



Jennifer R. Cervenka
(401) 542-1726
jcervenka@cgesq.com

August 21, 2026

Via Email and Hand-Delivery

Steven J. King, P.E., Managing Director
Quonset Development Corporation
95 Cripe Street
North Kingstown, RI 02852
sking@quonset.com

Re: License Agreement between Quonset Development Corporation, as agent and attorney in fact to the Rhode Island Commerce Corporation, and Bitumar USA, Inc., dated February 23, 2024, as amended (“License”) - License Notice dated August 14, 2026 (“Notice”)

Dear Mr. King:

Bitumar USA, Inc. (“Bitumar”), Licensee, is in receipt of the Notice concerning a Notice of Violation issued to Bitumar by the Rhode Island Department of Environmental Management (“RIDEM”) on August 12, 2026, File No. OCI-AIR-26-22 (“NOV”). The NOV alleges one violation of RIDEM Air Pollution Control Regulation, Part 17.5, imposes certain compliance requirements, and assesses an administrative penalty. In its Notice, QDC directs Bitumar to “timely comply with, and satisfy, all requirements set forth in” the NOV per Sections 14 and 20 of the License.

Bitumar takes seriously the odor compliance matter raised by RIDEM and the community odor complaints that prompted RIDEM’s investigation. Since early Spring, Bitumar has been working with an environmental consultant and legal counsel to evaluate odors at its facility at 275 Compass Circle and their potential impact on the surrounding area. As you are aware, Bitumar has already taken steps to mitigate odor, including the

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41 Romano Vineyard Way, #6153, North Kingstown, RI 02903

www.cgesq.com

purchase of odor-control equipment for planned installation, and has been coordinating closely with RIDEM regarding the matter.

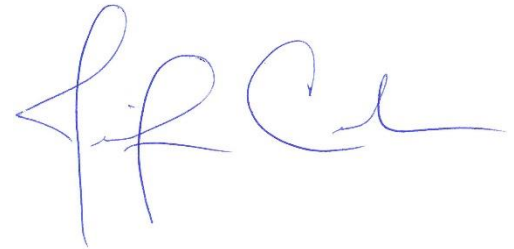
At the same time, Bitumar respectfully disputes certain factual and legal conclusions contained in the NOV, including RIDEM's determination that observations made on July 8, 2026 establish a violation of RIDEM's odor regulation, the scope of certain requirements imposed by the NOV, and the characterization and amount of the proposed penalty. Accordingly, Bitumar has requested a hearing before the Administrative Adjudication Division (the "Request"). Bitumar's right to request an administrative hearing is expressly provided by R.I. Gen L. §§ 42-17.6-4 and 42-17.7-1 et seq., and the NOV. A copy of our Request is enclosed.

Given the above, Bitumar does not agree that the issuance of the NOV, which is the subject of a pending administrative review, establishes a failure by Bitumar to comply with Section 14 of the License. Moreover, Section 20 provides that an Event of Default arises only if Licensee fails to perform an obligation under the License and such failure continues for ten (10) days after notice from QDC. Without waiving its defenses, admitting any violation, or conceding that any such failure has occurred, Bitumar has acted within that ten-day period to address the matters identified in the Notice. Bitumar has requested administrative review of the NOV and a meeting with RIDEM to discuss its resolution, while continuing its ongoing odor-control measures, including preparation of an odor management plan and installation of odor-control equipment.

We will keep QDC informed of material developments regarding resolution of the NOV and Bitumar's ongoing odor-control measures.

Sincerely,

CERVENKA GREEN LLC

A handwritten signature in blue ink, appearing to read 'JRC', is written over the company name.

Jennifer R. Cervenka

Attachments

cc: Eric Larose, VP-Operations