

**IMPORTANT INFORMATION REGARDING  
AUCTION LOT 7**

**DUE DILIGENCE DISCLOSURE  
MEMORANDUM WITH SUPPORTING  
DOCUMENTS**

Date: November 1, 2019

To: Prospective bidders/buyers of Auction Lot 7

From: Machipongo Land & Coal Company

Re: Auction Lot 7 – Subdivision Lots 10, 11 and 23

**SUMMARY**

Auction Lot 7 (hereinafter “the Land”) is being offered for sale at auction subject to the performance-dependent and time-limited contractual encumbrances described below. Supporting contractual documents are referenced as Exhibits attached to and made a part of this Memorandum. A list of relevant contacts with addresses and phone numbers is included following this memorandum prior to the Exhibits.

**Exhibit A: Government Financed Construction Contract**

Approximately 22.0 acres of Auction Lot 7 is subject to an ongoing GOVERNMENT FINANCED CONSTRUCTION CONTRACT FOR THE RECLAMATION OF ABANDONED MINE LAND (hereinafter “GFCC”) between the Commonwealth of Pennsylvania, Department of Environmental Protection (hereinafter “DEP”) and Finney Enterprises, Inc. (hereinafter “Finney”). The contract is dated December 12, 2011 and designated as GFCC #17-09-04 Pacific Operation.

## **Machipongo Land & Coal Company**

Amendment No. 2 to the GFCC extended the date for completing the work to July 31, 2019 with a termination date of July 31, 2021.

DEP has cited Finney for violations, which Finney is appealing. DEP District Mining Manager Nathan Houtz has verbally expressed DEP's desire to have Finney complete backfilling and planting by Spring 2020.

No representations are made or offered by Machipongo regarding the completion of the GFCC and Finney's exit from the portion of Auction Lot 7 subject to the GFCC.

### **Exhibit B: Recorded "Contractual Consent of Landowner" (2)**

As a necessary condition of Finney obtaining a permit to conduct incidental and necessary coal removal and surface reclamation activities, Machipongo executed and recorded as Instrument Number 201117308 a "Contractual Consent of Landowner" (DEP Form 5600-FM-MR0307 10/2004) granting an irrevocable right to enter upon the Land during the GFCC contract term and for a period of three years after the termination of the contract for purposes of inspecting, studying, backfilling, planting and reclaiming the land and abating pollution.

Machipongo also executed and recorded as Instrument Number 201117319 a Contractual Consent of Landowner (Coal) (DEP Form 5600-FM-MR0010 Rev. 5/98 – Supplement C) granting Finney the right to enter upon and use the Land for the purposes of conducting surface mining activities and for a period of five years after the completion or abandonment of the mining activities for the purposes of inspecting, studying, backfilling, planting and reclaiming the land and abating pollution.

## **Machipongo Land & Coal Company**

### **Exhibit C: Coal Lease Agreement with Finney Enterprises, Inc.**

Auction Lot 7 is subject to a “Coal Lease Agreement” (hereinafter “the Lease”) between Machipongo Land and Coal Company (hereinafter “Machipongo”) and Finney Enterprises, Inc. (hereinafter “Finney”) dated December 21, 2005 providing for payment of royalties for all coal loaded and removed from the premises.

Machipongo agrees to assign the Lease to the Buyer of Auction Lot 7 at settlement subject to reserving royalties earned and accrued prior to the settlement date and to the consent of Finney, which consent shall not be unreasonably withheld (Lease paragraph 24). No representations are made regarding the amount or continuance of ongoing royalty or rent income or as to the termination date of the Lease.

The Lease continues in effect until Lessee gives notice “that no merchantable and profitably minable coal exists within the Upper Freeport (Seam E) and Lower Freeport (Seam D), unless otherwise terminated as provided in this Lease.”

Machipongo has given Notice of Default and Notice of Termination to Finney by letter dated October 10, 2019, a copy of which is included herein in the interest of full disclosure. However, the provisions of the GFCC included in Exhibit A may supersede and have legal priority over our demand that Finney vacate the premises by November 9, 2019.

**CONTACTS**

**DEP Moshannon District Mining Office**

186 Enterprise Drive  
Phillipsburg, PA 16866  
Phone: 814-342-8200

—  
Nathan Houtz, District Mining Manager  
H. David Goss, Inspector Assigned to Finney contract

**Finney Enterprises, Inc.**

P.O. Box 121  
Brisbin, PA 16620  
Phone: 814-360-4692

—  
Robert F. Finocchio, Jr., President and Treasurer  
Robert F. Finocchio, Sr., Vice President and Secretary

**Hall & Lindsay, P.C.**

138 E. Water St.  
Lock Haven, PA 17745  
Phone: 570-748-4802

—  
Stuart Hall, Attorney for Finney Enterprises, Inc.

**Machipongo Land & Coal Company**

309 W. Pine St.  
Clearfield, PA 16830

—  
Arthur J. Minds, Secretary-Treasurer  
Phone: 626-792-2477

# **EXHIBIT A**

**ROUTING SLIP FOR GFCC'S**

Contractor's Name: **Finney Enterprises, Inc.**

Government Financed Construction Contract

Contract Number: **17-09-04 (Amendment #2)**

Contractor's License Identification Number: **17010**

Contact Person: John Mital, Moshannon District Office, 814-342-8200


\*\*\*\*\*

**FOR EXECUTION**

\*\*\*\*\*



District Mining Manager Signature



Date

District Office to Send Attached Project Description to:

General Law Division, Office of Chief Counsel  
9<sup>th</sup> Floor, Rachel Carson State Office Building

Send to:

Moshannon District Mining Office  
186 Enterprise Drive  
Philipsburg, PA 16866

District Office to Send Copy of Contract and Original Bonds to:

Bureau of Office Systems and Services  
Bonding Section  
102, Rachel Carson State Office Building  
Harrisburg, PA 17105

**ROUTING SLIP FOR GFCC'S**

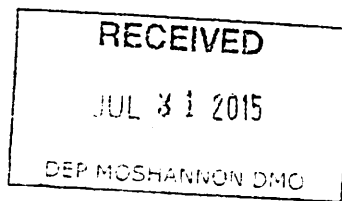
Contractor's Name: **Finney Enterprises, Inc.**

Government Financed Construction Contract

Contract Number: **17-09-04 (Amendment #1)**

Contractor's License Identification Number: **17010**

Contact Person: John Mital, Moshannon District Office, 814-342-8200



\*\*\*\*\*

**FOR EXECUTION**

\*\*\*\*\*

David Bisko for MWS 07-13-15  
District Mining Manager Signature Date

District Office to Send Attached Project Description to:

General Law Division, Office of Chief Counsel  
9<sup>th</sup> Floor, Rachel Carson State Office Building

Send to:

Moshannon District Mining Office  
186 Enterprise Drive  
Philipsburg, PA 16866

District Office to Send Copy of Contract and Original Bonds to:

Bureau of Office Systems and Services  
Bonding Section  
102, Rachel Carson State Office Building  
Harrisburg, PA 17105



Amendment #2  
CD July 31, 2019  
TD July 31, 2021

July 6, 2017

Mr. Robert Finocchio, President  
Finney Enterprises, Inc.  
P. O. Box 121  
Brisbin, PA 16620

RE: *GFCC Contract Extension*  
Pacific Operation  
GFCC #17-09-04  
Woodward Township, Clearfield County

Dear Mr. Finocchio:

Please find the enclosed executed contract amendment that extends the completion and termination dates of the above referenced contract. Your new completion date is now December 31, 2017. Please be advised that all work outlined in the contract must be completed by the completion date, December 31, 2017. Failure to complete reclamation by the contract deadline could result in the forfeiture of all bonds for the site.

If you should have any questions, please contact me at 814.342.8200.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Sammareo", written over a horizontal line.

Daniel Sammareo, P. E.  
District Mining Manager

Enclosure: Contract Amendment

cc: David Bisko, P. G., *(via mail)*  
Steve Starner, SMCIS, *(via mail)*  
George Loomis, SMCI, *(via mail)*  
Project File (GFCC # 17-09-04)

DS/JPM/bd

sent scanned 7/6/17B



Project Name: Pacific Operation  
Contract No. 17-09-04

**AMENDMENT NO. 2 TO THE**  
**GOVERNMENT FINANCED CONSTRUCTION CONTRACT**  
**FOR RECLAMATION OF ABANDONED MINE LAND**  
**BETWEEN THE DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
**AND FINNEY ENTERPRISES, INC.**

This Amendment, made this 1st day of June 2017, by and between the Pennsylvania Department of Environmental Protection (Department), and Finney Enterprises, Inc. (referred to as "Contractor"), P. O. Box 121, Brisbin, PA 16620.

WHEREAS, the Department and Contractor entered into an Agreement dated December 12, 2011 (Contract No. 17-09-04), whereby Contractor agreed to reclaim abandoned mine lands which involve the incidental removal of coal pursuant to a reclamation plan proposal to reclaim an entire abandoned mine land site consisting of approximately 22.0 acres located on certain land in Woodward Township, Clearfield County, Pennsylvania; and

WHEREAS, the parties wish to extend the completion and termination dates of the Agreement;

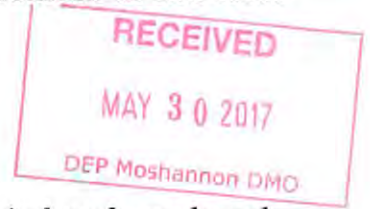
NOW, therefore, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Exhibit A, Paragraph B, Site Specific Conditions, of Contract No. 17-09-04 is modified to extend the date for completing the work to July 31, 2019;
2. The termination date listed on Page 1 of Contract No. 17-09-04 is modified to extend the date for termination of the work to July 31, 2021;

DEP OCC  
LOG# 17-0774



3. All other terms and conditions of Contract No. 17-09-04, dated December 12, 2011 which are not modified by this Amendment remain in full force and effect.



In WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year written above.

ATTEST

By: [Signature]  
Title: \_\_\_\_\_

FINNEY ENTERPRISES INC

By: [Signature]  
Title: President  
Federal Identification No. 360 9354

ATTEST

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: \_\_\_\_\_

\_\_\_\_\_  
Daniel Sammarco, P. E.  
District Mining Manager

APPROVED AS TO LEGALITY AND FORM

[Signature]  
Chief/Assistant Counsel *may*  
Department of Environmental Protection

[Signature] 6/26/17  
Office of Attorney General

Project Name: Pacific Operation  
Contract No. 17-09-04

**AMENDMENT NO. 1 TO THE**  
**GOVERNMENT FINANCED CONSTRUCTION CONTRACT**  
**FOR RECLAMATION OF ABANDONED MINE LAND**  
**BETWEEN THE DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
**AND FINNEY ENTERPRISES, INC.**

This Amendment, made this 8<sup>th</sup> day of July, 2015, by and between the Pennsylvania Department of Environmental Protection (Department), and Finney Enterprises, Inc. (referred to as "Contractor"), P. O. Box 121, Brisbin, PA 16620.

