

EXHIBIT F3

EASEMENT

between

BESSEMER AND LAKE ERIE
RAILROAD COMPANY

and

MUNICIPAL AUTHORITY OF THE
BOROUGH OF GREENVILLE

DATED: October 15, 1985

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101

EASEMENT

(Pipeline)

PARTIES

THIS EASEMENT, made this 15th day of October, 1985, and intended to take effect on this day, although actually executed on the _____ day of _____, 1985, by and between BESSEMER AND LAKE ERIE RAILROAD COMPANY, a Pennsylvania corporation

whose address is P.O. Box 68, Monroeville, Pa. 15101

hereinafter called Grantor, party of the first part, and MUNICIPAL AUTHORITY OF THE BOROUGH OF GREENVILLE, a municipal authority of the County of Mercer, Commonwealth of Pennsylvania

whose address is P.O. Box 638, Greenville, Pa. 16125

hereinafter called Grantee, party of the second part, in consideration of the sum of Two hundred dollars

(\$ 200.00),

paid to the Grantor by the Grantee, for the preparation of this Easement, and the covenants and agreements hereinafter recited, on the part of Grantee to be paid, kept and performed, Grantor hereby grants to Grantee an easement for the construction, maintenance, repair and removal of the following:

DESCRIPTION

Section 1. (See Rider)

The facilities of the Grantee, covered by the right herein granted, are hereinafter called The Pipeline.

IT IS AGREED BETWEEN THE PARTIES HERETO:

FEE

Section 2.

Grantee shall pay to Grantor, upon the execution of this Easement, for the right herein granted, the lump sum of Five hundred twenty-eight dollars

(\$ 528.00), .

USE

Section 3.

(a) The Pipeline shall be used solely for the purpose of conveying water

and for no other purpose without Grantor's prior written consent.

(b) Grantee shall not permit The Pipeline to be used for any purpose which is forbidden by law, regulation or ruling of any governmental authority or which may invalidate any policy of insurance.

(c) Grantee shall not use any other property of Grantor other than is occupied by The Pipeline without first obtaining Grantor's prior written consent and complying with all requirements of Grantor applicable thereto.

(d) Grantee agrees that in its construction, maintenance, repair and removal of The Pipeline, it shall do so with a minimum of interference with the natural drainage of Grantor's lands,

and shall provide and maintain, at its sole cost and expense, all grading and compacting, together with drainage facilities required because of construction, maintenance, repair and removal of The Pipeline. All work associated herewith shall be subject to the approval of the Chief Engineer of Grantor, or his duly authorized representative.

INGRESS
AND
EGRESS

Section 4.

Grantor does not undertake to provide a means of ingress and egress to The Pipeline, except over lands of Grantor, as herein specified, and in a manner approved by the Chief Engineer of Grantor, or his duly authorized representative.

CONSTRUCTION Section 5.

The Pipeline shall be constructed in accordance with the latest revision of the specifications for pipelines as published by the American Railway Engineering Association.

CATHODIC
PROTECTION

Section 6.

(a) Any cathodic protection installed to protect The Pipeline shall be installed in a manner so as to ensure there is no interference with Grantor's signaling apparatus.

(b) Installation of cathodic protection subsequent to the installation of The Pipeline shall be considered as an additional occupation and shall require occupational rights from Grantor. The granting of these occupational rights for the cathodic protection shall require payment of an additional fee by Grantee.

FLAGMEN

Section 7.

(a) The Grantor shall place and maintain, at the sole cost and expense of Grantee, any flagmen, watchmen and/or inspectors Grantor deems necessary for the proper protection of traffic moving on its tracks and to insure the safety of its operations during construction, maintenance, repair, relocation and removal of The Pipeline.

(b) Movement of personnel, equipment and materials over and across the tracks of Grantor shall be held to a minimum and such movements shall be made only under the supervision and direction of the Chief Engineer of Grantor, or his duly authorized representative.

MATERIALS
AND
WORKMANSHIP

Section 8.

(a) All materials and workmanship required in the construction, maintenance, repair and removal of The Pipeline, shall be furnished by the Grantee, but shall be subject to inspection at all times by the Chief Engineer of Grantor, or his duly authorized representative. Any materials or workmanship declared to be unsatisfactory by Grantor shall be replaced by the Grantee at its own expense, with materials and workmanship satisfactory to Grantor. The privilege of inspecting the materials and workmanship involved in the construction, maintenance, repair, relocation, and removal of The Pipeline and to notify Grantee to renew, repair or replace materials and workmanship unsatisfactory to Grantor shall not be construed as imposing any obligation whatsoever on Grantor to inspect such materials and workmanship and to notify Grantee to renew, repair and replace any materials or workmanship, it being the intent of the parties to this Easement that the sole responsibility for the materials and workmanship used in the construction, maintenance, repair, relocation, and removal of The Pipeline, shall at all times be that of Grantee alone.

