

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

In the Matter of:

**Grove 1935 Inc.
f/k/a Artistic Carton Company
130 South Orchard Circle
Lake Forest, IL 60045**

EGLE Reference No. AOC-RRD-25-001

**Regarding the property at
15781 River Street
White Pigeon, Michigan**

ADMINISTRATIVE ORDER BY CONSENT

A. This Administrative Order by Consent (Order) is entered into voluntarily by and between the Michigan Department of Environment, Great Lakes, and Energy (EGLE), and the Michigan Department of Attorney General (MDAG) (collectively, the “State”), and Grove 1935 Corporation (Respondent), formerly known as the Artistic Carton Company, pursuant to the authority vested in the MDAG and EGLE by Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101, *et seq.* (Part 201). As used in this Order, Party shall mean either Respondent or the State and Parties shall mean Respondent and the State. All terms used in this Order, which are defined in Part 201, shall have the same meaning in this Order as in Part 201.

B. This Order concerns the settlement between the State and the Respondent for past and future response activity costs that have been and will be incurred responding to the release or threat of release of hazardous substances at and emanating from the property formerly known as the White Pigeon Paper Company, located at 15781 River Street in White Pigeon, St. Joseph County, Michigan, and as identified in Attachment A (the Property). The Property and any area, place, parcel or parcels of property, or portion of a parcel of property where a hazardous substance in excess of the concentrations that satisfy the cleanup criteria

for unrestricted residential use, has been released, deposited, disposed of, or otherwise comes to be located is a facility as defined by Part 201 (the Facility) and is subject to regulation under Part 201.

C. Pursuant to Part 201, the State has incurred and will continue to incur costs in responding to the release or threat of a release of hazardous substances at the Facility. Pursuant to MCL 324.20126a(1), “a person who is liable under Section 20126 is jointly and severally liable for [...] All costs of response activity lawfully incurred by the state [and] Any other costs of response activity reasonably incurred under the circumstances by any other person.” The State alleges that the Respondent is liable under MCL 324.20126a(1) and therefore is jointly and severally responsible for all costs of response activity lawfully incurred by the State. The objective of the Parties in entering into this Order is for Respondent to make a cash payment to fully resolve its alleged civil liability to the State regarding the Facility under Part 201. The State and Respondent agree that this Order has been negotiated in good faith, that settlement of this matter without further litigation and without any admission or adjudication of any issue of fact or law is appropriate and will avoid prolonged and complicated litigation among the Parties. EGLE has determined that settlement of this claim is in the public interest and will minimize litigation.

D. The execution of this Order by the Respondent is neither an admission of liability with respect to any issue covered under this Order nor an admission or denial of any findings of fact or legal determinations stated or implied herein.

E. This Order shall apply to and be binding upon the Respondent, its successors, heirs, and assigns, including the Settling Parties named in Paragraph 6 of this Order. No change or changes in the ownership or corporate status of any Respondent shall alter in any way the Respondent’s obligations under this Order. The signatories to this Order certify that they are authorized to execute this Order and legally bind the Parties they represent.

BASED UPON THE FOREGOING FACTS AND DETERMINATIONS, EGLE AND THE ATTORNEY GENERAL HEREBY ORDER, AND THE RESPONDENT HEREBY AGREES, TO THE FOLLOWING:

1. Within seven (7) days after the Effective Date of this Order, the Respondent shall make three payments totaling \$1,181,515.64. The payments shall be as follows: \$131,515.64 payable to the "State of Michigan - Environmental Response Fund"; \$1,000,000.00 payable to the "State of Michigan - Environmental Response Fund"; and \$50,000 payable to EGLE's counsel "Callow and Utter LLC".