WHEREAS, the Department and Contractor entered into an Agreement dated December 12, 2011 (Contract No. 17-09-04), whereby Contractor agreed to reclaim abandoned mine lands which involve the incidental removal of coal pursuant to a reclamation plan proposal to reclaim an entire abandoned mine land site consisting of approximately 22.0 acres located on certain land in Woodward Township, Clearfield County, Pennsylvania; and

WHEREAS, the parties wish to extend the completion and termination dates of the Agreement;

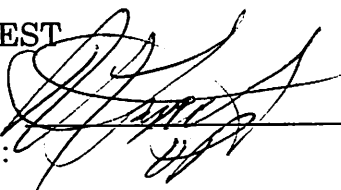
NOW, therefore, the parties hereto, intending to be legally bound, hereby agree as follows:

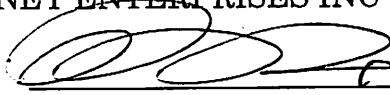
1. Exhibit A, Paragraph B, Site Specific Conditions, of Contract No. 17-09-04 is modified to extend the date for completing the work to July 31, 2016;
2. The termination date listed on Page 1 of Contract No. 17-09-04 is modified to extend the date for termination of the work to July 31, 2017;

DEP OCC  
LOG# 15-1/25

3. All other terms and conditions of Contract No. 17-09-04, dated December 12, 2011 which are not modified by this Amendment remain in full force and effect.

In WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year written above.

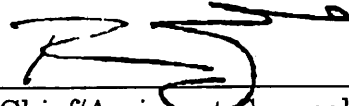
ATTEST  
By:   
Title: \_\_\_\_\_


FINNEY ENTERPRISES INC  
By:   
Title: president  
Federal Identification No. \_\_\_\_\_

ATTEST  
By: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
Michael W. Smith / jr  
Michael W. Smith  
District Mining Manager

APPROVED AS TO LEGALITY AND FORM

  
\_\_\_\_\_  
Chief/Assistant Counsel  
Department of Environmental Protection

 7/27/15  
\_\_\_\_\_  
Office of Attorney General



# CERTIFICATE OF LIABILITY INSURANCE

FINNE-3

OP ID: LD

DATE (MM/DD/YYYY)

08/19/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> H.C. Kerstetter Co. 21 W. Monument Square Lewistown, PA 17044 Keith Altieri	<b>CONTACT NAME:</b> Keith Altieri	
	<b>PHONE (A/C, No., Ext):</b> 717-248-6789	<b>FAX (A/C, No.):</b>
<b>E-MAIL ADDRESS:</b>		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> Rockwood Casualty Ins. Co.		
<b>INSURER B:</b>		
<b>INSURER C:</b>		
<b>INSURER D:</b>		
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**INSURED**  
**Finney Enterprises Inc.**  
**Robert Finnochio Sr.**  
**PO Box 121**  
**Brisbin, PA 16620**

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		CGL176386	01/05/2015	01/05/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
**Non-Coal Mining Mineral Extraction & Recovery**

<b>CERTIFICATE HOLDER</b>  <b>COMMON</b>  Commonwealth of Pa DEP Bureau of Mining & Reclamation Compliance Section Po Box 8461 Harrisburg, PA 17105-8461	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <i>Lyne M. Dalin</i>
--	--

© 1988-2014 ACORD CORPORATION. All rights reserved.

Outstanding Enforcements with Relations Report

Report Printed: 08/19/2015 09:57 am

Page 1 of 1

Report Parameters:

Program Code - All  
Client Id - 242958

Current Client

Client Id: 242958                      Client Name: FINNEY ENTERPRISES INC



**pennsylvania**  
DEPARTMENT OF ENVIRONMENTAL  
PROTECTION

August 25, 2015

Robert Finocchio, President  
Finney Enterprises, Inc.  
P. O. Box 121  
Brisbin, PA 16620

RE: *GFCC Contract*  
Pacific Operation  
GFCC #17-09-04  
Woodward Township, Clearfield County

Dear Mr. Finocchio:

Please find the enclosed executed contract amendment that extends the completion and termination dates of the above referenced contract. Your new completion date is now July 31, 2016 and your new termination date is now July 31, 2017. Please be advised that all work outlined, in the contract, must be completed by the completion date, July 31, 2016. Failure to complete reclamation by the contract deadline could result in the forfeiture of all bonds for the site.

If you should have any questions, please contact me at (814) 342-8200.

Sincerely,

Michael W. Smith, P. G.  
District Mining Manager  
District Mining Operations

Enclosure: Contract Amendment

cc: David Bisko, P. G.  
MCIS Steve Starnier  
MCI George Loomis  
**Project File (GFCC # 17-09-04)**

Project Name: Pacific Operation  
Contract No. 17-09-04

**AMENDMENT NO. 1 TO THE**  
**GOVERNMENT FINANCED CONSTRUCTION CONTRACT**  
**FOR RECLAMATION OF ABANDONED MINE LAND**  
**BETWEEN THE DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
**AND FINNEY ENTERPRISES, INC.**

This Amendment, made this 8<sup>th</sup> day of July, 2015, by and between the Pennsylvania Department of Environmental Protection (Department), and Finney Enterprises, Inc. (referred to as "Contractor"), P. O. Box 121, Brisbin, PA 16620.

WHEREAS, the Department and Contractor entered into an Agreement dated December 12, 2011 (Contract No. 17-09-04), whereby Contractor agreed to reclaim abandoned mine lands which involve the incidental removal of coal pursuant to a reclamation plan proposal to reclaim an entire abandoned mine land site consisting of approximately 22.0 acres located on certain land in Woodward Township, Clearfield County, Pennsylvania; and

WHEREAS, the parties wish to extend the completion and termination dates of the Agreement;

NOW, therefore, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Exhibit A, Paragraph B, Site Specific Conditions, of Contract No. 17-09-04 is modified to extend the date for completing the work to July 31, 2016;
2. The termination date listed on Page 1 of Contract No. 17-09-04 is modified to extend the date for termination of the work to July 31, 2017;

DEP OCC  
LOG# 15-1125



3. All other terms and conditions of Contract No. 17-09-04, dated December 12, 2011 which are not modified by this Amendment remain in full force and effect.

In WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year written above.

ATTEST

By: \_\_\_\_\_

Title: \_\_\_\_\_

FINNEY ENTERPRISES INC

By: \_\_\_\_\_

Title: \_\_\_\_\_

*president*

Federal Identification No. \_\_\_\_\_

ATTEST

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: \_\_\_\_\_

*Michael W. Smith jr*

Michael W. Smith

District Mining Manager

APPROVED AS TO LEGALITY AND FORM

\_\_\_\_\_  
*[Signature]*

Chief/Assistant Counsel  
Department of Environmental Protection

\_\_\_\_\_  
*[Signature]* 7/27/15

Office of Attorney General

RECEIVED  
Office of Attorney General  
JUL 21 2015  
Legal Review Section



# CERTIFICATE OF LIABILITY INSURANCE

FINNE-3

OP ID: LD

DATE (MM/DD/YYYY)

08/19/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> H.C. Kerstetter Co. 21 W. Monument Square Lewistown, PA 17044 Keith Altieri	<b>CONTACT NAME:</b> Keith Altieri	
	<b>PHONE (A/C, No, Ext):</b> 717-248-6789	<b>FAX (A/C, No):</b>
<b>E-MAIL ADDRESS:</b>		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A : Rockwood Casualty Ins. Co.</b>		
<b>INSURER B :</b>		
<b>INSURER C :</b>		
<b>INSURER D :</b>		
<b>INSURER E :</b>		
<b>INSURER F :</b>		

**INSURED** **Finney Enterprises Inc.**  
**Robert Finnochio Sr.**  
**PO Box 121**  
**Brisbin, PA 16620**

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X		CGL176386	01/05/2015	01/05/2016	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000
							MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							\$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
	<b>UMBRELLA LIAB</b> <b>EXCESS LIAB</b> DED RETENTION \$						EACH OCCURRENCE \$
							\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE
						OTH-ER	
						E.L. EACH ACCIDENT \$	
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**Non-Coal Mining Mineral Extraction & Recovery**

**CERTIFICATE HOLDER****CANCELLATION**

COMMMIN

Commonwealth of Pa DEP  
 Bureau of Mining & Reclamation  
 Compliance Section  
 Po Box 8461  
 Harrisburg, PA 17105-8461

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Lynne M. Dolin*

© 1988-2014 ACORD CORPORATION. All rights reserved.

Outstanding Enforcements with Relations Report

Report Printed: 08/19/2015 09:57 am

Page 1 of 1

Report Parameters:

Program Code - All  
Client Id - 242958

Current Client

Client Id: 242958

Client Name: FINNEY ENTERPRISES INC

*Finney* *prizes*  
*GFCC-17-09-04*  
*Woodward*



RECEIVED  
 SEP 09 2015  
 DEP MOSHANNON DMO

**INSTRUCTIONS FOR REV-1605  
 SCHEDULE CO - NAMES OF CORPORATE OFFICERS**

1. The Department of Revenue is required to forward the names of corporate officers received with tax reports to the PA Department of State for inclusion in the public records of the corporation. This information is provided from the corporate officer section of the Pennsylvania tax report. Corporations may update this information during the year by completing the Corporate Officer Schedule (REV-1605) and submitting it to the PA Department of Revenue, which will forward this information to the PA Department of State for inclusion in the public records of the corporation.
2. All fields below must be completed with current information so that records may be updated accurately and comprehensively.
3. An officer or a representative of the corporation must complete and sign the form.
4. Mail Schedule CO to:

PA Department of Revenue  
 PO BOX 280430  
 Harrisburg PA 17128-0430

**DETACH HERE BEFORE MAILING**

 BUREAU OF CORPORATION TAXES PO BOX 280430 HARRISBURG PA 17128-0430		REV-1605 CT (05-12) SCHEDULE CO	NAMES OF CORPORATE OFFICERS	REVENUE ID	[ ]
CORPORATE OFFICERS	SSN	LAST NAME	FIRST NAME	MI	
PRESIDENT/MANAGING PARTNER	[REDACTED]	Finocchio	Robert JR.	F	
VICE PRESIDENT	[REDACTED]	Finocchio	Robert SR.	F	
SECRETARY	[REDACTED]	Finocchio	Robert SR.	F	
TREASURER/TAX MANAGER	[REDACTED]	Finocchio	Robert JR.	F	
BUSINESS NAME			EIN		
Finney Enterprises Inc			20 2494796		
STREET ADDRESS					
Po Box 21					
CITY		STATE	ZIP CODE		
Brisbin		PA	16620		
By filing this form, the taxpayer consents to the release of the names of its corporate officers and its address to the Department of State where it will be available as a public record. I hereby affirm under penalties prescribed by law that information contained in this form is true and correct to the best of my knowledge and that I am authorized to execute this form on behalf of the taxpayer.					
PREPARER'S SIGNATURE	TITLE	DATE	EMAIL	TELEPHONE	
	President	1-6-15	ppr299@gmail.com	714-3604682	

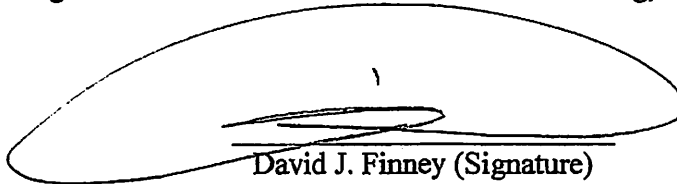
Vice President	Robert Finocchio, Sr.
Secretary	Robert Finocchio, Sr.
Treasurer	Robert Finocchio, Jr.

