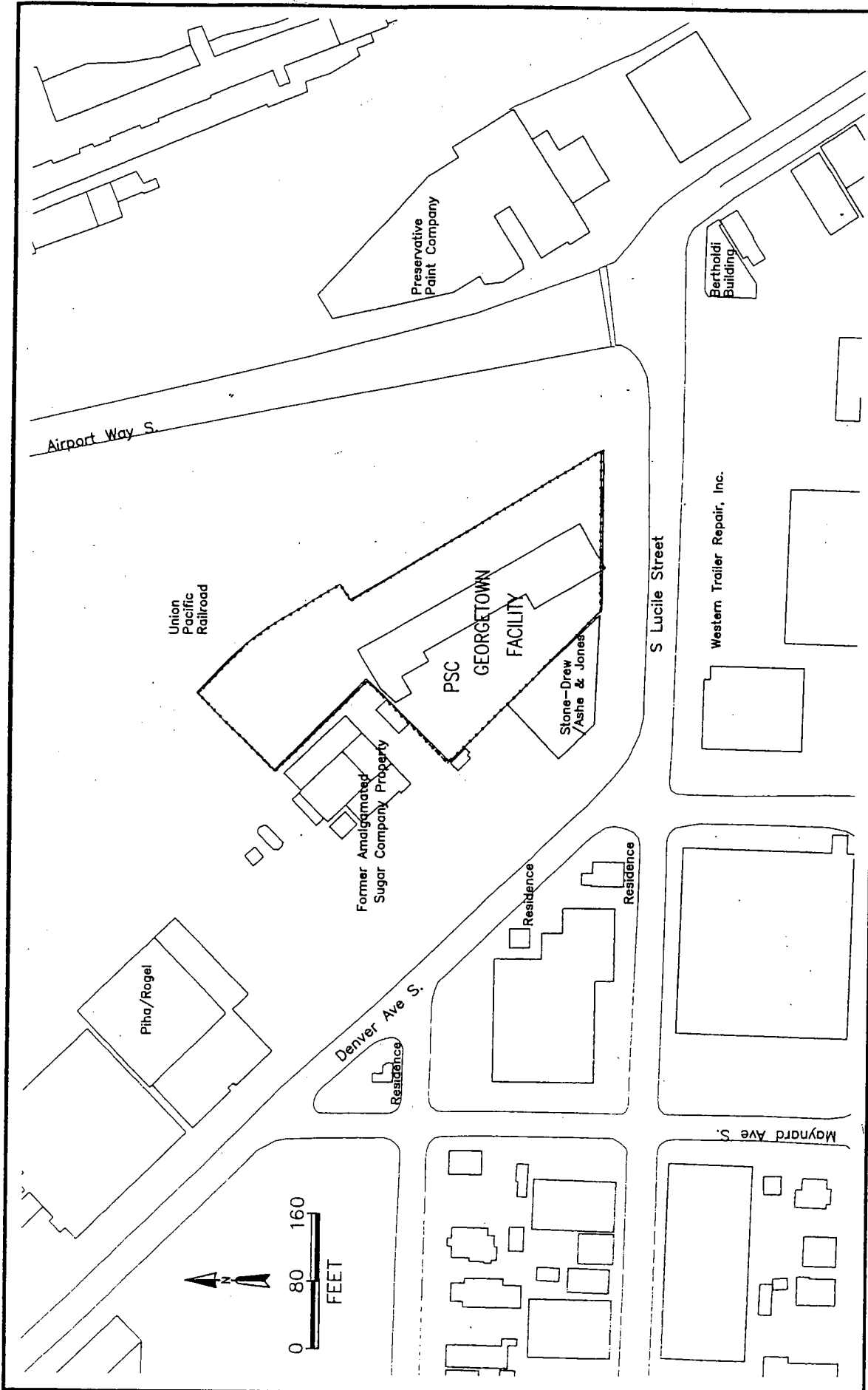


EXHIBIT A

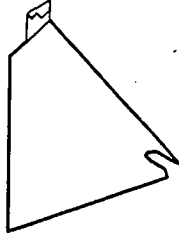


TITLE: Properties Adjacent to PSC Georgetown Facility PSC Georgetown	DWN: dtb CHKD:	DES.:	PROJECT NO.: RI2003
	DATE: 8/25/03	APPD.:	FIGURE NO.: 1-3
	REV.: 1		