2. Payments payable to the "State of Michigan - Environmental Response Fund" shall be sent to:

By first class mail:

Michigan Department of Environment, Great Lakes, and Energy
Cashier's Office for EGLE
P.O. Box 30657
Lansing, Michigan 48909-8157

Via courier:

MDOT Accounting Services Division
Cashier's Office for EGLE
Van Wagoner Building, 1st Floor West
425 W. Ottawa Street
Lansing, Michigan 48933-2125

To ensure proper credit, payments made to the State pursuant to this Order must be made by check referencing the White Pigeon Paper Company, the EGLE Reference No. AOC-RRD-25-001, and the RRD Account Number RRD50135. A copy of the transmittal letter and the check shall be provided simultaneously to:

As to EGLE:

Ray Spaulding, Project Manager
Kalamazoo District Office
Remediation and Redevelopment Division
Michigan Department of Environment, Great Lakes, and Energy
7953 Adobe Road
Kalamazoo, Michigan 49009-5025
Phone: (517) 290-2401
Fax: (269) 567-3555
E-mail Address: spauldingr1@michigan.gov

and to MDAG at:

Assistant Attorney General in charge
Environment, Natural Resources, and Agriculture Division
Michigan Department of Attorney General
G. Mennen Williams Building, 6th Floor
P.O. Box 30755
Lansing, Michigan 48909
Phone: 517-335-7664
Fax: 517-335-7636

3. Payments payable to Callow and Utter LLC shall be sent to:

Callow and Utter LLC
Attention: Joe Callow
8044 Montgomery Rd., Suite 170
Cincinnati, Ohio 45236
Phone: (513) 930-0741

4. Payments to the State of Michigan shall be deposited in the Environmental Response Fund in accordance with the provisions of MCL 324.20108(3). The \$1,000,000 payment shall be deposited into a restricted subaccount in the Environmental Response Fund in accordance with the provisions of MCL 324.20108(2)–(4). The funds deposited into the subaccount shall be used by EGLE to pay for future response activities to be conducted by or for it at the Facility. If EGLE determines funds in this subaccount do not need to be retained in the restricted subaccount after 10 years, then the funds can be released to the Environmental Response Fund general account.

5. If the Respondent fails to pay the amounts indicated in Paragraph 1 pursuant to the deadlines set forth therein, the Respondent also shall pay EGLE interest on those unreimbursed costs at the rate specified in MCL 324.20126a(3). If any of the Respondent's payments are more than thirty (30) days past due, the Respondent also shall pay EGLE stipulated penalties of five hundred Dollars (\$500.00) per day for every day of its noncompliance with Paragraph 1 of this Order.

6. In consideration of the payments to be made by the Respondent under the terms of this Order, except as otherwise provided in this Order, the State releases and covenants not to sue or to take further administrative action against the Respondent for the following "matters addressed" by this Order: any and all environmental contamination issues, including, without limitation, the release or presence of any hazardous substances regulated now or in the future,

whether known or unknown, at and emanating from the Facility described in this Order, including, without limitation, actions for past response activity costs, future response activity costs, or response activities at or related to the Facility. The covenant not to sue shall take effect upon the completion of all of the following: EGLE's receipt of the two payments from the Respondent as set forth in Paragraph 1; confirmation of payment to EGLE's counsel; and payment of any associated interest and penalties that may have accrued pursuant to Paragraph 5. The release and covenant not to sue extends to Respondent, Grove 1935 Corporation, formerly known as the Artistic Carton Company, and the following Traeger family members and trusts that received payments under the Asset Purchase Agreement dated July 22, 2019 between Project Mitten Acquisitions, LLC and Artistic Carton Company and/or the Letter Agreement dated June 24, 2020 between Grove 1935 and GPI Midwest: Peter A. Traeger, Peter A. Traeger Trust, Bradley M. Traeger, Samantha E. Van Drunen and Vivian Van Drunen (collectively, Settling Parties). These releases and covenants are conditioned upon the satisfactory performance by Respondent of its obligations under this Order. These releases and covenants extend only to Respondent and Settling Parties and do not extend to any other person.