6. The Chairman advised the meeting that it was necessary to approve the issuance of shares and to set the consideration to be paid for the shares. After discussion and upon motion duly made, seconded and carried, IT WAS RESOLVED THAT:

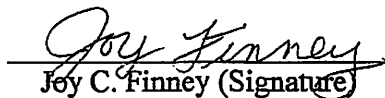
The Directors of the Corporation fix the consideration for the issuance of the following shares and that the Corporation do issue certificates for the following shares as fully paid up and non-assessable:

Shareholder Name	Certificate Number	Quantity	Share Description	Consideration Paid Per Share
Robert Finocchio, Jr.	3	50	Common Stock	
Robert Finocchio, Sr.	4	50	Common Stock	

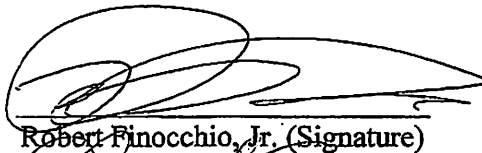
7. There being no further business to come before the meeting, the meeting then adjourned.




David J. Finney (Signature)



Joy C. Finney (Signature)



Robert Finocchio, Jr. (Signature)



Robert Finocchio, Sr. (Signature)

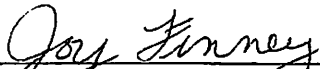
MINUTES OF THE ORGANIZATIONAL MEETING OF THE DIRECTORS (individually the "Director" and collectively the "Directors") of Finney Enterprises, Inc. (the "Corporation") held at 2007 Parsonville Road, Osceola Mills, PA 16666, on January 5, 2015, at the hour of 2:00 P.M..

1. The following Directors were present: David J. Finney, and Joy C. Finney.
2. UPON MOTION, David J. Finney acted as Chairman of the meeting and Joy C. Finney acted as Secretary of the meeting.
3. The following memorandum was then read and ordered to be inserted into the minutes:

We, the Directors of the Corporation, consent to this meeting being held at the above time and place and waive notice of this meeting and the publication of this meeting, and consent to the transaction of such business, as may have come before it, as testified by our signatures below:



David J. Finney (Signature)



Joy C. Finney (Signature)

4. The following was then read: The letter of resignation that was given by David and Joy Finney, stating their resignation as officers and their intent to sell their shares to the Finocchios, as well as their request to be removed from the board of Directors of Finney Enterprises, Inc. .
5. Upon a motion duly made, seconded and carried, IT WAS RESOLVED THAT:

The Agent of Registered Office of the Corporation will be Robert Finocchio, Jr., and Robert Finocchio, Sr., the Registered Office of the Corporation be situated at P.O. Box 121, Brisbin, PA 16620, and the Secretary was instructed to insert a true copy of the Notice of Registered Office in the Minute Book of the Corporation and was instructed to provide the necessary regulatory notice as to the appointment of the new Agent of Registered Office and Registered Office location.

6. Upon a motion duly made, seconded and unanimously carried, IT WAS RESOLVED THAT:

The officers of the Corporation for the ensuing year or until such time as their successors are appointed will be as follows:

Title	Name
President	Robert Finocchio, Jr.

**AFFIDAVIT OF TRANSFER**

THIS AFFIDAVIT signed this 5th day of January, 2015, by **DAVID FINNEY** and **JOY FINNEY**, both presently of 2007 Parsonville Road, Osceola Mills, PA 16666, hereinafter referred to as "Sellers",

A N D

**ROBERT FINOCCHIO, SR.** and **ROBERT FINOCCHIO, JR.**, both presently with a mailing address of P.O. Box 762, State College, Pennsylvania 16804, hereinafter referred to as "Buyers".

SELLERS hereby do affirm and aver that all of the outstanding shares of Finney Enterprises, Inc. have been transferred to **ROBERT FINOCCHIO, SR.** and **ROBERT FINOCCHIO, JR.** and the new address for said corporation is P.O. Box 121, Brisbin, PA 16620, effective this date.

The new Corporate Officers are:

President -	Robert Finocchio, Jr.
Vice President -	Robert Finocchio, Sr.
Secretary -	Robert Finocchio, Sr.
Treasurer -	Robert Finocchio, Jr.

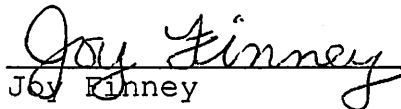
SELLERS hereby do affirm and aver that they retain no further interest in Finney Enterprises, Inc.

Witness:

  
\_\_\_\_\_

  
\_\_\_\_\_


David Finney


  
\_\_\_\_\_

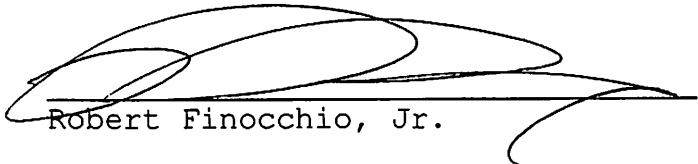
Joy Finney



  
\_\_\_\_\_

  
\_\_\_\_\_ Robert Finocchio, Sr.

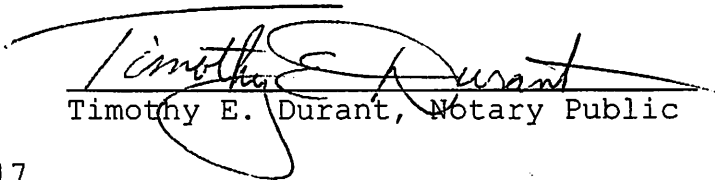
  
\_\_\_\_\_

  
\_\_\_\_\_ Robert Finocchio, Jr.

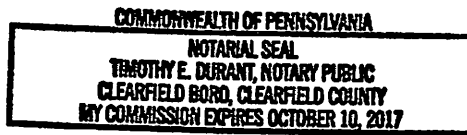
COMMONWEALTH OF PENNSYLVANIA :  
COUNTY OF CLEARFIELD : SS:

On this, the 5<sup>th</sup> day of January, 2015, before me, Timothy E. Durant, a Notary Public, personally appeared, **DAVID FINNEY** and **JOY FINNEY**, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged they have executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

  
\_\_\_\_\_ Timothy E. Durant, Notary Public

My Commission Expires: 10/10/2017



Outstanding Enforcements with Relations Report

Report Printed: 08/17/2015 01:54 pm

Report Parameters:

Program Code - A11  
Client Id - 242958

Lic. Exp. 7/31/2014  
Ins. Exp 8/8/2015

OK to issue  
8/17/2015



JJH

JJH

JJH

JJH

JJH

JJH

Current Client  
Client Id: 242958

Client Name: FINNEY ENTERPRISES INC

Huston  
we have  
a problem

7010

6.2 #

Rockwood  
M/Conway

017548

Rel.



U.S. Department of the Interior Office of Surface Mining  
Applicant/Violator System

Guest (KV) | [Logout](#)

[Click for the Office of Surface Mining Website](#)

[Home](#) ▶ [ENTITY](#) ▶ [APPLICATION](#) ▶ [PERMIT](#) ▶ [VIOLATION](#) ▶ [REPORTS](#) ▶

[HOME](#) > ENTITY EVALUATE

Evaluation on Entity Number: 156669  
0 Violations

[Print Report](#)

### Entity Evaluation

Entity Number	156669
Entity Name	Finney Enterprises Inc
Date of Request	8/17/2015 1:55:23 PM
Requestor	Guest

CAUTION: The Applicant/Violator System (AVS) is an informational database. Permit eligibility determinations are made by the regulatory authority with jurisdiction over the permit application not by the AVS. Results which display outstanding violations may not include critical information about settlements or other conditions that affect permit eligibility. Consult the AVS Office at 800-643-9748 for verification of information prior to making decisions on these results.

There were no violations retrieved by the system

### Evaluation OFT

---

Entities: 3

---

- 156669 Finney Enterprises Inc - ()
- 255771 Robert F Finocchio Sr - (Secretary)
- 255771 Robert F Finocchio Sr - (Shareholder)
- 255771 Robert F Finocchio Sr - (Vice President)
- 255772 Robert F Finocchio Jr - (President)
- 255772 Robert F Finocchio Jr - (Shareholder)
- 255772 Robert F Finocchio Jr - (Treasurer)

### Narrative

office

**ROUTING SLIP FOR GFCC'S**

Contractor's Name: **Finney Enterprises, Inc.**

Government Financed Construction Contract

Contract Number: **17-09-04**

Contractor's License Identification Number: **17010**

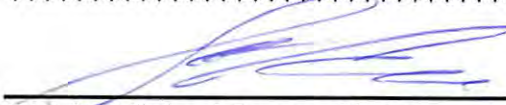
Contact Person: John Mital, Moshannon District Office, 814-342-8200

RECEIVED  
JUN 07 2012  
PEP Moshannon DMO

\*\*\*\*\*

**FOR EXECUTION**

\*\*\*\*\*

 for Mike Smith  
District Mining Manager Signature 6-1-2012  
Date

District Office to Send Attached Project Description to:

General Law Division, Office of Chief Counsel  
9<sup>th</sup> Floor, Rachel Carson State Office Building

Send to:

Moshannon District Mining Office  
186 Enterprise Drive  
Philipsburg, PA 16866

District Office to Send Copy of Contract and Original Bonds to:

Bureau of Office Systems and Services  
Bonding Section  
102, Rachel Carson State Office Building  
Harrisburg, PA 17105

Comp date 7/31/14  
term date 7/31/2015

Issued 6/10/2012



# CERTIFICATE OF LIABILITY INSURANCE

FINNE-2

OP ID: MB

DATE (MM/DD/YYYY)

05/31/12

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER H.C. Kerstetter Co. 21 W. Monument Square Lewistown, PA 17044 Thomas S. Berich	717-248-6789	CONTACT NAME:	
	717-248-4056	PHONE (A/C, No, Ext):	FAX (A/C, No):
		E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A : Rockwood Casualty Ins. Co.	
		INSURER B :	
		INSURER C :	
		INSURER D :	
		INSURER E :	
		INSURER F :	

INSURED  
**Finney Enterprises, Inc.**  
David Finney  
2007 Parsonville Road  
Osceola Mills, PA 16666

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X	CGL170225	08/08/11	08/08/12	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ Included
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
**REVISED CERTIFICATE - Commonwealth of PA Department of Environmental Protection is Add'l. Insured in respects to Pacific Operation GFCC#17-09-04.**  
 Certificate holder/additional insured shall be provided 30 days written notice prior to cancellation or modification of the within policy.