Legend

- Reconnaissance Boring Locations in Area 3
- ⊕ Monitoring Well Locations in Area 3
- ▭ Roads
- ▭ Buildings
- ▭ Area 1
- ▭ Area 2
- ▭ Area 3



Notes

- Areas 1, 2, and 3 were designated in the Draft Risk Assessment PSC 2001.
- Also includes the Following Site IDs Which are Located Hydrologically Downgradient of the Georgetown Facility:
102-S-1, C4B, D28, D29, D30, D8, HC-15
SG-14, SG-9

Groundwater Monitoring Well and Reconnaissance Boring Locations in Area 3 Evaluated in the Risk Assessment

PSC Georgetown

Figure 2-3

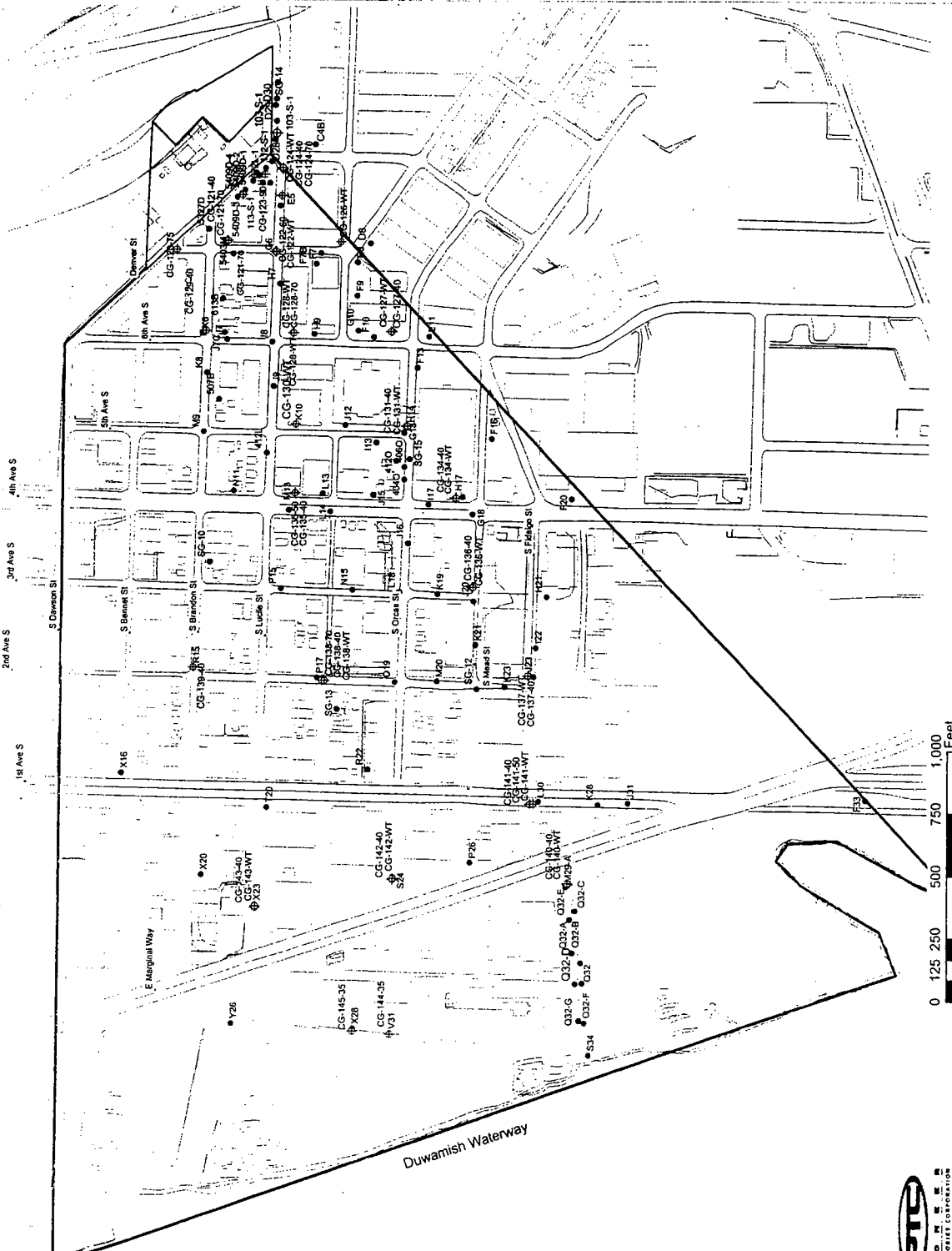
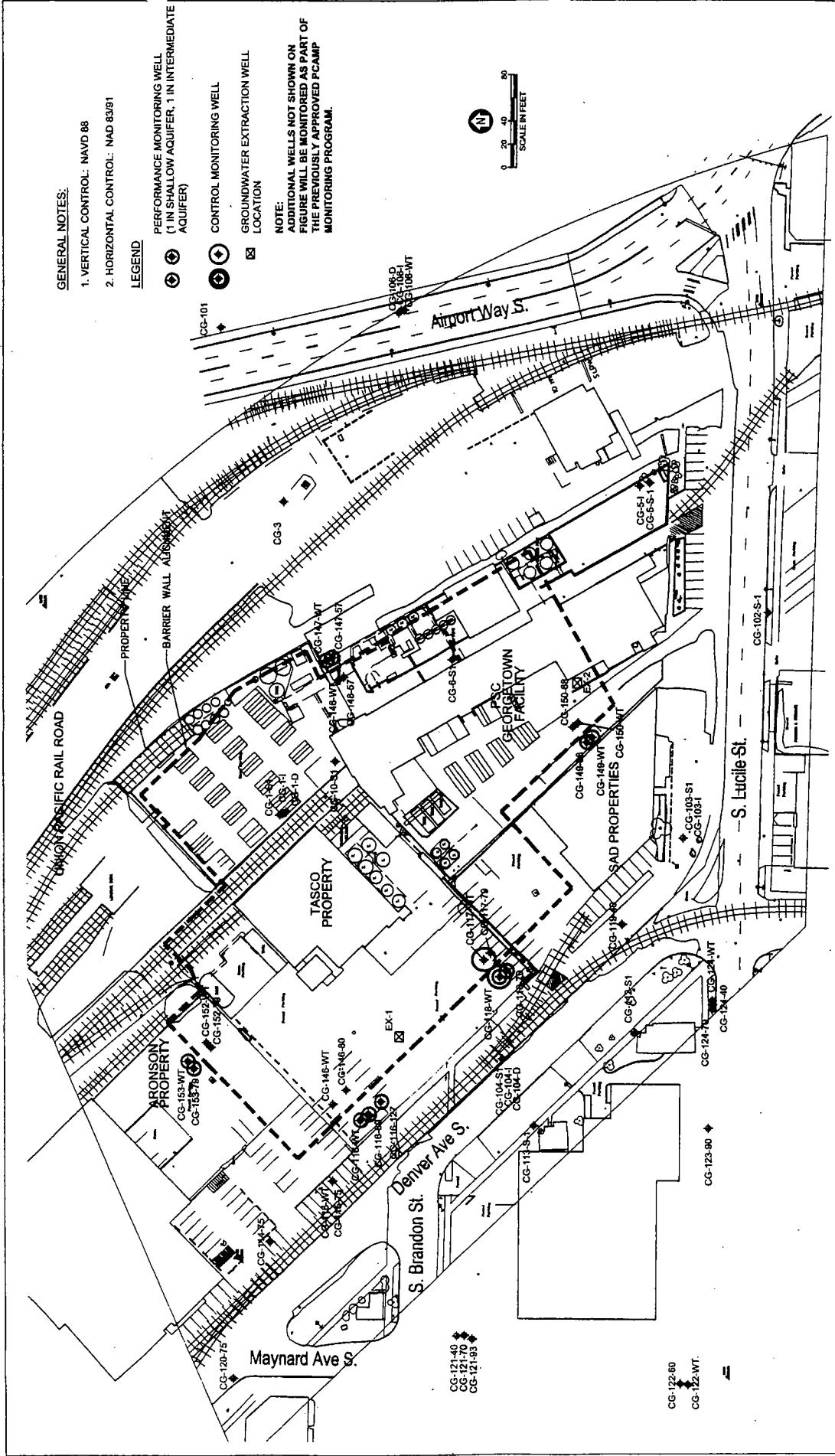