7. Nothing in this Order shall be construed as releasing or discharging any liability of any person to the Respondent and the Respondent specifically reserves its rights against such persons.

8. The Respondent agrees that all applicable statutes of limitation are tolled only as between Respondent and the State until the Respondent has complied with Paragraph 1 of this Order by making the required payments. Nothing in this Order will modify, renew or extend any statute of limitations as to any person other than the State.

9. The State reserves, and this Order is without prejudice to, all rights against Respondent and Settling Parties with respect to matters not included in Paragraph 6. Notwithstanding any other provision of this Order, the State reserves all rights under state and federal law with respect to:

- a. liability for failure of Respondent or Settling Parties to meet a requirement of this Order, including but not limited to stipulated penalties and enforcement of this Order in a court of competent jurisdiction;
- b. liability for criminal acts; and

c. The State expressly reserves all of its rights and defenses pursuant to any available legal authority to enforce this Order.

10. Except with respect to Respondent and Settling Parties, nothing in this Order shall limit the power and authority of EGLE or the State of Michigan, pursuant to MCL 324.20119 and MCL 324.20137, as provided for under MCL 324.20132(8), to direct or order all appropriate action to protect the public health, safety, or welfare, or the environment; or to prevent, abate, or minimize a release or threatened release of hazardous substances, pollutants, or contaminants on, at, or from the Facility.

11. Pursuant to MCL 324.20129(5), and Section 113(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act, 1980 PL 96-510, as amended (CERCLA), 42 USC 9613(f)(2); Respondent and each of the Settling Parties shall not be liable for claims for contribution for the "matters addressed" as set forth in Paragraph 6 of this Order, to the extent allowable by law. The Parties agree that this Order constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of the CERCLA, 42 USC 9613(f)(3)(B), pursuant to which the Respondent and each of the Settling Parties has, as of the Effective Date, resolved their liability to EGLE for the "matters addressed" in this Order and are entitled to protection from contribution actions or claims as provided by Section 20129(5) of the NREPA, MCL 324.29129(5), and Section 113(f)(2) of CERCLA, 42 USC 9613(f)(2). Entry of this Order does not discharge the liability of any person not identified in Paragraph 6 that may be liable under MCL 324.20126 of the NREPA, or Section 9607 and Section 9613 of the CERCLA. Pursuant to MCL 324.20129(9) of the NREPA, any action by Respondent for contribution from any person that is not a Party to this Decree shall be subordinate to the rights of the State, if the State files an action pursuant to the NREPA or other applicable state or federal law.

12. Respondent hereby covenants not to sue or to take any civil, judicial, or administrative action against the State, its agencies, or their authorized representatives, for any claims or causes of action against the State that arise from this AOC including, but not limited to, any direct or indirect claim for reimbursement from the Cleanup and Redevelopment Fund pursuant to MCL 324.20119(5) or any other provision of law.

13. The State reserves the right to take action against Respondent if it discovers at any time that any material information provided by Respondent prior to or after entry of this AOC was false or misleading.

14. This Order shall become effective on the date that the RRD Assistant Director signs this Order ("Effective Date"). Dates for the performance of obligations under this Order shall be calculated from the Effective Date of this Order unless otherwise specified herein. For the purposes of this Order, the term "day" shall mean a calendar day unless otherwise noted.

IT IS SO AGREED AND ORDERED BY:



Josh Mosher, Assistant Director
Remediation and Redevelopment Division
Michigan Department of Environment, Great Lakes, and Energy

5-2-2025

Date



Danielle Allison-Yokom (P70950)
Assistant Attorney General
Environment, Natural Resources and Agriculture Division
Michigan Department of Attorney General

5-2-25

Date

IT IS SO AGREED BY:

Grove 1935 Inc.
f/k/a Artistic Carton Company
130 South Orchard Circle
Lake Forest, IL 60045



Signature
Peter Traeger
President

4-28-25

Date