**CERTIFICATE HOLDER****CANCELLATION**

DEPBM&amp;R

Commonwealth of PA, DEP  
Bureau of Mining & Reclam.  
Compliance Section  
P O Box 8461  
Harrisburg, PA 17105-8461

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Marian R. Buckholder*

© 1988-2010 ACORD CORPORATION. All rights reserved.

CONTRACT BONDS

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned,

Finney Enterprises, Inc.

(Name and Address of Contractor)

2007 Parsonville Road, Osceola Mills, PA 16666

As Principal, and Rockwood Casualty Insurance Company

(Name and Address of Surety Company)

654 Main Street, Rockwood, PA 15557 814-926-5323

(Address & Telephone Number)

A corporation organized and existing under the laws of the State of

Pennsylvania

As Surety are held and firmly bound unto the Commonwealth of Pennsylvania as hereinafter set forth, in the full and just sums of

(a) One Hundred Thirty Two Thousand and xx/xx Dollars (\$132,000.00) for faithful performance of the contract as designated in Paragraph "A"; and

(b) Thirteen Thousand Two Hundred and xx/xx Dollars (\$13,200.00) for maintenance upon completion of the contract as designated in Paragraph "B", lawful money of the United States of America, to be paid to the said Commonwealth of Pennsylvania, or its assigns to which payment well and truly to be made and done, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

Sealed with our respective seals and dated this 11th day of

May, 2012

WHEREAS, the above bounden Principal has entered into a contract with the said Commonwealth of Pennsylvania, by and through the Department of Environmental Protection dated 12<sup>th</sup> day of December, 2011, for Finney Enterprises, Inc., Pacific Operation, GFCC 17-09-04, Woodward Township, Clearfield County.

CONTRACT NO. 17-09-04

Upon certain terms and conditions in said contract more particularly mentioned; and

WHEREAS, it is one of the conditions of the award of the Department of Environmental Protection, acting for and on behalf of the Commonwealth of Pennsylvania, pursuant to which said contract is about to be entered into, that these presents be executed.

NOW THEREFORE, the joint and several conditions of these Contract Bonds are such:

A. That if the above bounden Principal as Contractor shall well and faithfully do and perform the things agreed by him to be done and performed according to the terms of said contract, including the plans and specifications and other contract documents therein referred to and made part thereof, and such alterations as may be made in said plans and specifications as therein provided, and which are hereby made part of this bond the same as though they were set forth herein, and shall indemnify and save harmless the said Commonwealth and all of its officers, agents and employees from any expenses incurred through the failure of said Contractor to complete the work as specified and for any damages growing out of the manner of performance of said contract by said Contractor or his subcontractors or his or their agents or servants, including patent, trademark and copyright infringements, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

B. That if the above bounden Principal shall remedy without cost to the Commonwealth any defects which may develop during the period of one year (365 days) from the date of completion and acceptance of the work performed under said contract; provided in the judgment of the Commonwealth or its successors having jurisdiction in the premises, such defects are caused by defective or inferior materials or workmanship, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

It is further agreed that any alternations which may be made in the terms of the contract or in the work to be done or materials to be furnished or labor to be supplied or performed, or equipment to be rented, or public utility services to be rendered under it, or the giving by the Commonwealth of any extension of time of the performance of the contract or any other forbearance on the part of either the

Commonwealth or the Principal to the other, shall not in any way release the Principal and the Surety or Sureties or either or any of them, their heirs, executors, administrators, successors or assigns, from their liability hereunder, notice to the surety or Sureties of any such alterations, extensions, or forbearances being hereby waived.



IN WITNESS WHEREOF, the said Principal and Surety have duly executed these bonds under seal the day and year above written.

Finney Enterprises, Inc.

Contractor

ATTEST/WITNESS:

By:

Joy C. Finney

(SEAL)

[Signature]

Joy C. Finney

DAVID J. FINNEY

Secretary

President

Rockwood Casualty Insurance Company  
Surety Company

ATTEST/WITNESS:

By:

[Signature]

[Signature]  
Attorney-in-Fact

Kurt M. Tipton, Sr. Vice President  
Typed/Printed Name

John P. Yediny, President & Atty-in-Fac  
Typed/Printed Name

Address of Bonding Company's representative  
to be used for contract correspondence purposes:

5000-839  
Registration No., PA Insurance Dept.

Rockwood Casualty Insurance Co.  
654 Main Street  
Rockwood, PA 15557

Attorney-in-Fact Certification

\*The undersigned attorney-in-fact by executing these Contract Bonds certifies that he/she is licensed with the company named as surety for this bond by the Pennsylvania Insurance Department and that to the best of his/her knowledge the said surety is licensed with the Pennsylvania Insurance Department.

INSTRUCTIONS: Please sign where indicated (□). If Corporation, sign by President or Vice President and attest by Secretary or Treasurer. Affix seal. If Partnership, sign by each partner and witness signature of each partner. If individual, sign by proprietor and witness. Indicate surety company, sign by attorney-in-fact (PA Licensed Resident Agent Only), obtain witness signature, affix surety company's seal. Attach Power of Attorney, with embossed seal, to this page.

APPROVED AS TO FORM AND LEGALITY:

David J. Popeloff  
Chief/Assistant Counsel  
Department of Environmental

PRE-APPROVED  
Office of the Attorney General

# ROCKWOOD CASUALTY INSURANCE COMPANY

654 Main Street  
Rockwood, PA 15557

ISB-2984

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the ROCKWOOD CASUALTY INSURANCE COMPANY, a Corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania and having its principal office in the Borough of Rockwood, PA does hereby nominate, constitute and appoint:

John P. Yediny

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship (NOT INCLUDING bonds without a fixed penalty or financial guarantee) provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Five hundred thousand and 00/100-----(\$500,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of ROCKWOOD CASUALTY INSURANCE COMPANY:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the ROCKWOOD CASUALTY INSURANCE COMPANY, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, ROCKWOOD CASUALTY INSURANCE COMPANY has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer the 11th day of April, 2011

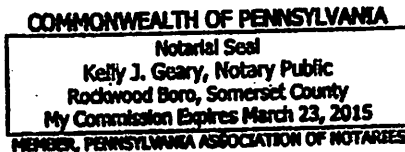
ROCKWOOD CASUALTY INSURANCE COMPANY

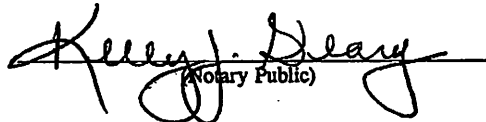
By   
Philip S. Kift, vice President

STATE OF PENNSYLVANIA  
COUNTY OF SOMERSET SS:

On this 11th day of April A.D. 2011, before me, a Notary Public of the Commonwealth of Pennsylvania, in and for the County of Somerset, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

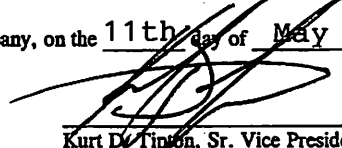
IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the Borough of Rockwood, the day and year first above written.



  
(Notary Public)

I, the undersigned Officer of the ROCKWOOD CASUALTY INSURANCE COMPANY, a Pennsylvania Corporation of Rockwood, PA, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 11th day of May, 2012.

  
Kurt D. Tipton, Sr. Vice President

**FORM 7C-K-1830  
3/28/01**

Project Name Pacific GFCC  
Contract No. 17-09-04  
Termination Date July 31, 2015

**GOVERNMENT FINANCED CONSTRUCTION CONTRACT  
FOR THE RECLAMATION OF ABANDONED MINE LAND**

**(Incidental and Necessary Coal Removal)**

This Contract is made this 12<sup>th</sup> day of December, 2011 by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (hereinafter called the "Department") and Finney Enterprises, Inc., (hereinafter called the "Contractor").

**WITNESSETH**

WHEREAS, the Department is authorized to enter into contracts for the purposes of reclaiming abandoned mine lands and which contracts may involve the incidental removal of coal or the placement of excess spoil on adjacent abandoned mine lands or the treatment or abatement of mine drainage. Such contracts are in accordance with Pennsylvania's federally approved Abandoned Mine Reclamation Plan, as amended. This authority is granted in the following Pennsylvania Statutes: the Land and Water Conservation Act, Act of January 19, 1968, P.L. 996, No. 443, 32 P.S. §5101 et seq.; the Coal Mine Sealing Act of 1947, Act of June 30, 1947, P.L. 1177, 52 P.S. §§28.1 et seq.; the Act of April 3, 1968, P.L. 92, No. 42, 52

**FORM 7C-K-1830**  
**3/28/01**

P.S. §§30.201 et seq.; the Act of July 7, 1955, P.L. 258, 52 P.S. §683; the Clean Streams Law, Act of June 22, 1937, P.L. 1987, 35 P.S. §§691.1 et seq.; the Act of July 19, 1965, P.L. 216, No. 117, 52 P.S. §30.101 et seq.; the Act of May 7, 1935, P.L. 141, 52 P.S. §§809 et seq.; the Surface Mining Conservation and Reclamation Act, Act of May 31, 1945, P.L. 1198, No. 418, 52 P.S. §§1396.1 et seq.; and the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, §§1915-A and 1917-A, 71 P.S. §§510-15 and 510-17 and is also granted by Section 413(a) of the federal Surface Mining Control and Reclamation Act, 30 U.S.C. §1242(a); and

WHEREAS, abandoned mine lands are a serious environmental problem in the Commonwealth of Pennsylvania, threatening the health, safety, and general welfare of the citizens of the Commonwealth of Pennsylvania with water pollution, reduced property values, and various other problems; and

WHEREAS, the Contractor has submitted an abandoned mine reclamation plan proposal to reclaim an entire abandoned mine land site, which proposal is dated May 20, 2011, was prepared by GeoTech Engineering, Inc., and approved by the Department (hereinafter called the "Proposal"), which abandoned mine land site is located on certain lands located in Woodward Township, Clearfield County, Pennsylvania consisting of approximately 22.0 acres, as more particularly identified

**FORM 7C-K-1830**  
**3/28/01**

in the Proposal (these lands are hereinafter called the "Project Area" and include the entire abandoned mine land site); and

WHEREAS, the Contractor has demonstrated to the Department's satisfaction that the "Project Area" is an abandoned mine land; and

WHEREAS, the Contractor has demonstrated to the Department's satisfaction that any coal removal is incidental and necessary to accomplish reclamation and that the coal would not otherwise be mined and the Project Area reclaimed under a permit issued under the Title V program; and

WHEREAS, abandoned coal mine land sites are listed on Pennsylvania's Abandoned Mine Land inventory for reclamation and the existence of these sites may be a serious environmental problem having the potential for threatening the environment with fugitive dust, erosion, sedimentation, acid mine drainage and for spontaneous combustion. The Surface Mining Conservation and Reclamation Act has declared conditions existing at abandoned mine land sites to be a nuisance under 52 P.S. §1396.4; and

WHEREAS, the Department does not have sufficient funds to reclaim the Project Area; and

**FORM 7C-K-1830**  
**3/28/01**

WHEREAS, the Department has estimated the cost to reclaim the Project Area to be the dollar amount which is set forth in Exhibit A., Paragraph B., Site Specific Conditions section of this Contract; and

WHEREAS, the parties believe that substantial long-term environmental benefits will result if there is reclamation of the abandoned mine land within the Project Area, and the Project Area is reclaimed pursuant to this Contract. These benefits include the daylighting and reclamation of approximately 10.9 acres of severely subsided abandoned deep mines; and

WHEREAS, the Contractor is willing, at no cost to the Department, to reclaim the Project Area; and

WHEREAS, the Contractor has submitted, as part of the Proposal, a Reclamation Plan for the Project Area (hereinafter referred to as the "Plan") which has been approved by the Department; and

WHEREAS, the Department is willing to have the Contractor conduct such reclamation activities as are set forth in the Proposal pursuant to the terms of this Contract;

**FORM 7C-K-1830**  
**3/28/01**

NOW THEREFORE, the parties to this Government Financed Construction Contract for the Reclamation of Abandoned Mine Land, intending to be legally bound, do mutually agree as follows:

1. Special Authorization. Contractor has demonstrated that it is eligible to secure, and the Department has granted Contractor the special authorization required by Section 4.8 of the Surface Mining Conservation and Reclamation Act, 52 P.S. §1396.4h. The special authorization is only valid for the work performed under this Contract and shall expire when the work is completed or this Contract is otherwise terminated.

