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MAR 29 2010

**WA State Department
of Ecology (SWRO)**

After Recording Return to:
Marv Coleman, Site Manager / Inspector
Department of Ecology
Southwest Regional Office
Toxics Cleanup Program
P.O. Box 47775
Olympia, WA 98504-7775

Environmental Covenant

Grantor: Abitibi Consolidated Sales Corporation

Grantee: State of Washington, Department of Ecology

Legal: Section 29 Township 20 Range 02 Quarter 44 : BEG NW COR OF GROUNDS WESTERN WASH HOSP E 633 FT N 1574 FT W 1015 FT M/L TO SWLY LI OF PURPOSED STEIL CK WATERWAY TH ON A COMPOUND C TO R 650 FT M/L TO INT A R/A LI TO S LI OF THOS M CHAMBERS DLC SD LI BEING 943 FT W OF BEG TH S ALG SD LI 900 FT TO A PT 360 FT N OF S LI OF SD DC TH E 242 FT TH S 360 FT TO S LI OF SD DC TH E ALG SD LI 701 FT TO BEG SUBJ TO EASE TO CITY OF TACOMA.

and

Section 29 Township 20 Range 02 Quarter 44 : COM ON S LI OF CHAMBERS DC IN SEC 32 AT A PT 855.8 FT W OF SEC LI BET SECS 32 & 33 BEING SE COR OF CASCADE PAPER CO PROP TH N 1574 FT TO N LI OF SD PROP TO POB TH CONT N 606 FT TH W 615 FT TO ELY LI OF STEIL WESTON RD TH ALG SD RD SWLY 700 FT M/L TO N LI OF SD CASCADE PAPER CO PROP TH E 855 FT M/L TO POB SUBJ TO CITY OF TACOMA EASE.

Tax Parcel Nos.: Parcel Nos. 0220294002, 0220294007.

Cross Reference: Agreed Order No. DE 3154

Grantor, Abitibi Consolidated Sales Corporation, hereby binds Grantor, its successors and assigns to the land use restrictions identified herein and grants such other rights under this environmental covenant (hereafter "Covenant") made this day of March, 2010 in favour of the State of Washington Department of Ecology (Ecology). Ecology shall have full right of enforcement of the rights conveyed under this Covenant pursuant to the Model Toxics Control Act, RCW 70.105D.030(1)(g), and the Uniform Environmental Covenants Act, 2007 Wash. Laws ch. 104, sec. 12.

This Declaration of Covenant is made pursuant to RCW 70.105D.030(1)(f) and (g) and WAC 173-340-440 by Abitibi Consolidated Sales Corporation , its successors and assigns, and the State of Washington Department of Ecology, its successors and assigns (hereafter "Ecology").

A remedial action (hereafter "Remedial Action") occurred at the property that is the subject of this Covenant. The Remedial Action conducted at the property is described in the following document:

Draft Cleanup Action Plan For Abitibi Consolidated Sales Corporation Property (West Tacoma Mill), dated September 2008.

This document is on file at Ecology's Southwest Regional Office.

This Covenant is required because the Remedial Action resulted in residual concentrations of arsenic (As), in the near surface aquifer, which exceed the Model Toxics Control Act Method B Cleanup Level established under WAC 173-340-720 and polynuclear aromatic hydrocarbons (PAHs), in soils associated with the rail lines, which exceed the Model Toxics Control Act Method B Cleanup level established under WAC 173-340-740 remaining at the site.

The undersigned, Abitibi Consolidated Sales Corporation, is the fee owner of real property (hereafter "Property") in the County of Pierce, State of Washington that is subject to this Covenant. The Property is legally described as follows: Section 29 Township 20 Range 02 Quarter 44 : BEG NW COR OF GROUNDS WESTERN WASH HOSP E 633 FT N 1574 FT W 1015 FT M/L TO SWLY LI OF PURPOSED STEIL CK WATERWAY TH ON A COMPOUND C TO R 650 FT M/L TO INT A R/A LI TO S LI OF THOS M CHAMBERS DLC SD LI BEING 943 FT W OF BEG TH S ALG SD LI 900 FT TO A PT 360 FT N OF S LI OF SD DC TH E 242 FT TH S 360 FT TO S LI OF SD DC TH E ALG SD LI 701 FT TO BEG SUBJ TO EASE TO CITY OF TACOMA.

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Abitibi Consolidated Sales Corporation makes the following declaration as to limitations, restrictions, and uses to which the Property may be put and specifies that such declarations shall constitute covenants to run with the land, as provided by law and shall be

binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the Property (hereafter "Owner").

Section 1.

1. No near surface aquifer groundwater may be taken for domestic, agricultural, or any use from the Property.

2. A portion of the Property contains PAH contaminated soil located in and along the railroad area by the loading dock. Upon demolition of the rail lines any contaminated soil exceeding MTCA standards that is removed shall be disposed of according to regulatory requirements. The creation of a new exposure pathway creates a need for the Owner to notify Ecology of the method of soil removal and where it is to be disposed. The Owner shall not alter, modify, or remove existing structures in any manner that may result in the release or exposure to the environment of that contaminated soil or create a new exposure pathway without prior written approval from Ecology.

Section 2.

Any activity on the Property that may interfere with the integrity of the Remedial Action and continued protection of human health and the environment is prohibited.

Section 3.

Any activity on the Property that may result in the release or exposure to the environment of a hazardous substance that remains on the Property as part of the Remedial Action, or create a new exposure pathway, is prohibited without prior written approval from Ecology.

Section 4.

The Owner of the property must give thirty (30) day advance written notice to Ecology of the Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease, or other interest in the Property shall be consummated by the Owner without adequate and complete provision for continued monitoring, operation, and maintenance of the Remedial Action. Title to the property was conveyed from Abitibi Consolidated Sales Corporation to Chambers Creek LLC on February 11, 2010, with notice provided to Ecology in accordance with this section.

Section 5.

The Owner must restrict leases to uses and activities consistent with the Covenant and notify all lessees of the restrictions on the use of the Property.

Section 6.

The Owner must notify and obtain approval from Ecology prior to any use of the Property that is inconsistent with the terms of this Covenant. Ecology may approve any inconsistent use only after public notice and comment.

Section 7.

The Owner shall allow authorized representatives of Ecology the right to enter the Property at reasonable times for the purpose of evaluating the Remedial Action; to take samples, to inspect remedial actions conducted at the property, to determine compliance with this Covenant, and to inspect records that are related to the Remedial Action.

Section 8.

The Owner of the Property reserves the right under WAC 173-340-440 to record an instrument that provides that this Covenant shall no longer limit use of the Property or be of any further force or effect. However, such an instrument may be recorded only if Ecology, after public notice and opportunity for comment, concurs.

ABITIBI CONSOLIDATED SALES CORPORATION


Name of Signatory

JACQUES P. VACHON - SECRETARY

Title

Dated: MARCH 25, 2010

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL**

On this 25th day of March 2010, I certify that Jacques P Vachon

_____ personally appeared before me, acknowledged that he signed this instrument, on oath stated that he was authorized to execute this instrument, and acknowledged it as the Secretary [type of authority] of Abitibi Consolidated Sales Corporation to be the free and voluntary act and deed of such party for the uses and purposes mentioned in the instrument.

Stephanie Pereira

Commissioner of Oaths

My Commission expires October 8, 2010.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

Rebecca S. Lawson

Rebecca S. Lawson, P.E., LHG
Regional Section Manager
Toxics Cleanup Program

Dated: 3/29/2010