EXHIBIT B



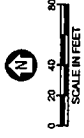
GENERAL NOTES:

1. VERTICAL CONTROL: NAVD 88
2. HORIZONTAL CONTROL: NAD 83/91

LEGEND

- ⊕ PERFORMANCE MONITORING WELL (1 IN SHALLOW AQUIFER, 1 IN INTERMEDIATE AQUIFER)
- ⊙ CONTROL MONITORING WELL
- ⊠ GROUNDWATER EXTRACTION WELL LOCATION

NOTE:
ADDITIONAL WELLS NOT SHOWN ON FIGURE WILL BE MONITORED AS PART OF THE PREVIOUSLY APPROVED PCAMP MONITORING PROGRAM.



Performance Monitoring Water Quality Well Locations

Project No. 008770.000
Figure 3-2



EXHIBIT C

AFTER RECORDING RETURN TO:

XXX XXXXX

Philip Services Corporation
955 Powell Avenue SW
Renton, WA 98055

**GRANT OF APPURTENANT TERM EASEMENT,
DECLARATION OF USE RESTRICTIONS AND AGREEMENT**

FOR GOOD AND VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned Grantor, ARONSON INVESTMENT COMPANY LLC (“Grantor” or “Aronson”), does give and grant to PHILIP SERVICES CORPORATION (“Grantee” or “Owner”), the owner of real property known as Tax Parcel No. 5084400150 located at 5400 Denver Avenue South, in Seattle, King County, Washington (hereinafter “Dominant Tenement”), and to its successors and assigns, including successors in interest to the title of the Dominant Tenement, a subsurface appurtenant easement for the purpose of constructing, repairing and maintaining a barrier wall on a 9500 square foot portion (“Easement Area”) of property owned by the Grantor (hereinafter “Servient Tenement”) for a term of thirty (30) years. Said Easement, associated use restrictions and covenants in the form of institutional controls are described as follows, TO WIT:

WHEREAS, the term “Easement” in this Agreement refers to the easement to the Easement Area on the Servient Tenement as described in “**Exhibit A**” attached hereto. The term “Servient Tenement” refers to the Grantor’s property described in “**Exhibit B**” attached hereto. The term “Dominant Tenement” refers to the Grantee’s property having the right of use under the easement as an appurtenance described in “**Exhibit C**” attached hereto. The term “barrier wall” refers to the subsurface barrier wall as described in “**Exhibit D**” attached hereto. The barrier wall is integral to a corrective action required by the Washington Department of Ecology (“Ecology”) under the Washington Dangerous Waste Regulations Chapter 173-303 WAC and Dangerous Waste Permit No. WAD 00812909 (the “Permit”) and applicable state and federal environmental regulations. All exhibits are incorporated by reference herein.

WHEREAS, Grantee owns real property known as Tax Parcel No. 5084400150 located at 5400 Denver Avenue South, in Seattle, King County, Washington that is contiguous and adjacent to real property owned by Grantor known as Tax Parcel No. 5084400100 located at 5300 Denver Avenue South, in Seattle, King County, Washington; and

WHEREAS, Grantee owns and operates a dangerous waste management facility (the “Facility”) at 734 S. Lucille Street, Seattle, King County, Washington that is subject to the requirements of Washington State dangerous waste management regulations (WAC 173-303), the Model Toxics Control Act regulations (WAC 173-340), and other state and federal

environmental laws and regulations (40 CFR 264). More specifically, the Facility is subject to the requirements of the Permit for performing corrective action to address environmental contamination sources from historic releases of dangerous waste at the Facility; and