(b) When, in the opinion of Grantor, The Pipeline is in a defective condition, the Grantee shall, at its own cost and expense, within ten (10) days after receipt of written notice from Grantor, renew or repair The Pipeline in a manner satisfactory to the Chief Engineer of Grantor, or his duly authorized representative.

RELOCATION,
CHANGES
AND
ALTERATIONS

Section 9.

(a) When and as often as the Grantor shall require to have the location and/or elevation of The Pipeline, or any portion thereof, changed for the purposes of making improvements to the facilities of Grantor, or minimizing any unreasonable hazards presented by The Pipeline, or the contents thereof, Grantee shall, at its own cost and expense, with due diligence but in any event not later than sixty (60) days after receipt of written notice from Grantor, change the location and/or elevation of The Pipeline, or any portion thereof, to such a location and/or elevation as shall be designated by the Chief Engineer of Grantor, or his duly authorized representative.

(b) In the event Grantee submits in writing a request to Grantor to extend the sixty (60) day relocation period, Grantor shall respond within thirty (30) days.

(c) Grantee agrees that upon request from Grantor, it will, at its own expense, make changes or alterations to The Pipeline when Grantor's operations require modification to Grantor's facilities, or to minimize any hazards presented by The Pipeline or to the contents thereof.

(d) In the event Grantee shall fail to change the location or elevation of, renew or repair, alter, or make any changes requested by Grantor, to The Pipeline, or any portion thereof, or to correct any defective conditions after receipt of written notice from Grantor, as hereinbefore provided and within the time stipulated, then Grantor may, without further notice to Grantee, perform said work. The total cost of such work performed by Grantor shall be charged to and be borne by Grantee.

INSURANCE

Section 10.

(a) The Grantee shall have all contractors and sub-contractors secure prior to the commencement of any work, and maintain until the completion of such work policies of insurance in form and with companies satisfactory to the Grantor and with companies authorized to operate in the Commonwealth of Pennsylvania for the following types of protection:

- (1) Worker's Compensation Insurance: This insurance shall be in accordance with the provisions of the Pennsylvania Worker's Compensation Act and the Pennsylvania Occupational Disease Act, as amended, and all laws amendatory thereof which may be or become effective while the policy is in force, without an exception, qualification or limitation.
- (2) Contractor's Public Liability and Property Damage Insurance: This insurance shall provide for payment not less than the amount of \$500,000 for bodily injury, including death for one person and not less than \$1,000,000 for any one accident; and \$500,000 for property damage for any one accident with a total or aggregate limit of \$1,000,000. This insurance shall also specifically include all hazards of explosion, collapse, and underground damage; certificates submitted shall so state.

(3) Contractor's Protective Public Liability and Property Damage Insurance: This insurance shall provide for payment not less than the amount of \$500,000 for bodily injury, including death for one person and not less than \$1,000,000 for any one accident; and \$500,000 for property damage for any one accident with a total or aggregate limit of \$1,000,000.

(4) Railroad Protective "Broad" Form Public Liability and Property Damage Insurance: This insurance shall provide for payment not less than the amount of \$500,000 for bodily injury, including death for one person and not less than \$1,000,000 for any one accident, and \$500,000 for property damage for any one accident with a total or aggregate limit of \$1,000,000. This policy shall be issued in the name of Bessemer and Lake Erie Railroad Company and shall contain an endorsement worded exactly as the following:

"This insurance shall save and hold Bessemer and Lake Erie Railroad Company harmless from and against all liability, claims and demands on account of personal injuries, including death, or property loss or damages to others (including contractor and employees of contractor) arising out of or in any manner connected with the performance of this contract, whether such injury, loss or damage shall be caused by negligence of contractor, a subcontractor hereunder, Bessemer and Lake Erie Railroad Company, including sole negligence of Bessemer and Lake Erie Railroad Company, or otherwise and the insurance company shall at its own expense defend any and all actions based thereon and shall pay all charges of attorneys and all costs and other expenses arising therefrom."

