

Kentucky Department for Environmental Protection
Division of Waste Management
Solid Waste Branch
300 Sower Boulevard, Second Floor
Frankfort, KY 40601
(502) 564-6716

CCR Facility Corporate Guarantee and Financial Test

FOR OFFICIAL USE ONLY. DO NOT WRITE IN THIS SPACE

1. Agency Interest Number(s) (AI):

2. Permit Number *if applicable:*

3. Guarantor Information

Guarantor Name:

Mailing Address:

City:

State:

Zip Code:

Contact Person:

Title:

Phone Number: () -

Email Address:

Cell Number (Optional): () -

4. Applicant (or Subsidiary) Information (if different from Guarantor)

Applicant or Subsidiary Name:

Mailing Address:

City:

State:

Zip Code:

Contact Person:

Title:

Phone Number: () -

Email Address:

Cell Number: () -

5. Facility Information (complete if used for only a single Facility)

Facility Name:

Physical Address: [REDACTED]

City: [REDACTED]

State: [REDACTED]

Zip Code: [REDACTED]

6. Corporate Financial Test

Director, Division of Waste Management:

I am the chief financial officer of [REDACTED] (*name and address of Guarantor*), a business corporation organized under the laws of the state of [REDACTED] (*name of state*), herein referred to as Guarantor, to the Kentucky Energy and Environment Cabinet, Obligee, on behalf of our subsidiary [REDACTED] (*applicant*) of [REDACTED] (*business mailing address*), hereinafter referred to as Applicant. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable.

Recitals.

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable.
2. Applicant is responsible for the following permitted site(s) covered by this guarantee: [REDACTED] (*Agency Interest Number(s)*).
3. "Closure plans", "closure care plans" and "corrective action" as used below refer to the plans maintained as required by 401 KAR Chapters 45, 46, 47 and 48, as applicable, for the closure, closure care (post-closure) and/or corrective action, if needed, of facility(ies) as identified above.
4. For value received from Applicant, Guarantor guarantees to the Kentucky Energy and Environment Cabinet that, in the event that Applicant fails to perform [REDACTED] (*"closure", "closure care", and/or "corrective action"*) for the above facility(ies) in accordance with the closure or closure care plans, other permit requirements, and the provisions of 401 KAR Chapters 45, 46, 47 and 48, as applicable, the Guarantor shall do so or establish a trust fund as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable, on behalf of Permittee in the amount of the current closure, closure care, or corrective action cost estimates as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable.
5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the Guarantor fails to meet the financial test criteria, Guarantor shall send not later than ninety (90) days after the end of such fiscal year, by certified mail, notice to the Director, Kentucky Energy and Environment Cabinet, Division of Waste Management and to Applicant that it intends to provide alternate financial assurance as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable, in the name of Applicant. Not later than one hundred twenty (120) days after the end of such fiscal year, the Guarantor shall establish such alternate financial assurance unless Applicant has done so.
6. The Guarantor agrees to notify the Director by certified mail of voluntary or involuntary proceedings under "Title 11 (bankruptcy)" U.S. Code, naming Guarantor as debtor, not later than ten (10) days after commencement of the proceeding.
7. Guarantor agrees that no later than thirty (30) days after being notified by the Director of a determination that Guarantor no longer meets the financial test criteria or that it is disallowed from continuing as a guarantor of closure, closure care or corrective action, it shall establish alternate financial assurance as specified in 401 KAR Chapters 45, 46, 47 and 48, as applicable, in the name of Applicant unless Applicant has done so.
8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the

following: amendment or modification of the closure, closure care plan, corrective action, amendment or modification of the permit, the extension or reduction of the time of performance of closure or closure care, or any other modification or alteration of an obligation of the Applicant pursuant to 401 KAR Chapters 45, 46, 47 and 48, as applicable.

9. Guarantor agrees to remain bound under this guarantee for so long as Applicant shall comply with the applicable financial assurance requirements of 401 KAR Chapters 45, 46, 47 and 48, as applicable, for the above listed facility(ies), except that Guarantor may cancel this guarantee by sending notice by certified mail to the Director and Applicant, such cancellation to become effective not earlier than one hundred twenty (120) days after receipt of such notice by both Kentucky Energy and Environment Cabinet and Applicant, as evidenced by the return receipts.
10. Guarantor expressly waives notice of acceptance of this guarantee by the Kentucky Energy and Environment Cabinet, or by Applicant. Guarantor also expressly waives notice of amendments or modifications of the facility permit(s).

Complete the following three paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, write "NONE" in the space indicated. For each facility, include its name, address, county and current closure, post-closure, and/or corrective action estimates.