WHEREAS, Ecology requires Grantee to perform corrective action to address contamination of groundwater on a portion of the Grantor's Property and within the Easement Area; and

WHEREAS, the Permit and applicable regulations require Grantee to implement a corrective action including construction of a subsurface barrier wall to contain groundwater contamination located within the Easement Area; and

WHEREAS, Ecology has agreed to enter into a consent decree granting a covenant not to sue and contribution protection to Grantor for any releases associated with the Facility and to not require a separate restrictive covenant to be recorded on Grantor's property in consideration of Grantor's willingness to enter into this Agreement, which consent decree shall constitute a condition subsequent to this Agreement; and

WHEREAS, the parties desire to establish the terms of the Easement in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. Grant of Easement. Grantor, for valuable consideration, receipt and sufficiency of which are hereby acknowledged, hereby grants Grantee and its successors and assigns, including any successors in title to the Dominant Tenement, a subsurface appurtenant Easement as described in **Exhibit A**, for the purpose of constructing, installing, repairing and maintaining the barrier wall, and establishing a conditional point of compliance, including any related construction of monitoring well(s) as required by Ecology and the Permit. The Easement granted in this Agreement shall extend for a term of thirty (30) years, which term shall commence on the effective date of this Agreement. The Easement and the obligations imposed on the Grantor and Grantee hereunder shall run with the land and shall be a recorded restriction on the titles of both the Servient Tenement and the Dominant Tenement. The Easement shall be recorded on the Servient Tenement and the Dominant Tenement within fifteen (15) days of the entry of the consent decree being negotiated between Ecology and the Grantor, granting Grantor a covenant not to sue and contribution protection for any releases associated with the Facility that have impacted or may be impacting Grantor's property. The entry of said consent decree, without the necessity of a separate restrictive covenant, is a condition subsequent to this Agreement.

2. Easement Use and Access. Grantee shall have the right at all such times as are necessary, to enter upon the surface area of the Easement described in **Exhibit A** to gain access to and within the Easement for the purpose of taking samples, inspecting, constructing, repairing, altering, or reconstructing the barrier wall or for any reasonable purpose not inconsistent with this Easement and not inconsistent with the continued use of the surface estate of the Grantor by the Grantor and Grantor's lessees and invitees. Grantee shall provide Grantor with at least 72

hours' written notice prior to entering the surface area of the Easement. Grantor also conveys to Grantee and to those acting under Grantee the temporary use of such additional area immediately adjacent to said Easement on the Servient Tenement as shall be reasonably required for the construction and maintenance of the barrier wall in the Easement; provided, however, that such temporary use shall be granted by prior written permission of the Grantor and subject to reasonable time and place restrictions. Any use of the surface estate or additional area by Grantee shall be at the forbearance of the Grantor and Grantee agrees that the surface estate and any additional areas used by Grantee shall be returned to the condition in which it existed prior to the Grantee's use, immediately after such construction, maintenance, repair or related corrective action. Ecology shall have the same access rights under this Easement as Grantee.

3. Easement Area Use Restrictions. Grantor agrees that use of the surface area over the subsurface Easement shall be subject to the following restrictions (the "Easement Area Use Restrictions"): (a) subject to the following subparagraphs, Grantor shall retain the right to use the surface area of the Easement (the Grantor's "surface estate") for any purpose so long as the use does not unreasonably interfere with the installation, maintenance and integrity of the barrier wall and establishment of a conditional point of compliance, (b) Grantor shall consult with and obtain the approval of Ecology prior to undertaking any construction activities, including excavation or other surface disturbance activities, that may impact the containment function of the barrier wall, (c) Grantor shall notify and obtain prior written consent from Grantee and Ecology for any proposed change in use of the Grantor's surface estate that may be inconsistent with the terms of the Easement Area Use Restrictions or this Easement, which consent shall not be unreasonably withheld by Grantee and Ecology, (d) neither the Easement Area nor such areas immediately adjacent to such Easement Area shall be developed for residential purposes without the prior written approval of Ecology, with such approval not to be unreasonably withheld if Grantor can demonstrate that indoor air concentrations from soil vapor intrusion do not exceed applicable Model Toxics Control Act cleanup levels, and (e) no groundwater may be taken from the Servient Tenement for domestic uses, including uses as drinking water or irrigation, unless or until such time as the contaminant concentrations in the groundwater are below Model Toxics Control Act Method B Cleanup Levels for potable groundwater established under WAC 173-340-720.