(5) Automobile Public Liability and Property Damage Insurance: This insurance shall provide for payment not less than the amount of \$500,000 for bodily injury, including death, for one person and not less than \$1,000,000 for any one accident; and \$500,000 for property damage for any one accident, as respects all owned, non-owned, and hired vehicles used in connection with the work.

Three signed copies of all certificates of insurance for (1), (2), (3) and (5), and three copies of policy (4) shall be furnished to the Chief Engineer of Grantor prior to the commencement of any work covered by this contract.

(b) If a higher limit of liability is required by Grantor, Grantor shall provide Grantee notice of the limit required, and within thirty (30) days thereafter, Grantee shall provide a revised certificate of insurance for the increased required limit.

(c) The providing of these insurance coverages shall not be deemed a limitation on the liability of Grantee as provided in this Easement, but shall be additional security therefor.

INDEMNITY
AND
LIABILITY

SECTION 11.

(a) Grantee, as part of the consideration for this Easement, hereby releases and waives any and all claims and demands that it may or might have against Grantor for and on account of any damage or injury to The Pipeline and other

facilities or property of Grantee, whether or not attributable to the fault, failure or negligence of Grantor, its officers or employees, agents, contractors, sub-contractors or suppliers. Grantee does further agree to indemnify, protect and save harmless Grantor, its officers and employees from any and all claims, demands, awards and actions made, brought or obtained against Grantor, its officers or employees, for any and all injuries to persons and damages to property due to, caused by or growing out of any accident or occurrence which but for this Easement or the presence on and about Grantor's property of The Pipeline or the presence of Grantee's employees, agents, contractors, subcontractors or suppliers pursuant to this Easement, would not have been incurred, even when such damages and injuries are attributable to the sole fault, failure or negligence of Grantor, its officers or employees, contractors, sub-contractors, or suppliers. Grantee agrees to defend, at its own expense, any suit or action brought against Grantor, its officers or employees, by reason of any matters referred to herein, and pay any judgment recovered in any such suit or suits.

(b) The Grantee agrees to protect the property of Grantor, its officers and employees (including rolling stock as well as stationary facilities) from damage on account of any accident or occurrence which but for the presence of The Pipeline would not have been incurred, and to reimburse Grantor, its officers and employees, promptly for any and all such loss or damage.

(c) For the purposes of this Section the term Grantor shall include not only the Grantor named herein but also any parent company(ies), subsidiary(ies) or affiliate(s) of Grantor, or its or their agents, or servants.

ASSESSMENTS
AND
TAXES

Section 12.

Grantee, as a part of the consideration for this Easement, agrees to pay all assessments and taxes on The Pipeline and on any lands or facilities of Grantor which assessments and taxes result from the location of The Pipeline.

TERMINATION

Section 13.

(a) It is mutually agreed between the parties hereto that the Easement granted herein shall be and continue in full force and effect until ninety (90) days after Grantee shall cease to use The Pipeline for the purpose herein stated, at which time the rights granted herein shall cease and determine absolutely and this Easement shall be null and void.

(b) In the event of Grantee's breach of any covenant, condition, or other obligation of this Easement, Grantor shall have the right to terminate this Easement immediately. Grantor's exercise of its right to terminate this Easement shall not, however, excuse Grantee from the fulfillment or satisfaction of any obligation under this Easement which has accrued prior to Grantor's termination of same.

(c) In the event this Easement is terminated as provided herein, the Grantee shall, at any time prior to the date of termination thereof, remove The Pipeline; and should the Grantee fail to remove The Pipeline within the required period, the Grantor is authorized to perform the work at the sole cost and expense of the Grantee.

ADVANCE NOTIFICATION Section 14.

The Grantee shall notify the Chief Engineer of Grantor, in writing, at least fifteen (15) days prior to starting construction and again by telephone at Area Code (412) 829-6640 two (2) days before any work herein provided for is to be undertaken.

ORDINANCES, REGULATIONS, ETC. Section 15.

(a) Grantee, at Grantee's sole cost and expense, shall comply with all applicable ordinances, rules, regulations, requirements and laws of any governmental authority having jurisdiction over The Pipeline or Grantee's intended use thereof, including but not limited to zoning, health, safety, building or environmental matters.

(b) Grantee shall further defend, indemnify and hold Grantor harmless from any violations thereof, any penalty, levy, fine or assessments therefrom, and all costs of defense of or compliance with any citation, order or violation notice(s), including any such penalties, levies, fines, assessments, compliance or remedial charge(s) arising after termination of this Easement.

