

This ALLOCATION AGREEMENT (hereinafter, "Agreement") is made by and among the City of Gainesville, Florida (hereinafter, "City"), the United States of America (hereinafter, "United States") and Unisys Corporation (hereinafter, "Unisys").

WITNESSETH:

WHEREAS, the State of Florida Department of Environmental Protection (hereinafter, "DEP") brought an action captioned State of Florida Department of Environmental Protection v. Elaine L. Chao, et al., in her official capacity as Secretary of Labor, Civil Action No. 1:07-CV-0136-SPM/AK (hereinafter, "Action") in Alachua County Court, Florida on June 18, 2007 with subsequent removal to the United States District Court for the Northern District of Florida (Gainesville Division) on July 10, 2007;

WHEREAS, the Action seeks monetary and injunctive relief concerning alleged impacts by hazardous substances at property located at 5301 Waldo Road in Gainesville, Florida (hereinafter, the "Property");

WHEREAS, the former City Employees Pension Fund of the City of Gainesville, Florida (hereinafter, "CEPF") owned the Property from 1958 to 1978;

WHEREAS, Sperry Rand Corporation, a predecessor entity to Unisys, leased the Property from 1955 to 1978 and operated a manufacturing facility at the Property from 1955 to 1976;

WHEREAS, Sperry Rand Corporation purchased the Property from CEPF in 1978 and immediately conveyed the property to the United States;

WHEREAS, the United States has owned, and continues to own, the Property since 1978;

WHEREAS, the City owns the real property located to the south and east of the Property and is desirous of the removal of hazardous substances from its property;

WHEREAS, alleged hazardous substances on the Property pose a potential threat to the City's Wellfield;

WHEREAS, each Party denies any liability for conditions at or near the Property and for any costs and expenses incurred and to be incurred in response to the alleged release or alleged threat of release of hazardous substances at, or near, the Property;

WHEREAS, without resorting to litigation, the Parties desire to fund, allocate costs among themselves and complete an assessment of the alleged release or threat of release of hazardous substances at the Property; and

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements contained herein, the Parties hereto agree as follows:

1. Within thirty (30) days of the effective date of this Agreement, Unisys shall, in writing, recommend to the City and United States the identity of various qualified environmental contractors from among whom the Parties shall collectively select one contractor for a Site Assessment Report Addendum for the Property (collectively referred hereinafter as the "Work"). The "Work" does not include any activities performed by the Parties prior to the effective date of this Agreement.

2. Within fifteen (15) days of receipt of Unisys' written recommendations pursuant to Paragraph 1 herein, the Parties shall mutually agree, which agreement shall not be unreasonably withheld by any Party, on the identity of the environmental contractor to be retained for the Work. Upon such mutual agreement of the Parties, Unisys shall promptly retain such consultant for the Work. City and United States shall be named as third party beneficiaries to the agreement between consultant and Unisys and shall be named as additional insureds on consultant's insurance policies. The Parties shall be consulted on the parameters of the work plan and shall mutually agree on the Scope of Work for the assessment.

3. It is understood by the Parties that the Gainesville Job Corps Center is a residential training facility for young people. In order to ensure that no harm or injury occurs to any of the U.S. Department of Labor Job Corps participants, the Parties agree that if any activities under the Work are to be conducted on or near Job Corps property, the U.S. Department of Labor shall be given a minimum of five days notice of such activity. Further, the U.S. Department of Labor shall be consulted on any drilling or digging activity that is necessary on Job Corps property and may require the consultant to take measures to protect and safeguard Job Corps participants. All equipment and work sites must be secured and enclosed. All Investigative Derived Waste shall be handled properly to ensure no damage or adverse impact to the Property.

4. The Parties agree that Unisys shall have primary oversight and direction of the day-to-day activities of the contractor mutually selected by the Parties. Notwithstanding the foregoing, each Party shall receive copies of any reports or correspondence between Unisys and the contractor. The Parties also shall be advised of each milestone achieved by such contractor, and each Party shall have equal time and opportunity to review and approve any written work product prepared by the contractor relative to the Work. In addition, Unisys shall arrange for a conference call among the Parties and the contractor approximately every ninety (90) calendar days to discuss the progress of the Work.

5. Each Party acknowledges that work product of the contractor may require prompt review in order to meet schedules established in the Work or to meet DEP requirements. To that end, each Party agrees that it shall provide timely review of the contractor's work product in a timeframe that is consistent with schedules established by the Work or DEP. Each Party further agrees that its failure to meet such specified timeframes for work product review shall forfeit such Party's right and opportunity to later comment on that specific element of work product but shall not forfeit such Party's right to review and comment on subsequent work product of the retained contractor.