2. Removal of Coal. Consistent with and pursuant to this Contract, and as part of its Proposal, Contractor demonstrated to the Department's satisfaction that any coal removal is incidental and necessary to accomplish reclamation and that the coal would not otherwise be mined and the Project Area reclaimed under a permit issued under the Title V program.

3. Reclamation. Contractor agrees to remove coal that is incidental and necessary to reclaim the Project Area, at no cost to the Department, as more fully identified in and in accordance with the Proposal submitted by Contractor. The

**FORM 7C-K-1830**  
**3/28/01**

Proposal is incorporated herein by reference and made a part of this Contract as if it were attached. Contractor will provide all labor, materials, tools, equipment, and services, necessary to so reclaim the Project Area. Contractor shall only remove coal from the Project Area which is incidental and necessary to reclaim the area designated in the Proposal as the Project Area. The Project Area contains the entire abandoned mine land identified in the approved Proposal.

4. Consideration. The Department will pay no compensation to Contractor for the work performed under this Contract. In consideration for performing this work, the Contractor shall receive, and agrees to accept as full compensation, the incidental coal removed from the Project Area.

5. Compliance with Plans. Contractor agrees to complete the work in accordance with the plans submitted to and approved by the Department as part of the Proposal. These plans include, among other requirements, an Operations Plan, an Erosion and Sedimentation Control Plan, and photographs which accurately depict the Project Area.

Contractor must have a copy of the approved Erosion and Sedimentation Control Plan available upon request.



**FORM 7C-K-1830**  
**3/28/01**

The Department's approval of this Erosion and Sedimentation Control Plan shall not relieve the Contractor of any responsibility for the adequacy and successful functioning of the erosion and sedimentation control measures. Any loss or damage to any part of either the permanent or temporary erosion and sedimentation control measures shall be the responsibility of the Contractor who shall replace or repair such measures, as required, to the satisfaction of the Department. Erosion and sedimentation control measures shall remain until the disturbed area has been stabilized, at which time the control measures shall be removed by the Contractor, unless otherwise approved by the Department.

6. Compliance with Law; Conditions. The Contractor agrees to complete the work in accordance with all applicable federal, state and local statutes, rules and regulations, including but not limited to, the Act of May 31, 1945 (P.L. 1198), as amended, known as the "Surface Mining Conservation and Reclamation Act", 52 P.S. §§1396.1 et seq.; the Act of June 22, 1937 (P.L. 1987), as amended, known as the "Clean Streams Law", 35 P.S. §§691.1 et seq.; the Act of January 8, 1960 (1959 P.L. 2119, No. 787), as amended, known as the "Air Pollution Control Act", 35 P.S. §§4001 et seq.; the Act of September 24, 1968 (P.L. 1040, No. 318), as amended, known as the "Coal Refuse Disposal Control Act", 52 P.S. §§30.51 et seq.; the Act of November 26, 1978 (P.L. 1375, No. 325), as amended, known as the "Dam Safety and Encroachments Act", 32 P.S. §§693.1 et seq.; and the Act of July 7, 1980 (P.L.

**FORM 7C-K-1830**  
**3/28/01**

380, No. 97), as amended, known as the "Solid Waste Management Act", 35 P.S. §§6018.101 et seq. Contractor also agrees to comply with the conditions which are listed in Exhibit A which is attached to and made a part of this Contract.

7. Work Performance. All work shall be performed in a good and workmanlike manner and is subject to approval and acceptance by the Department.

8. Time to Complete Work. The Contractor agrees to begin work within 30 days after receipt of notice to start work from the District Mining Manager, unless such time is extended in writing by the District Mining Manager. Time is of the essence and the Contractor further agrees to perform the work with speed and diligence so as to ensure the completion in accordance with the schedule set forth in Exhibit A., Paragraph B., Site Specific Conditions section of this Contract. Contractor shall, within 15 days after completing the work, notify the Department by certified mail that the work is completed.

If the Contractor is delayed at any time in the progress of the work by any act or neglect of the Department, by any separate Contractor employed by the Department, or by any causes beyond the control of the Contractor which are not foreseeable, then the Contractor may be entitled to an extension of time for completing the work sufficient to compensate for such delay. No extension of time

**FORM 7C-K-1830**  
**3/28/01**

shall be granted, however, unless the Contractor shall, within 10 days from the initiation of the delay, notify the Department, in writing, of such delay and of the time of beginning and the cause of the delay, and unless he shall, within 10 days after the expiration of such delay notify the Department in writing, of the extension of time claimed on account thereof and then only to the extent, if any, allowed by the Department. The Department will grant or deny such request for extension of time no sooner than the end of a 10 day period. No extension of time shall operate to release the Surety or Contractor from any of their obligations. Should the Contractor be permitted to continue and finish the work, or any part thereof, after the time fixed by the Contract for completion, or as it may have been extended, such permission shall in no way operate as a waiver on the part of the Department of any of its rights under the Contract.

The Contractor declares that he has familiarized himself with the weather, local conditions, and other circumstances which may, or are likely to, affect the performance and completion of the work. He agrees that, taking these conditions and circumstances into account, he will provide adequate equipment and prosecute the work in such manner and with such diligence that the same will be completed within the time specified in the Contract, or as the Contract may be extended, even though the most adverse conditions which reasonably could be expected to occur during the period of construction do prevail during the performance of the work.

**FORM 7C-K-1830**  
**3/28/01**

When the work of the Department is enjoined by legal proceedings which prevent the Contractor from prosecuting any of the work of the Contract, an extension of time shall be granted sufficient, in the opinion of the Department, to compensate for the time lost by such delay.

Apart from extension of time, Contractor agrees no payment or claim for damages shall be made to the Contractor as compensation for damages for and delays or hindrances from any cause whatsoever in the progress of the work, notwithstanding whether such delay be avoidable or unavoidable. The Department shall grant extension of time, if any, in writing by the District Mining Manager so long as the extension does not exceed the contract termination date. If the contract termination date will be exceeded by the time extension, the Department shall grant the extension of time by written amendment to the Contract.

9. Inspection. The Department, its agents, and employees may enter upon and inspect the Project Area for compliance with this Contract and with the laws of the Commonwealth.

10. Sign. Prior to starting work at the Project Area, Contractor shall erect the sign(s) in accordance with the specifications set forth in Exhibit A. The sign

**FORM 7C-K-1830**  
**3/28/01**

shall be located so as to be readily visible at the entrance to the Project Area.

Contractor shall remove the sign and its posts upon completion of the project.

11. Coordination of Work. Contractor shall coordinate all work at the Project Area with all utilities, government regulatory agencies, municipalities, and other persons or entities including surface and mineral owners as may be necessary and shall obtain any permits necessary to perform the work.

12. Subcontractors. If Contractor intends to use any subcontractors to perform any portion of this Contract, Contractor must affirmatively demonstrate to the Department that the subcontractor is eligible to secure the special authorization required by Section 4.8 of SMCRA, 52 P.S. §1396.4h, and must obtain the Department's written approval prior to use of the subcontractor.

13. Assignment. Contractor shall not assign this Contract without first obtaining the prior written consent of the Department and the Contract shall not be assigned to a person who does not meet the eligibility provisions of Section 4.8 of SMCRA, 52 P.S. §1396.4h.

14. Insurance; Indemnification. The Contractor shall not commence work under this Contract until Contractor has obtained all insurance required in this

**FORM 7C-K-1830**  
**3/28/01**

section and not until such insurance has been approved by the Department, nor shall the Contractor permit a subcontractor, if any, to commence work until all similar insurance has been obtained and approved. The Contractor shall either require each of its subcontractors to procure and maintain, for the life of its subcontract, subcontractors' insurance in the types and amounts specified or insure the activity of its subcontractor in its own policies. Each certificate or policy submitted as evidence of such coverage shall contain a rider that the insurer will notify the Department, in writing, 30 days prior to cancellation or modification of the policy. All policies shall be issued by insurance companies authorized to conduct such business under the law of the Commonwealth of Pennsylvania. The certificate of insurance shall be submitted to the District Mining Office.

The required insurances shall be of the Contractual Liability type and the named insured parties shall include the Commonwealth of Pennsylvania.

a. **WORKERS COMPENSATION INSURANCE** – The Contractor shall take out and maintain during the life of this Contract Worker's Compensation Insurance for all of its employees employed on the project and, in case any of the work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance unless the latter's employees are covered by the protection afforded by the Contractor.

**b. PUBLIC LIABILITY, BODILY INJURY AND PROPERTY**

**DAMAGE INSURANCE** – The Contractor shall take out and maintain for the life of this Contract such occurrence based Public Liability, Bodily Injury and Property Damage Insurance as shall protect the Commonwealth, the political subdivision(s) where the work is performed, the Contractor, and subcontractor(s), if any, performing work covered by this Contract, from claims for damages or personal injury, including accidental death, as well as from claims for property damage which may arise in execution of this Contract, whether such be by the Contractor or by the subcontractor(s) or by anyone directly or indirectly employed by either. The amount of Public Liability Bodily Injury Insurance shall not be less than \$500,000.00, per occurrence and \$1,000,000.00 in the aggregate. The amount of Property Damage Insurance shall not be less than \$500,000.00 per occurrence and \$1,000,000.00 in the aggregate. If the policy is issued for Bodily Injury and Property Damage combined, the amount shall not be less than \$1,000,000.00 per occurrence. Coverage shall include underground, explosion and collapse hazards.