CLAIM OF TITLE Section 16.

Grantee shall not at any time own or claim any right, title or interest in or to the lands of Grantor, nor shall the exercise of this Easement for any length of time give rise to any right, title or interest in or to the lands of Grantor, other than the Easement herein created.

WIRE AND PIPELINES Section 17.

Grantor shall at all times have the right for itself, its successors and assigns, to construct, maintain, repair, replace and remove overhead and/or underground wire and/or pipelines and appurtenances, now or hereafter installed upon or across Grantor's lands, but in a manner which shall not interfere with The Pipeline.

RECORDING Section 18.

Grantee shall not record this Easement without the written consent of Grantor, however, upon the request of either party hereto the other party shall join in the execution of a memorandum or so-called "short form" of this Easement for the purpose of recordation. Said memorandum or short form of this Easement shall describe the parties, The Pipeline and the termination provision of this Easement and shall incorporate this Easement by reference. The party requesting the recording shall pay the recording costs.

LIMITATIONS, RESERVATIONS, AND RESTRICTIONS Section 19.

This Easement is made subject to all limitations, reservations and restrictions upon the title of Grantor in and to the lands herein occupied by The Pipeline.

INSPECTION Section 20.

Notwithstanding any other provision of this Easement, nothing contained herein shall relieve Grantee from its obligation to inspect and at all times maintain in good

condition and repair The Pipeline, equipment, and facilities located under, upon or over the land of Grantor, or impose any obligation upon Grantor in respect to such inspection and maintenance.

BANKRUPTCY Section 21.

It is expressly understood and agreed that in the event of any assignment for the benefit of creditors, or in the event a petition in bankruptcy shall be filed by Grantee, or if Grantee shall be adjudged bankrupt or insolvent by any court, or if a trustee in bankruptcy or a receiver of Grantee or Grantee's property shall be appointed in any suit or proceeding brought by or against Grantee, and if at such time this Easement is in default by Grantee, then and in such event Grantor, at its option, may (1) terminate this Easement at the end of the following month by notice, or (2) may request affirmance or rejection of this Easement under Sec. 365 of the Bankruptcy Act by giving Grantee or any such assignee, trustee, or receiver written notice of such termination or demand for election. If Grantee, or such assignee, trustee or receiver fails to elect affirmance and fails to furnish adequate assurances of correction of existing debt and continued performance under the Easement, Grantor may apply to the appropriate court for an order compelling removal of Grantee. If Grantee or such assignee, trustee or receiver shall reject this Easement, it shall vacate the premises as provided in Section 13 hereof. If Grantee or such assignee, trustee or receiver shall affirm this Easement, it shall thereupon be bound by all its terms as if it were the Grantee initially named herein.

**SUCCESSORS
AND
ASSIGNS** Section 22.

The terms, covenants and provisions of this Easement shall inure to the benefit of and be binding upon the successors and assigns of Grantor and the successors and assigns of Grantee.

**TRANSFER OR
ASSIGNMENT** Section 23.

Grantee shall not transfer or assign this Easement or any rights and privileges herein granted except to a subsidiary, parent or common controlled affiliate. This covenant shall also apply whether such transfer is made voluntarily by Grantee or involuntarily in any proceeding at law or in equity to which Grantee may be a party whereby any of the rights, duties and obligations of Grantee shall be transferred, abrogated or in any manner altered, without the prior notice to and consent of Grantor. In the event of any such unauthorized transfer or assignment of this Easement, or any of the rights and privileges hereunder, Grantor, at its option, may immediately terminate this Easement by giving Grantee or any such assignee written notice of such termination.

**MARGINAL
NOTES** Section 24.

Marginal notes used herein are placed for reading convenience and shall not have any other meaning, implication or purpose, legal or otherwise.

**ENTIRE
AGREEMENT** Section 25.

This Easement and the Exhibits, and Rider, if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings

between Grantor and Grantee concerning the rights herein granted and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Easement shall be binding upon Grantor or Grantee unless reduced to writing and signed by them.

STATE APPROVAL

Section 26.

To the extent required by law, this Easement shall be subject to the approval, if necessary, of any State Commerce Commission, Board of Public Utility Commissioners, Public Service Commission of any such State body as may have jurisdiction.

INTERPRETATION

Section 27.

This Easement shall be governed by the laws of the Commonwealth of Pennsylvania and all terms and covenants shall be interpreted in accordance therewith.