6. Each Party shall fund its respective share of cost of the Work performed by the contractor as follows:

Unisys: 63.3%
United States: 23.3%
City: the greater of 13.4% or \$20,000

If the City pays \$20,000 rather than 13.4%, the shares of Unisys and the United States shall be adjusted so that Unisys pays 74 percent and the United States pays 26 percent of the portion of the cost of the Work not paid by the City. In addition to the foregoing requirements, the City agrees that it shall also provide, at its own cost and expense, the following in-kind services in support of the Work:

Clearing and grubbing at the Property or City of Gainesville property as directed by the contractor;

Disposition of purge water from groundwater monitoring wells as directed by the contractor; and

Installation of access pathways necessary to perform the Work as directed by the contractor.

The City agrees that it shall in good faith consider and, at its sole discretion, implement, additional in-kind services beyond those described herein in support of the Work as may be requested from time to time by Unisys and the United States.

7. The contractor shall be directed by Unisys to forward its monthly invoices to each Party for review and approval. Each Party agrees that it shall approve or disapprove, in writing, such invoice within fifteen (15) calendar days of receipt. A failure to affirmatively approve or disapprove of any consultant invoice within fifteen (15) days by any Party will be deemed to be an approval of such invoice by such Party. Upon approval of any such invoice by the Parties, Unisys shall proceed to pay the approved sum of such invoice to the contractor within forty-five (45) days of such collective approval.

8. Within sixty (60) days of receipt of notice from Unisys that Unisys has paid the respective invoice referenced in Paragraph 6 herein, the United States and City shall reimburse Unisys for their respective shares of such costs as more particularly described at Paragraph 6 herein. Notwithstanding the foregoing, the Parties acknowledge and agree that the City's reimbursement of Unisys shall not exceed the collective sum of ten thousand (\$10,000) at any time prior to the conclusion of the City's fiscal year ending September 30, 2008. Unisys shall request reimbursement from the United States no sooner than every sixty (60) days. Within thirty (30) days after October 1, 2008, the City shall reimburse Unisys for its unpaid share, if any, of approved contractor invoices that represent a collective sum due by the City, pursuant to the terms of Paragraph 6 hereto, in excess of its ten thousand dollar (\$10,000) funding threshold for the timeframe preceding September 30, 2008. The United States and the City shall direct payments required by this Paragraph 7 to: Mr. Paul Brookner, Unisys Corporation (MS F1B05), 3199 Pilot

Knob Road, Eagan, MN 55121. Alternatively, the United States and the City may make the payment to Unisys by electronic funds transfer based on information provided by Unisys. If the United States does not reimburse Unisys for its respective share of the costs within sixty (60) days after receipt of notice that Unisys has paid the invoice at issue, then interest on the unpaid balance shall be paid commencing on the sixty-first (61st) day after receipt of such notice. Interest shall accrue at the rate specified for interest on investments of the Hazardous Substance Superfund established under Subchapter A of Title 26 of the United States Code.

9. In consideration of the payment by each Party of its respective obligations under this Agreement, and except as set forth below, each Party hereby agrees to release and covenants not to sue any other Party, including its parent companies, subsidiaries, affiliates, related entities, predecessors, successors and assigns, and the respective past, present and future officers, directors, commissioners, employees, contractors, agents, insurers, attorneys and representatives thereof, for any and all past, present, and future claims regarding costs of the Work, provided that each Party reserves the right to enforce the terms and conditions of this Agreement against any other Party. The release and covenant not to sue provided herein is not intended by any Party to be a release of, or covenant not to sue, for any claims unrelated to the costs of the Work or for any claims against any individual or entity not a signatory to this Agreement. If any Party defaults and fails to cure the default within ten (10) days following receipt of written notice, the defaulting Party may not enforce this waiver and release. The United States specifically reserves its right to assert against any Party any claims or actions relating to the Property brought on behalf of the United States Environmental Protection Agency or a natural resource trustee.

10. If any dispute, claim, or difference arises in connection with this Agreement or the breach or invalidity thereof, the Parties shall attempt to resolve the issue by informal negotiations. If the Parties are unable to do so, they shall consider the use of mediation to facilitate the resolution of such dispute, claim, or difference.

11. This Agreement will become effective as of November 20, 2007.

12. The "United States" means the United States of America, including all of its departments, agencies, and instrumentalities.

13. All payments by the United States are subject to the availability of funds appropriated for such purpose. No provision of this Agreement shall be interpreted as or constitute a commitment or requirement that the United States obligate or pay funds in contravention of the Antideficiency Act, 31 U.S.C. § 1341.