**c. SPECIAL HAZARD** – Special hazards, if there is a possibility of such hazards existing in the work contemplated, shall be covered by separate insurance or by rider(s) to other required policy(ies). Possible hazards, such as blasting, explosion, and fire on insurable items shall be so covered.

**FORM 7C-K-1830**  
**3/28/01**

d. MAINTENANCE OF INSURANCE – Whenever the estimated aggregate of losses covered by the Insurance described in this paragraph equals or exceeds one-half (1/2) of the aggregate policy limits as determined by the Department, the said policy shall, within 15 days of such occurrence be endorsed to restore the initial policy limits or replaced by another policy having the same limits.

e. ACCIDENTS AND CLAIMS – The Contractor shall indemnify and save harmless the Commonwealth, and officers, agents, and employees of the Commonwealth from all suits, actions, or claims of any character, name, and description brought for or on account of any claims of any injury or damage received or sustained by any person(s) or property on account of any actions of the Contractor, his agents, employees, or subcontractors in the execution of this Contract, whether caused by negligence or not, or from any improper or inferior workmanship or inferior materials used, and the Contractor will be required to pay any judgment, with costs, which may be obtained against the Commonwealth, growing out of such injury or damage.

15. Performance and Warranty Guarantees.



**FORM 7C-K-1830**  
**3/28/01**

a. Contractor shall provide a performance guarantee in the form of surety bond, irrevocable letter of credit or other security acceptable to the Department, conditioned upon Contractor's faithful performance of the requirements of this Contract, upon a form prepared and provided by the Department consistent with the Department's engineering estimate for it to reclaim the Project Area, as set forth in Exhibit A., Paragraph B., Site Specific Conditions section of this Contract.

b. Contractor shall provide a warranty guarantee in the form of a surety bond, irrevocable letter of credit or other security acceptable to the Department conditioned upon Contractor's remedying, without cost to the Department, any defects which may develop or become apparent during the period of one year (365 days) from the date of completion and acceptance of the work performed under this contract, whether the defects are due to defective or inferior materials or workmanship. This warranty guarantee shall be in the amount of ten percent (10%) of the amount of the performance guarantee and shall be upon a form prepared and provided by the Department.

c. Upon satisfactory completion of the work required by this Contract including the regrading, seeding and mulching of the Project Area, the Department will issue an "Acceptance Notice" which will serve as notification of the

**FORM 7C-K-1830**  
**3/28/01**

Department's acceptance of the work and a release of the performance guarantee. After the issuance of the Acceptance Notice, the Department will forthwith return the performance guarantee. The date of the Acceptance Notice will serve as the date the coverage provided by the warranty guarantee begins.

16. Responsibility of Contractor. Contractor shall be solely responsible for the performance of all contracts or subcontracts entered into by Contractor as a result of this Contract, the payment of all subcontractors for work performed as a result of this Contract, and the settlement of any disputes between Contractor and any subcontractors arising from contracts entered into as a result of this Contract. The Contractor shall hold harmless and indemnify the Commonwealth from and against all damages and expenses, including counsel fees and costs, related to work performed by subcontractors as a result of this contract.

17. Annual Update of Ownership and Control. On each anniversary date of this contract, Contractor shall submit to the Department a written update of all ownership and control changes for the Contractor and all subcontractors. If there are no changes in the Contractor's or subcontractor's ownership and control, then Contractor must submit a written statement to that effect. However, if the Contractor is also a licensed operator, the annual update of ownership and control

**FORM 7C-K-1830**  
**3/28/01**

information the Contractor provides to the Department with the annual license renewal shall satisfy the requirement of this paragraph.

18. Contractor Liability.

a. Nothing in this Contract shall be construed to relieve Contractor for liability for any acts which are beyond the scope of Contractor's incidental and necessary removal of coal from the Project Area, reclamation of the Project Area, erosion and sedimentation control during incidental and necessary coal removal and Project Area reclamation, or the abatement, treatment or diversion of water on the Project Area, as provided by this Contract. Furthermore, nothing in this Contract shall authorize the Contractor to create a nuisance and nothing in this Contract shall be construed to prevent the Department from enforcing the laws and regulations of the Commonwealth and abating any public nuisance which may arise as a result of activities which are beyond the scope of this Contract or limit the remedies available to the Department under such circumstances.

b. Should the Contractor violate any provision of this Contract or any environmental statute or regulation while working at the Project Area the Department may require Contractor to immediately suspend all work or any part

**FORM 7C-K-1830**  
**3/28/01**

thereof being performed under this Contract until the violation is cured, as determined by the Department.

19. Termination. The Department may terminate this Contract after providing at least 30 days prior written notice of such intent to Contractor, due to Contractor non-performance, inadequate performance, default, or violation of any term of this Contract or violation of any environmental statute or regulation. Prior to issuing a termination notice the Department will give the Contractor a deficiency notice and a reasonable opportunity to remedy the Contractor's non-performance, inadequate performance, default, or violation of any term of this Contract and to correct any violation of an environmental statute or regulation. If the Contractor begins to remedy the Contractor's non-performance, inadequate performance, default or violation of any term of this Contract and to correct any violation of any environmental statute or regulation within seven days of receipt of the deficiency report, this Contract will not be terminated provided the remedy is timely completed.

20. Coal Refuse Limitations. Contractor may not return any coal refuse material or coal to the Project Area and may not reprocess any coal refuse or process any coal on the Project Area. For the purpose of this Contract, screening of the coal or coal refuse is permitted, but washing, processing or reprocessing of the coal or

**FORM 7C-K-1830**  
**3/28/01**

coal refuse by any other method is prohibited from occurring on the Project Area.

Coal refuse ash is not coal refuse or coal refuse material and coal refuse ash may be used on the Project Area for reclamation if provided for in the site specific conditions (see Exhibit A) of this contract and in accordance with a General Permit issued by the Department's Bureau of Waste Management.

21. Department Oversight. The Department will oversee Contractor's performance of work under this Contract and verify the Contractor's compliance with this Contract. The Department will promptly review and comment upon any material submitted for approval pursuant to this Contract, and such approval shall not be unreasonably withheld.

22. Access by Department. The Department and its authorized representatives shall at all times have access to the Project Area and the work being performed at the Project Area by Contractor or its subcontractors pursuant to this Contract.

23. Exhibits. Contractor shall comply with the conditions applicable to "Contractor" under the following exhibits, attached hereto and made a part hereof:

EXHIBIT A – Contract Conditions

EXHIBIT B – Nondiscrimination/Sexual Harrassment Clause

**FORM 7C-K-1830**  
**3/28/01**

EXHIBIT C – Contractor Integrity Provisions

EXHIBIT D – Offset Provision

EXHIBIT E – Contractor Responsibility Provisions

EXHIBIT F – Provisions Concerning the Americans with  
Disabilities Act

24. Amendment. This Contract may only be amended by mutual written consent of the parties and must be fully executed and approved as an amendment to this Contract. However, the Department's District Mining Manager has the authority to approve changes to the Proposal which are submitted by the Contractor to address unanticipated field conditions so long as such changes do not exceed the scope of work contemplated herein or extend the contract termination date. All such approvals must be in writing.

25. Notice. Any written notice required or permitted under this Contract shall be deemed to have been duly given on the date of receipt, and shall be either served personally on the party to whom notice is given, or mailed to the party to whom notice is to be given, by first class, registered or certified mail, return receipt required, postage prepaid, and addressed to the addressee at the address listed below, or at the most recent address specified by written notice given to the other party.

**FORM 7C-K-1830**  
**3/28/01**

To the Contractor:

David Finney  
2007 Parsonville Road  
Osceola Mills, PA 16666

To the Department:

John Mital  
186 Enterprise Drive  
Philipsburg, PA 16866

26. Breach. In the event Contractor breaches or defaults on this Contract, the Department may exercise any or all remedies available to it under applicable law.

27. Applicable Law. All disputes or questions of law or fact arising out of this Contract shall be determined in accordance with Pennsylvania law.

28. No Risk to the Department. Contractor agrees and understands that the Department assumes no risk or responsibility for damage of any nature arising from the construction and maintenance of any activities as authorized under this Contract.

29. Headings. The paragraph headings of this Contract are only for ease of reference and are not intended to modify or affect the terms of this Contract.

**FORM 7C-K-1830**  
**3/28/01**

30. Conflicts. If there are conflicts between either the Proposal or the Plan and the terms of this Contract or the terms of Exhibits A, B, C, D, E and F the Contract and Exhibits A through F control.

31. Binding Effect. This Contract shall be binding on the parties hereto, and their heirs, legal representatives, successors and assigns.

\*\*\*\*\*



3/28/01


IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

ATTEST: COMMONWEALTH OF PENNSYLVANIA,  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

\_\_\_\_\_  
*Michael W. Smith*  
District Mining Manager

\*\*\*\*\*  
ATTEST: CONTRACTOR

  
*Joy C. Finney*  
(CORPORATE SEAL)  
Secretary/Treasurer  
(cross out one)

BY:   
President/Vice President  
(cross out one)

Joy C. Finney  
Typed/Printed Name

David J. Finney  
Typed/Printed Name

Federal Tax No. or Soc. Sec. No. 20-2494796

\*\*\*\*\*  
Approved as to legality and form

BY: PRE-APPROVED  
Office of Attorney General

  
Chief/Assistant Chief  
Department of Environmental Protection

(CORPORATION)

INSTRUCTIONS: Please sign where indicated. Sign by President or Vice President and attest by Secretary or Treasurer.

312-10

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the said Court at the City of New York, this 10th day of June, 1907.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
STATE OF NEW YORK

*[Signature]*  
Treasurer of the State

*[Signature]*  
Treasurer of the State



Joy C. Finney  
Treasurer

David J. Finney  
Treasurer

20-246411P

*[Signature]*

4-111-101101

10-11-101101

3/28/01

AFFIDAVIT

ACCEPTING PROVISIONS OF THE WORKMEN'S COMPENSATION ACT

State of Pennsylvania

County of Clearfield

David J. Finney  
(Name of officer, if corporation)

President  
(Title of officer, if corporation)

N/A, being duly sworn according to law, deposes

he  
and says they ha N/A accepted the provisions of the Workmen's Compensation Act  
it

of 1915 of the Commonwealth of Pennsylvania, with its supplements and

his  
amendments, and ha N/A insured their liability hereunder in accordance with the  
its

terms of said Act with Finney Enterprises, Inc. Company.

\* David J. Finney is the  
Sole employee of this  
Company.



Contractor

By: Kay L. Churner

Sworn to and subscribed before me this 29<sup>th</sup> day of May,

A.D., 2012.

