

Brownfields Project #: 09005-05-49
Brownfields Property: Canac Kitchens, 607 Meacham Road
Property Owner (In whole or part): Talon Systems USA, Inc.



LAND USE RESTRICTIONS (“LUR”) UPDATE

LUR 1: No use may be made of the Brownfields Property other than for manufacturing, offices, warehousing and parking. For purposes of this restriction, the following definitions apply:

- a. “Manufacturing” refers to the assembly, fabrication or processing of goods or materials using processes that produce no more than legally compliant noise, smoke, fumes, vibration, dust, odors, glare, emissions or health or safety hazards outside of the building or property where such assembly, fabrication or processing takes place.
- b. “Offices” refers to structures where business or professional services are conducted or rendered.

In compliance Out of compliance

Remarks: _____

LUR 2: Surface water and underground water at the Brownfields Property may not be used for any purpose without the prior written approval of the Department of Environment and Natural Resources (“DENR”).

In compliance Out of compliance

Remarks: _____

LUR 3: 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 Brownfields Property without prior sampling and analysis of groundwater to the written satisfaction of DENR in any areas proposed for such activities, and submittal of the analytical results to DENR. If such results disclose to DENR contamination in excess

of North Carolina's groundwater quality standards, the proposed activities may not occur without the prior written approval of DENR on such conditions as DENR imposes, including at a minimum compliance with plans and procedures, approved pursuant to applicable law, to protect public health and the environment during the proposed activities.

In compliance Out of compliance

Remarks: _____

LUR 4: Soil underlying paved and other impervious surfaces and buildings at the Brownfields Property, and soil at the Brownfields Property within the area denominated "CONTAMINATED" on the plat component of the Notice of Brownfields Property ("Notice"), may not be exposed without prior sampling and analysis, to DENR's written satisfaction, of soil proposed to be exposed. If screening or sampling results disclose contamination that DENR determines may make the Brownfields Property unsuitable for the uses specified in Land Use Restriction 1.a. above, the soil may not be exposed without the prior written approval of DENR on such conditions as it imposes. Such conditions shall include, at a minimum, compliance with plans and procedures designed to protect public health and the environment during the activities that would expose such soil. If DENR determines, based on sampling it may require or any other means, that the exposed soil contains contamination that may make the Brownfields Property unsuitable for the uses specified in Land Use Restriction 1.a. above, DENR may require that soil be removed and disposed of in accordance with applicable law, that a cap be installed and maintained over certain areas of soil, and/or that other actions be taken with regard to exposed soils to make the Brownfields Property suitable for the uses specified in Land Use Restriction 1.a. above.

In compliance Out of compliance

Remarks: _____

LUR 5: Except in accordance with prior written conditions imposed by DENR, the only disturbance of landscaping and contours at the Brownfields Property that may occur is mowing and pruning of above-ground vegetation.

In compliance Out of compliance

Remarks: _____

LUR 6: No basements may be constructed on the Brownfields Property unless they are, as determined in writing by DENR, 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 Brownfields Property, including those listed in Table A or Table B of the Notice, may be used or stored at the Brownfields Property without the prior written approval of DENR, except in *de minimis* amounts for cleaning and other routine housekeeping activities.

In compliance Out of compliance

Remarks: _____

LUR 8: The Brownfields Property may not be used as a playground, or for child care centers or schools.

In compliance Out of compliance

Remarks: _____

LUR 9: No party conducting environmental assessment or remediation at the Brownfields Property at the direction of, or pursuant to a permit or order issued by, DENR may be denied access to the Brownfields Property for purposes of conducting

such assessment or remediation, which is to be conducted using reasonable efforts to minimize interference with authorized uses of the Brownfields Property.

In compliance Out of compliance

Remarks: _____

LUR 10: The owner of each portion of the Brownfields Property containing any of the monitoring wells in the groundwater monitoring plan (MW-4, MW-6, MW-7, and MW-8) shall sample said well(s) pursuant to the groundwater monitoring plan as approved by DENR. Said plan shall be available from DENR. At any time after three (3) consecutive sampling events reflect decreases in chromium concentrations, said owner may petition DENR to reduce sampling frequency.

In compliance Out of compliance

Remarks: _____

LUR 11: During January of each year after the year in which the Notice is recorded, the owner of any part of the Brownfields Property as of January 1st of that year shall submit a notarized Land Use Restrictions Update to DENR certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the Iredell County Register of Deeds office and that the land use restrictions are being complied with, and stating:

- a. the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the owner submitting the LURU if said owner acquired any part of the Brownfields Property during the previous calendar year; and
- b. the transferee's name, mailing address, telephone and facsimile numbers, and contact person's e-mail address, if said owner transferred any part of the Brownfields Property during the previous calendar year.

In compliance Out of compliance

Remarks: _____

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

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

Name typed or printed of party making certification: _____

In the case of owners that are entities:

Signature of individual signing: D. Okada
Name typed or printed: Derek Okada
Title: President

In the case of all owners:

Date: January 28, 2013

Talon Systems USA, Inc.

By: D. Okada

Name typed or printed: Derek Okada

Title typed or printed: President

ATTEST:

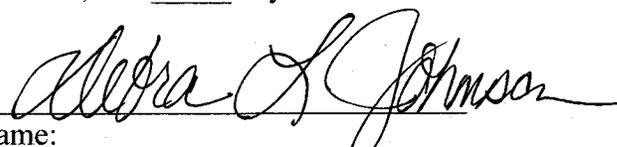


Name typed or printed: Guiseppe Tasinazzo
Secretary, Talon Systems USA, Inc.

NORTH CAROLINA
IREDELL COUNTY

I, DEBRA L. JOHNSON, a Notary Public of the county and state aforesaid, certify that Guiseppe Tasinazzo personally came before me this day and acknowledged that he is the Secretary of Talon Systems USA, Inc., a Delaware 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 President and attested by him as its Secretary.

WITNESS my hand and official stamp or seal, this 6th day of
FEBRUARY, 2013



Name:
Notary Public

My Commission expires: 4/24/2015