14. Each of the Parties hereto warrants and represents that it has obtained any and all legal advice which such Party deemed necessary prior to entering into this Agreement.

15. No Party, or representative or counsel for any Party, has acted as counsel for any other Party with respect to such Party entering into this Agreement, and

each Party represents that it has sought and obtained any appropriate legal advice it deems necessary prior to entering into this Agreement. No Party or its representative shall act as legal counsel or the legal representative of any other Party, unless expressly retained by such Party for such purpose, and except for such express retention, no attorney/client relationship or fiduciary relationship is intended to be created between any Party's legal counsel and any other Party or its representative.

16. Miscellaneous:

a. No modification of this Agreement may be made unless made in writing and signed by duly authorized representatives of each Party, which writing states that it is a modification to this Agreement.

b. The failure of a Party to insist upon strict performance of any of the terms of this Agreement in any particular instance or to exercise any right herein conferred shall not be construed as a waiver of such Party's right to assert or rely upon any such terms or rights in any other instance.

c. No voluntary assignment of this Agreement or any right or obligation under this Agreement shall be valid unless made with the prior written consent of the other Parties.

d. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida as though made and to be fully performed in said State.

e. All notices required or permitted hereunder shall be given in writing and sent by (i) facsimile transmission, (ii) electronic mail, (iii) mailed postage prepaid by first class certified or registered mail, (iv) a nationally recognized express courier service, or (v) hand delivery, in each case to the representatives for the Parties as follows:

City: Marion J. Radson, Esquire
Office of the City Attorney
200 E. University Ave.
Suite 425
Gainesville, FL 32601

with a copy to:
William L. Pence, Esquire
Akerman Senterfitt
420 South Orange Ave, Suite 1200
Orlando, FL 32801

Unisys: David T. Noble, Esquire
Unisys Corporation
Office of the General Counsel (E8-106)
Unisys Way
Blue Bell, PA 19424

with a copy to:

Mr. Paul Brookner
Unisys Corporation (MS F1B05)
3199 Pilot Knob Road
Eagan, MN 55121

U.S.: Chief, Environmental Defense Section
United States Department of Justice
P.O. Box 23986
Washington, DC 20026-3896

with a copy to:

Office of the Solicitor
U.S. Department of Labor
200 Constitution Avenue, Suite N-2101
Washington, DC 20210

Any notice, if mailed properly addressed, postage prepaid, shall be deemed made three (3) days after the date of mailing as indicated on the certified or registered mail receipt, or on the next business day if sent by express courier service or on the date of delivery or transmission if hand delivered or sent by electronic mail or facsimile transmission.

f. This Agreement constitutes the entire agreement among the Parties relating to the subject matter hereof and supersedes any previous agreements or other understandings, whether oral or written.

g. This Agreement can be executed in counterparts as if all signatures appeared on the same page of one document.

IN WITNESS WHEREOF, the Parties have caused this Agreement, effective as of the date provided at Paragraph 11 herein, to be executed by their duly authorized representatives.

City of Gainesville, FL

Unisys Corporation

By: _____

By: Janet Haugen

Name: _____

Name: Janet Haugen
Senior Vice President and

Title: _____

Title: Chief Financial Officer

Date: _____

Date: 11/19/07

United States of America

RONALD J. TENPAS
Acting Assistant Attorney General
Environmental and Natural Resources Division

By: _____
Paul Cirino, Trial Attorney
Environmental Defense Section
United States Department of Justice
P.O. Box 23986
Washington, DC 20026-3896

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City of Gainesville, FL

Unisys Corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

United States of America

RONALD J. TENPAS
Acting Assistant Attorney General
Environmental and Natural Resources Division

By: Paul Cirino
Paul Cirino, Trial Attorney
Environmental Defense Section
United States Department of Justice
P.O. Box 23986
Washington, DC 20026-3896

Date: November 20, 2007

IN WITNESS WHEREOF, the Parties have caused this Agreement, effective as of the date provided at Paragraph 11 herein, to be executed by their duly authorized representatives.

City of Gainesville, FL

Unisys Corporation

By: 

By: _____

Name: Russ Blackburn

Name: _____

Title: City manager

Title: _____

Date: 11-19-07

Date: _____

United States of America

RONALD J. TENPAS
Acting Assistant Attorney General
Environmental and Natural Resources Division

By: _____
Paul Cirino, Trial Attorney
Environmental Defense Section
United States Department of Justice
P.O. Box 23986
Washington, DC 20026-3896

APPROVED AS TO FORM AND LEGALITY

By: 
Marion J. Radson, City Atty.
City of Gainesville, Florida

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