groundwater (for example, installation of water supply wells, fountains, ponds, lakes or swimming pools, or construction or excavation activities that encounter or expose groundwater) may occur on the Property without prior sampling and analysis of groundwater to the satisfaction of

DENR or its successor in function in any areas proposed for such activities, and submittal of the analytical results to DENR or its successor in function. If such results disclose to DENR or its successor in function contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the approval of DENR or its successor in function on such conditions as DENR or its successor in function imposes, including at a minimum legal approval of plans and procedures to protect public health and the environment during the proposed activities.

In compliance Out of compliance

Remarks: _____

LUR 5: No mining may be conducted on or under the Property, including, without limitation, extraction of coal, oil, gas or any other minerals or non-mineral substances.

In compliance Out of compliance

Remarks: _____

LUR 6: No basements may be constructed on the Property unless they are, as determined by DENR or its successor in function, vented in conformance with applicable building codes.

In compliance Out of compliance

Remarks: _____

LUR 7: None of the contaminants known to be present in the environmental media at the Property, including those listed in paragraph 7 of the Brownfields Agreement, may be used or stored at the Property without the prior approval of DENR or its successor in function, except in *de minimis* amounts for cleaning and other routine housekeeping activities.

In compliance Out of compliance

Remarks: _____

LUR 8: The Property may not be used as a park or for sports of any kind, including, but not limited to, golf, football, soccer and baseball, without the approval of DENR or its successor in function.

In compliance Out of compliance

Remarks: _____

LUR 9: The Property may not be used for agriculture, grazing, timbering or timber production.

In compliance Out of compliance

Remarks: _____

LUR 10: The Property may not be used as a playground, or for child care centers or schools.

In compliance Out of compliance

Remarks: _____

LUR 11: The Property may not be used for kennels, private animal pens or horse-riding.

In compliance Out of compliance

Remarks: _____

LUR 12: Prior to January 31st of each calendar year, the then current owner of any part of the Property shall submit a notarized Land Use Restrictions Update to DENR or its successor in function certifying that the Notice of Brownfields Property containing these land use restrictions remains recorded at the Lee County Register of Deeds office, and that the land use restrictions are being complied with.

In compliance Out of compliance _____

Remarks: _____

Notarized signing and submittal of this Land Use Restrictions Update constitutes certification that the Notice remains recorded at the Lee County Register of Deeds office and that the Land Use Restrictions are being complied with.

This Land Use Restrictions Update is certified by FIRST BANK,
owner of at least part of the Brownfields Property.

Name typed or printed of party making certification: DAVID C FOSTEE

In the case of owners that are entities:

Signature of individual signing:

Name typed or printed:

Title:


DAVID C FOSTEE
SR VP

In the case of all owners:

Date: 8/21/13

[Insert notary block from among the following that is pertinent to type of party submitting LURU: corporation, LLC, partnership or individual.]
[use for corporations]

[Name of Corporation] FIRST BANK

By DAVID C FONSHEE
Name typed or printed:
Title typed or printed: SR VP

ATTEST:

Delores George, SVP
Name typed or printed:
Asst Secretary, First Bank (corporation name)

NORTH CAROLINA
Montgomery COUNTY

I, Sylvia M Deaton, a Notary Public of the county and state aforesaid, certify that Delores George personally came before me this day and acknowledged that he/she is the Secretary of First Bank (corporation name), a NC (state) corporation, and that by authority duly given and as the act of the corporation, the foregoing Land Use Restriction Update was signed in its name by its SVP and attested by him/her as its Secretary. (Asst.)

WITNESS my hand and official stamp or seal, this 21st day of August, 2013.

Sylvia M Deaton
Name:
Notary Public

My Commission expires: 10-23-2015