PARTIAL INVALIDITY

Section 28.

In the event that any provision of this Easement shall be construed as or declared invalid, unenforceable, or unconstitutional then such invalidity, unenforceability or unconstitutionality shall not affect the remaining provisions of this Easement, and said provisions shall be given full force and effect as if the invalid, unenforceable or unconstitutional provision did not exist.

NON-WAIVER OF COVENANTS

Section 29.

The failure of either party to enforce any of the provisions of this Easement at any time shall in no way be construed to be a waiver of such provisions nor in any way affect the validity of this Easement, or any part thereof, nor the right of any party thereafter to enforce each and every such provision.

RIDER

Section 30.

A rider consisting of 1 page(s), with Sections numbered 1 and 31 is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Easement to be executed, in duplicate, as of the day and year first above written.

AS TO GRANTOR

ATTEST: _____

[Signature]
Assistant Secretary

BESSEMER AND LAKE ERIE RAILROAD COMPANY

By [Signature]
Vice President - Operations

AS TO GRANTEE

ATTEST: _____

[Signature]
Secretary

MUNICIPAL AUTHORITY OF THE BOROUGH OF GREENVILLE

By [Signature]
President

RIDER

to EASEMENT (Pipeline) dated

October 15, 19 85 between Bessemer and Lake Erie Railroad

Company

(Grantor) and Municipal Authority of the Borough of
Greenville

(Grantee).

Section 1.

One twelve (12) inch steel water line between points A and B is shown on attached sketch and one eight (8) inch existing cast iron water line between points C and D as shown on attached sketch and continuing northwardly within the confines of College Avenue under the track of Grantor, said water line being encased in a twenty-four (24) inch reinforced concrete casing pipe for a distance of twenty (20) feet on each side of the center line of Grantor's track in the Borough of Greenville, Mercer County, Pa.

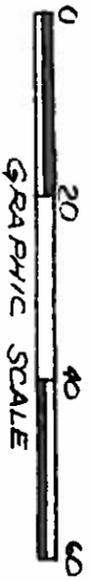
Section 31.

The Agreement, dated June 4, 1952 between the parties hereto covering the location of the eight (8) inch cast iron water line in College Avenue is hereby cancelled effective as of the date of this Agreement, upon execution of same by Grantor and Grantee herein.

Each page of this Rider shall be initialed by both parties:

(For Grantee *C. J. M.*) (For Grantor *MRS*)

END
90-46



TOP OF RIVER BANK

SURV. STA. 2+18.4 PTE
DEF. 5 RT. 65.915'

TOP OF RIVER BANK
1-2" BLOW-OFF ASSEMBLY
USING 12"x12"x12" TEE
W/ PLUS. SEE STD. 90-58

W.L. STA. 2+19
1-1/2" 22 1/2° M.U. BEND
ROTATE FOR HORIZONTAL
& VERTICAL ALIGNMENT
CONC. THRUST BLOCK
CONST. STD. 90-112 & 90-46

W.L. STA. 2+76
1-1/2" 22 1/2° M.U. BEND
1-1/2" 45° M.U. BEND
ROTATE FOR HORIZONTAL
& VERTICAL ALIGNMENT
CONC. THRUST BLOCK
CONST. STD. 90-112 & 90-46

CONTRACTOR MUST FIRST EXCAVATE
& DETERMINE EXACT LOCATION
EXISTING W.L. AND INSTALL
1-8"x8"x8" M.U. TAPPING STEEL W/ BOX
1-8"x8"x6" M.U. ANCHORING TEE
1-6" M.U. GATE VALVE & VALVE BOX
1-6" M.U. 90° BEND
1-12"x8" M.U. REDUCER
CONCRETE BLOCKING STD. 90-46
B & L RAILROAD

LITTLE SHENANGO RIVER

VERT BEND SEE PROFILE BELOW
LEGAL R/W LINE
SURV. STA. 2+47.5 PTE
DEF. 5 RT. 26.84'

8" WATERLINE TO BE ABANDONED.

TWIN 1.5' WILLOWS

FALLEN 3/4" STUMP

LEGAL R/W LINE

INSTALL 6" W.L. UNDER EXISTING 8" W.L. SEE PROFILE BELOW

CONC. WALKWAY

SURV. PTA

6" W
2+12

SEE DETAIL 2 FOR TEMPORARY PAVEMENT

EXISTING

L/L
CONC.
& D.
EXI.
6" W