4. Easement Area Use Restrictions Run With Land. The Easement Area Use Restrictions shall constitute covenants running with the Servient Tenement and the Dominant Tenement; shall constitute equitable servitudes imposed upon the Servient Tenement for the benefit of the Dominant Tenement and Grantee; shall be binding upon all persons having or acquiring any right, title or interest in the Servient Tenement, or any portion thereof; and shall be for the benefit of the Dominant Tenement and each and every successor to Grantee as owner thereof, subject to compliance by Grantee and each and every successor thereto as owner of the Dominant Tenement with the other duties and obligations imposed on the Grantee under this Agreement.

5. Other Obligations under this Agreement.

a. Grantee and its successors and assigns, including successors in title to the Dominant Tenement, shall indemnify, defend and hold harmless Grantor and Grantor's affiliates

(Grantor's affiliates means any corporation or entity which directly or indirectly controls or is controlled by or is under common control with Grantor) and their respective partners, officers, directors, lessees, agents, employees, successors and assigns, against and from any and all liability, loss, liens, claims demands, costs and expense of whatsoever nature, including consequential damages, to the extent such liability, loss, costs and expense is caused by (a) the construction, installation, maintenance and repair of the barrier wall and monitoring wells on the Servient Tenement; (b) any entry upon the Servient Tenement by Grantee, its employees, agents, contractors, successors or assigns during the term of the Easement; (c) any work done, labor performed or materials furnished at the Servient Tenement on behalf of Grantee or its successors or assigns; and (d) damage to or disruption of utility service, pipelines, fiber optic systems, drainage, catch basins, or other surface or subsurface structures located or buried on the Servient Tenement during installation, construction, maintenance or repair of the barrier wall and monitoring wells. Except as otherwise set forth in this Agreement, Grantee and its successors and assigns shall have sole responsibility for maintenance and repair of the barrier wall and for maintenance and abandonment of monitoring wells in the future; provided, however, Grantor shall be responsible for any damage to the barrier wall or other remedial systems or monitoring well installations within the Easement Area caused by the active negligence of Grantor or any of Grantor's agents, representatives, invitees, successors and assigns.

b. Grantee and its successors and assigns, including successors in title to the Dominant Tenement, agree to restore, at their sole expense, the Servient Tenement to the same condition it was in immediately prior to the time of entry by Grantee or by its successors or assigns in the future. Such restoration shall include, as necessary, the re-installation of any utilities, pipelines, fiber optic systems, drainage systems, catch basins, or other surface or subsurface features or structures, the re-paving and re-striping of the areas of the parking lot disturbed during entry and, when authorized by Ecology, the proper abandonment of any compliance or monitoring wells installed by Grantee within the Easement Area.

c. Neither Grantor nor Grantor's affiliates, including their respective partners, officers, directors, lessees, agents and employees, make any representations or warranties of any kind whatsoever, either express or implied, with respect to the Servient Tenement, including without limitation its condition or the presence or absence of any surface or subsurface features or structures that may be encountered during construction, installation, maintenance or repair of the barrier wall, monitoring wells or any subsequent entry onto the Servient Tenement. In particular, without limitation, Grantor and Grantor's affiliates, including their respective partners, officers, directors, lessees, agents and employees, make no representations or warranties with respect to the use, condition, title, occupation or management of the Servient Tenement, or its compliance with applicable statutes, laws, codes, ordinances, regulations, and requirements. Grantee acknowledges that it is entering into this Agreement on the basis of Grantee's own independent investigation of the physical and environmental conditions of the Servient Tenement. Grantee and its successors and assigns, including any successors in title to the Dominant Tenement, assume the risk that adverse physical and environmental conditions may not have been revealed by its investigation(s) prior to entering this Agreement.