The current closure, closure care (post-closure) and/or corrective action cost estimates provided for by the test are shown for the facility(ies):

Facility Name: [REDACTED]
Physical Address: [REDACTED]
Agency Interest No.: [REDACTED]
Closure \$ [REDACTED]
Post-Closure (Closure Care) \$ [REDACTED]
Corrective Action Estimate(s) \$ [REDACTED]
Total Environmental Obligation Estimate: \$ [REDACTED]

Facility Name: [REDACTED]
Physical Address: [REDACTED]
Agency Interest No.: [REDACTED]
Closure \$ [REDACTED]
Post-Closure (Closure Care) \$ [REDACTED]
Corrective Action Estimate(s) \$ [REDACTED]
Total Environmental Obligation Estimate: \$ [REDACTED]

Facility Name: [REDACTED]
Physical Address: [REDACTED]
Agency Interest No.: [REDACTED]
Closure \$ [REDACTED]
Post-Closure (Closure Care) \$ [REDACTED]
Corrective Action Estimate(s) \$ [REDACTED]
Total Environmental Obligation Estimate: \$ [REDACTED]

Facility Name: [REDACTED]
Physical Address: [REDACTED]
Agency Interest No.: [REDACTED]
Closure \$ [REDACTED]

Post-Closure (Closure Care) \$ [REDACTED]
Corrective Action Estimate(s) \$ [REDACTED]
Total Environmental Obligation Estimate: \$ [REDACTED]

The Guarantor [REDACTED] ("*is required*" or "*is not required*") to file a form 10k with the Securities and Exchange Commission (SEC) for the most recent fiscal year. The fiscal year of this firm ends on [REDACTED] (date).

The figures for the following items marked with an asterisk are derived from this firm's independently audited, nationwide year-end financial statements for the most recently completed fiscal year which ended on [REDACTED] (date).

Alternative I

Complete Alternative I if the criteria described in Section 17 (1)(b) of 401 KAR 48:310 are used.

1. Sum of current closure and closure care cost estimates (total of all cost estimates shown in the three paragraphs above): \$ [REDACTED]
2. Total liabilities (if any portion of the closure or closure care cost estimate is included in total liabilities, you may deduct the amount of that portion from this line and add that amount of lines 3 and 4): \$ [REDACTED]
3. Tangible net worth: \$ [REDACTED]
4. Net worth: \$ [REDACTED]
5. Current assets: \$ [REDACTED]
6. Current liabilities: \$ [REDACTED]
7. Net working capital [Line 5 minus line 6]: \$ [REDACTED]
8. The sum of net income plus depreciation, depletion, and amortization: \$ [REDACTED]
9. Total assets in U.S. (required only if less than 90% of firm's assets are located within the U.S.): \$ [REDACTED]
10. Is line 3 at least \$10 million? (check one) Yes ☐ No ☐
11. Is line 3 at least 6 times line 1? (check one) Yes ☐ No ☐
12. Is line 7 at least 6 times line 1? (check one) Yes ☐ No ☐
13. Are at least 90% of firm's assets located in the U.S.? (If not, complete line 14) (check one)
Yes ☐ No ☐
14. Is line 9 at least 6 times line 1? (check one) Yes ☐ No ☐
15. Is line 2 divided by line 4 less than 2.0? (check one) Yes ☐ No ☐
16. Is line 8 divided by line 2 greater than 0.1? (check one) Yes ☐ No ☐
17. Is line 5 divided by line 6 greater than 1.5? (check one) Yes ☐ No ☐

Alternative II

Complete Alternative II if the criteria of Section 17(1)(c) of 401 KAR 48:310 are used.

1. Sum of current closure and closure care cost estimates (total of all cost estimates shown in the three paragraphs above): \$ [REDACTED]
2. Current bond rating of most recent issuance of this firm and name of rating service: [REDACTED]
3. Date of issuance of bond: [REDACTED]
4. Date of maturity of bond: [REDACTED]
5. Tangible net worth [if any portion of the closure and closure care cost estimates is included in "total liabilities" on your firm's financial statements, you may add the amount of that portion to this line]: \$ [REDACTED]

6. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)"
\$ [REDACTED]
7. Is line 5 at least \$10 million? (check one) Yes ☐ No ☐
8. Is line 5 at least 6 times line 1? (check one) Yes ☐ No ☐
9. Are at least 90% of firm's assets located in the U.S.? (check one) Yes ☐ No ☐
10. Is line 6 at least 6 times line 1? (check one) Yes ☐ No ☐

We further agree that unless expressly stated otherwise herein, the terms and obligations represented by this corporate financial test shall be governed by the Uniform Commercial Code of the Commonwealth of Kentucky and/or any other pertinent Kentucky law.

Litigation concerning this corporate financial test shall be taken to the Franklin Circuit Court, Commonwealth of Kentucky.

7. Certification

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that KRS 224.99-010 provides for penalties."

Name of Signatory (*type or print*):

Title/Position:

Signature:

Date: / /

Subscribed and sworn to before me by:

Notary public signature:

My commission expires: / /

IMPORTANT NOTE: *All information submitted on this form will be subject to public disclosure to the extent provided by Kentucky law.*

Persons filing this form may make claims of confidentiality in accordance with 400 KAR 1:060.