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
Kay L. Churner, Notary Public  
Brislin Boro, Clearfield County  
My Commission Expires Aug. 16, 2015  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

**A. General Conditions**

1. Contractor shall install the sedimentation and erosion control plan and such installation must be approved by the Department prior to the initiation of coal refuse removal and reclamation activities. (Title 25 Pa. Code §§87.70, 88.50 and 90.37).
2.
  - a. Contractor agrees that no silt, coal mine solids, rock debris, dirt and clay shall be washed, conveyed or otherwise deposited into the waters of the Commonwealth. (Title 25 Pa. Code Chapter 102).
  - b. Contractor agrees that any water gravity drained, pumped or mechanically transported from impoundments within the Project Area is subject to 25 Pa. Code §§87.102, 88.92, 88.187 and 90.102 water quality limits.
3. Whenever a discharge not allowed by the contract occurs, the Contractor shall immediately telephone the Department to report such incident and shall promptly take such steps as are necessary to halt the unauthorized discharge.
4. Contractor agrees that all topsoil and, if necessary, suitable subsoil where available and any material capable of supporting vegetation shall be separately removed, segregated, conserved and redistributed on all areas affected by the reclamation activities. (Title 25 Pa. Code §§87.96, 88.86, 88.183 and 90.97).
5. Should field inspection show, after operation has started, that conditions are such as to require a change in the Contractor's Plan in order to prevent pollution or a public nuisance, or to achieve final reclamation, the Contractor shall change the Plan as agreed to by the Contractor and the Department.

3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

6. For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, the Contractor shall take immediate steps to extinguish any fires or hot spots encountered in accordance with a plan approved by the Department. (Title 25 Pa. Code §§88.314 and 90.126).
7. The Contractor shall notify the Department immediately when any deep mine openings are encountered within the Project Area during excavation and removal of coal from the Project Area. Unless otherwise directed by the Department, these openings shall be sealed with impervious material to a depth of three times the greater diameter of the opening. Any seal so constructed shall be inspected and approved by the Department prior to completion of reclamation.
8. Contractor shall not deposit waste materials with low ignition points including but not limited to wood, cloth, waste paper, oil, grease, and garbage on the Project Area. (Title 25 Pa. Code §§87.136, 88.321 and 90.133).
9. For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, any coal refuse material disturbed by Contractor and remaining within the Project Area shall be spread and compacted in horizontal layers no more than 24" in thickness. (Title 25 Pa. Code §§88.310 and 90.125).
10. For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, Contractor agrees that out slopes of the reclaimed coal refuse disposal portion of the Project Area shall not exceed a final overall grade of 3h:1V (33%) unless approved by the Department. (Title 25 Pa. Code §§88.206, 88.310 and 90.122).
11. Contractor shall perform reclamation concurrently with removal of coal from the Project Area. As each portion of the Project Area is completed and reaches final contour and elevation, that portion of the Project Area will be

3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

covered with a final layer of soil or other material as approved by the Department in the Proposal. (Title 25 Pa. Code §§87.141 and 88.115).

12. a. Contractor shall conduct seeding and planting of disturbed area no later than the first normal period for favorable planting after achieving final grade. (Title 25 Pa. Code §§87.148 and 88.122).
- b. All rills and gullies exceeding 9" in depth must be regraded and permanently revegetated by Contractor.
13. The standard for successful revegetation shall be a minimum of 70% ground cover of permanent plant species or a minimum 400 woody species/acre.
14. Contractor shall identify the operation for the duration of the reclamation activity by posting and maintaining a sign which will be clearly visible at the junction of each haul road and public road. The sign shall show the name, business address and telephone number of the person who conducts the reclamation activities and the identification number of the current no-cost government financed reclamation contract. The sign shall meet the following construction requirements:  
  
Use 4' x 8' x ¾" exterior board on two (2) 4" x 4" posts.  
Exterior board and posts to be painted with two (2) coats of green exterior oil base paint.  
Yellow plain letters.  
4" High large letters.  
2" High small letters.  
1" Spacing between lines, minimum.  
2" Border on top and bottom of sign
15. The civil penalty provisions of 25 PA Code Section 86.191 – 203 may apply for noncompliance with the specific regulations cited in this contract.

3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

**B. Site Specific Conditions**

The Department's engineering estimate to reclaim the entire Project Area is \$132,000.00.

The Contractor agrees to post the following amount of performance guarantee conditioned upon Contractor's faithful performance of the requirements of this Contract Under the following schedule (check one):

1. \$132,000.00 for the entire Project Area with work to be completed by July 31, 2014.

The Contractor agrees to add imported alkaline baghouse lime (waste lime) at the following rate:

1. A rate of 50 tons/acre for the 10.9 acre coal extraction area to be mined. At a minimum 545 tons of waste lime will be added to the 10.9 acre mining area. The alkaline addition rates are discussed on pages 2-5 through 2-15 and 4-2 of the GFCC proposal.
2. Quarterly reports shall be submitted to the Department. Upon completion of the site, the contractor must provide documentation that the alkaline addition requirements have been met as per the approved plan.

The Contractor agrees to construct all erosion and sedimentation controls prior to the initiation of coal extraction and reclamation activities as discussed in Module 4.1 on pages 4-1 and 4-2 and in Module 4.10 on page 4-5 of the GFCC proposal. All sedimentation ponds must be certified by a PE or PLS. See General Contract Condition Number One above (Exhibit A Page 1 of 4).

3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

The following ponds must be clay lined: Sediment Pond A, Sediment Pond B, and Treatment Basin TB-1.

The following ditches must be rock lined: The first 130 feet of Collection Ditch A-1, the entire length of Collection Ditch B-1, and Collection Ditch B-2 from station 2+30 to station 4+20.

Because of the high sensitivity of Goss Run to sedimentation impacts and due to the presence of a reproducing population of brook trout, the following additional requirements will apply to this contract:

- a. The Department must approve any flocculants prior to their use.
- b. Sedimentation and treatment pond discharge points must be stabilized so that runoff leaving the affected area will not start or accelerate erosion or scour within the receiving natural drainageway.
- c. Pond inlets must be protected with a durable and stable rock lining for the last 100 feet of the inlet ditch. This lining shall extend down to the elevation of the pond bottom.
- d. Before construction of sedimentation ponds, the area downslope of the area to be disturbed must be protected with staked hay bales and filter fence.
- e. Sedimentation ponds must have manual dewatering systems. Pond outlets must be closed under normal conditions. Following storm events, pond outlets must be opened to drain the pond after the water looks clear enough to meet the discharge limits.
- f. The total maximum disturbed area which has not yet achieved the revegetation standard of at least 70% cover shall not exceed 40 acres. Support areas, such as areas used for sediment ponds and collection ditches, will not be included as part of this 40 acre limitation if those areas have been adequately stabilized with vegetation.
- g. Haul roads must be serviced by sediment traps with a spacing not to exceed 200 linear feet along the haul road.



3/28/01

Contract No.:17-09-04

**EXHIBIT A**

**CONTRACT CONDITIONS**

- h. Main haul roads must be surfaced with non-erodible, non-toxic materials.
- i. Grass-lined ditches and sedimentation ponds must be seeded upon completion of the structure. The seed mixture shall consist of both temporary and permanent vegetation types. In addition, no topsoil, subsoil, or spoil shall be placed on the downslope side of any collection ditch.
- j. Immediately after backfilling and topsoil distribution, the affected area shall be planted and mulched with hay or straw at a rate of 3 tons per acre.

The contractor agrees to the conditions in the attached NPDES permit (PA-0257770)

This contract is situated within the Moshannon Creek watershed, which has an approved TMDL (Total Maximum Daily Load) assessment and report. This TMDL report is titled "Moshannon Creek Watershed TMDL" and was approved by the Environmental Protection Agency on June 9, 2009. To satisfy the requirements of the TMDL, a future Waste Load Allocation (WLA) was assigned to this contract.

3/28/01

## EXHIBIT B

### NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

#### A. If this contract is a grant agreement,

the Grantee agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the grant agreement or any subgrant agreement, contract, or subcontract, the Grantee, a subgrantee, a contractor, a subcontractor, or any person acting on behalf of the Grantee shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. The Grantee, any subgrantee, contractor or any subcontractor or any person on their behalf shall not in any manner discriminate against or intimidate any of its employees on account of gender, race, creed, or color.
3. The Grantee, any subgrantee, contractor or any subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
4. The Grantee, any subgrantee, contractor or any subcontractor shall not discriminate by reason of gender, race, creed, or color against any subgrantee, contractor, subcontractor or supplier who is qualified to perform the work to which the contract relates.
5. The Grantee, any subgrantee, any contractor or any subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the granting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within thirty (30) days after award of any grant, the Grantee shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. Grantees who have fewer than five employees or whose employees are all from the same family or who have completed the STD-21 form within the past 12 months may, within 15 days, request an exemption from the STD-21 form from the granting agency.
6. The Grantee, any subgrantee, contractor or any subcontractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subgrant agreement, contract or subcontract so that those provisions applicable to subgrantees, contractors or subcontractors will be binding upon each subgrantee, contractor or subcontractor.

**EXHIBIT B**

7. The Commonwealth may cancel or terminate the grant agreement and all money due or to become due under the grant agreement may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the granting agency may proceed with debarment or suspension and may place the Grantee, subgrantee, contractor, or subcontractor in the Contractor Responsibility File.

**NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE**

**B. If this contract is other than a grant agreement,**

the Contractor agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.
3. The Contractor and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
4. The Contractor and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
5. The Contractor and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after award of any contract, the Contractor shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. If the contract is a construction contract, then the Contractor shall be required to complete, sign and submit Form STD-28, the "Monthly Contract

3/28/01

## EXHIBIT B

Compliance Report for Construction Contractors", each month no later than the 15<sup>th</sup> of the month following the reporting period beginning with the initial job conference and continuing through the completion of the project. Those contractors who have fewer than five employees or whose employees are all from the same family or who have completed the Form STD-21 within the past 12 months may, within the 15 days, request an exemption from the Form STD-21 submission requirement from the contracting agency.

6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.
7. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

3/28/01

## EXHIBIT C

### CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.
2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.
3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.*, or to breach any other state or federal law or regulation.
4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code*

**EXHIBIT C**

of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq. or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.

6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.
8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.
9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:
  - a. Approved in writing by the Commonwealth prior to its disclosure; or
  - b. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or

**EXHIBIT C**

- c. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
  - d. Necessary for purposes of Contractor's internal assessment and review; or
  - e. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or
  - f. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain: or
  - g. Otherwise required by law.
10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has not been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:
- a. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
  - b. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
    - (1) obtaining;
    - (2) attempting to obtain; or

**EXHIBIT C**

(3) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- c. Violation of federal or state antitrust statutes.
- d. Violation of any federal or state law regulating campaign contributions.
- e. Violation of any federal or state environmental law.
- f. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- g. Violation of the *Act of June 2, 1915 (P.L.736, No. 338)*, known as the *Workers' Compensation Act, 77 P.S. 1 et seq.*
- h. Violation of any federal or state law prohibiting discrimination in employment.
- i. Debarment by any agency or department of the federal government or by any other state.
- j. Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

- 11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the



**EXHIBIT C**

knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

- a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
- b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

- 12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.
- 13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.
- 14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

**EXHIBIT C**

15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.
16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.
17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.
  - a. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.
  - b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid,

**EXHIBIT C**

proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

- c. "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.
- d. "Financial interest" means:
  - (1) Ownership of more than a five percent interest in any business; or
  - (2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
- e. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the Governor's Code of Conduct, Executive Order 1980-18, the 4 Pa. Code §7.153(b), shall apply.
- f. "Immediate family" means a spouse and any unemancipated child.
- g. "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.
- h. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

3/28/01

**EXHIBIT D**

**OFFSET PROVISION**

The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.

**EXHIBIT E****CONTRACTOR RESPONSIBILITY PROVISIONS**

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of the Bid/Contract neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with the bid/proposal, a written explanation of why such certification cannot be made.
2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract is has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approve deferred payment plan if such liabilities exist.
3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the contract with the Commonwealth.

3/28/01

## EXHIBIT E

5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations which do not result in the Contractor's suspension or debarment.
  
6. The Contractor may obtain the current list of suspended and debarred Commonwealth contractors by either searching the internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services  
Office of Chief Counsel  
603 North Office Building  
Harrisburg, PA 17125  
Telephone Number: (717) 783-6472  
FAX Number: (717) 787-9138

3/28/01

## EXHIBIT F

### AMERICANS WITH DISABILITIES ACT

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the “General Prohibitions Against Discrimination”, 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor’s failure to comply with the provisions of subparagraph a above.

**PART A**

GFCC09

**GOVERNMENT FINANCED CONSTRUCTION CONTRACT NO. 17-09-04**

**NPDES PERMIT NO. PA 0257770**

PERMITTEE NAME Finney Enterprises, Inc. ISSUANCE DATE July 10, 2012  
 AND ADDRESS 2007 Parsonville Road RENEWAL DATE \_\_\_\_\_  
Osceola Mills PA 16666 COMPLIANCE DATE \_\_\_\_\_  
 NAME OF OPERATION Pacific GFCC EXPIRATION DATE July 10, 2017  
 LOCATION OF OPERATION:  
 MUNICIPALITY Woodward Township COUNTY Clearfield

TYPE OF OPERATION: BITUMINOUS  
 Coal seams authorized: Lower Freeport and Upper Freeport  
 Reclamation Contract

DISCHARGE TO RECEIVING WATERS Unnamed Tributary to Goss Run

**1. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS**  
**A. MINE DRAINAGE TREATMENT FACILITIES**

Outfall Numbers	Latitude		Longitude		
Treatment Basin 1	40°	50'	05.4"	78°	21' 20.7"

DISCHARGE LIMITATIONS\*

MONITORING REQUIREMENTS

Discharge Parameter	Average Monthly	Maximum Daily	Instantaneous Maximum	Measurement Frequency	Sample Type
Iron	3.0	6.0	7.0	Two Times	Grab
Manganese	1.4	2.8	3.5	per month	"
Aluminum	0.75	1.5	1.95	when discharging	"
Total Suspended Solids	35.0	70.0	90.0		"

pH between 6.0 and 9.0 standard units at all times.

Alkalinity must exceed acidity at all times.

\*Unless otherwise indicated, discharge limitations are concentrations and expressed in mg/l and the total (dissolved suspended fraction) is applicable for each parameter.

There shall be no discharge of floating solids or visible foam in other than trace amounts.  
 Samples taken in compliance with the monitoring specified above shall be taken during a discharge at the final outlet from each set of treatment ponds.



**B. EROSION AND SEDIMENTATION CONTROL FACILITIES**

Outfall Numbers	Latitude			Longitude		
Sedimentation Pond A	40°	50'	07.9"	78°	21'	38.8"
Sedimentation Pond B	40°	50'	05.3"	78°	21'	23.1"

Based on the hydrologic data and anticipated characteristics and flows described in the permit application and its supporting documents and/or revisions, the following effluent limitations and monitoring requirements apply to the above listed outfall numbers.

DISCHARGE LIMITATIONS\*

MONITORING REQUIREMENTS

Discharge Parameter	Average Monthly	Maximum Daily	Instantaneous Maximum	Measurement Frequency	Sample Type
Iron			7.0	Once a Month	Grab
Total Suspended Solids			0.5 ml/l	When Discharging	"
Manganese			4.0		

pH not less than 6.0 standard units nor greater than 9.0 standard units at all times.

Alkalinity must exceed acidity at all times.

\*Unless otherwise indicated, discharge limitations are concentrations and expressed in mg/l and the total (dissolved suspended fraction) is applicable for each parameter.

Samples taken in compliance with the monitoring specified above shall be taken during a discharge at the outlet from each sediment control structure.

Note: The above discharge limitations and monitoring requirements are based upon the presumption that the erosion and sedimentation control facilities will only discharge as a result of a "precipitation event". If the discharge occurs during "dry weather flow" conditions, (more than 24 hours after a recordable precipitation event as defined in 7.103) then Group A limitations will apply (as defined in 25 PA Code §87.102).

**C. OTHER DISCHARGES**

At a minimum, any other discharge from areas disturbed by mining activities, including areas disturbed by mineral preparation, processing, or handling facilities shall comply with the following discharge limitations and monitoring requirements.

DISCHARGE LIMITATIONS\*

MONITORING REQUIREMENTS

Discharge Parameter	Average Monthly	Maximum Daily	Instantaneous Maximum	Measurement Frequency	Sample Type
Iron			7.0	Once per	Grab
Manganese			3.5	month when	"
Aluminum			90.0	discharging	"
Total Suspended Solids			90.0		"

pH between 6.0 and 9.0 standard units at all times.

Alkalinity must exceed acidity at all times.

\*Unless otherwise indicated, discharge limitations are concentrations and expressed in mg/l and the total (dissolved suspended fraction) is applicable for each parameter.

Note: The above discharge limitations and monitoring requirements pertain to discharges which may occur unexpectedly, (i.e., were not originally anticipated when this permit was issued). The Department reserves the right to modify these limitations based upon the need to protect water quality in the receiving stream.

II. MANDATED NATIONAL POLLUTANT DISCHARGE ELIMINATION  
SYSTEM PERMIT CONDITIONS AND REQUIREMENTS

1. CONDITIONS RELATING TO NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM REGULATIONS

The following permit conditions implement mandatory Federal National Pollutant Discharge Elimination System (NPDES) requirements of 40 C.F.R. Part 122 and also the mandatory state requirements of 25 PA Code §§87.102(e), 88.92(e), 88.187(e) or 88.292(e) [as applicable to the type of operation], 92.31(g), and 95.1(a).

2. DEFINITIONS

- a. “Bypass” means the intentional diversion of waste streams from any portion of a treatment facility. 122.41(m)(1)(i)
- b. “Severe property damage” means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production. 122.41(m)(1)(ii)
- c. “Average monthly” discharge limitation means the highest allowable average of “daily discharges” over a calendar month, calculated as the sum of all “daily discharges” measured during a calendar month divided by the number of “daily discharges” measured during that month. 122.2
- d. “Maximum daily” discharge limitation means the highest allowable “daily discharge”. 122.2
- e. “Daily discharge” means the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the “daily discharge” is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the “daily discharge” is calculated as the average measurement of the pollutant over the day. 122.2
- f. “Average” refers to the use of an arithmetic mean, unless otherwise specified in this permit. 122.41(1)(4)(iii)
- g. “Instantaneous Maximum” means the level not to be exceeded at anytime in any grab sample.
- h. “Composite Sample” means a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates, or the sampling interval (for constant volume samples) is proportional to the flow rates, over the time period used to produce the composite.

The maximum time period between individual samples shall not exceed two hours, except that for wastes of a uniform nature the samples may be collected on a frequency of at least twice per working shift and shall be equally spaced over a 24-hour period (or over the operating day if flows are of a shorter duration).

- i. "Grab Sample" means an individual sample collected at a randomly-selected time over a period not to exceed 15 minutes.
- j. "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.
- k. "At Outfall XXX" means a sampling location in outfall line XXX below the last point at which wastes are added to outfall line XXX, or where otherwise specified.
- l. "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to, pump capabilities, water meters and batch discharge volumes.
- m. "Toxic Pollutant" means any pollutant listed as toxic under Section 307(a)(1) of the Clean Water Act. 122.2
- n. "Hazardous Substance" means any substance designated under 40 CFR Part 116 pursuant to Section 311 of the Clean Water Act. 122.2

### 3. SELF-MONITORING, REPORTING, AND RECORDS KEEPING

#### a. Representative Sampling

- (1) Samples and measurements taken as required herein shall be representative of the volume and nature of the monitored discharge. 122.41(j)(1)
- (2) Records Retention 122.41(j)(2)

All records of monitoring activities and results (including all original strip chart recordings for continuous monitoring instrumentation and calibration and maintenance records), copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained by the permittee for three (3) years. The three-year period shall be extended as requested by the Department or the Environmental Protection Agency Regional Administrator.

(3) Recording of Results 122.41(j)(3)

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- (i) The exact place, date, and time of sampling or measurements;
  - (ii) The person(s) who performed the sampling or measurements;
  - (iii) The date(s) the analyses were performed;
  - (iv) The person(s) who performed the analyses;
  - (v) The analytical techniques or methods used; and the associated detection level;
- and
- (vi) The results of such analyses.

(4) Test Procedures 122.41(j)(4)

Unless otherwise specified in this permit, the test procedures for the analysis of pollutants shall be those contained in 40 CFR Part 136, or alternate test procedures approved pursuant to that part.

b. Reporting of Monitoring Results

- (1) Monitoring results obtained each month shall be summarized for that month and reported on a Discharge Monitoring Report (DMR). 122.41(1)(4)(i)
- (2) The completed DRM Form shall be signed and certified either by the following applicable person (as defined in 40 CFR 122.22(a) or by that person's duly authorized representative (as defined in 40 CFR 122.22(b)):
  - for a Corporation - by a responsible corporate officer;
  - for a Partnership or Sole Proprietorship - by a general partner or the proprietor, respectively;
  - for a Municipality, State, Federal or other public agency - by a principle executive officer or ranking elected official.

Written notification of delegation of DMR signatory authority must be submitted to the Department. 122.41(k)

- (3) If the permittee monitors any pollutant, using analytical methods described in B.3.a(4) above, more frequently than the permit requires, the results of this monitoring shall be incorporated, as appropriate, into the calculations used to report self-monitoring data on the DMR. 122.41(1)(4)(ii)

c. Non-Compliance Reporting

- (1) 24-Hour Reporting - The permittee shall orally report to the Department within 24-hours of becoming aware of the following:
  - (a) Actual or anticipated non-compliance with any term or condition of this permit which may endanger health or the environment. 122.41(1)(6)(i)
  - (b) Actual or anticipated non-compliance with any "maximum daily" discharge limitation which is identified in Part A of this permit as being either: 122.41(1)(6)(ii)(A), 122.41(1)(6)(ii)(C)
    - (i) A toxic pollutant effluent standard established by EPA pursuant to Section 307(a) of the Clean Water Act.
    - (ii) A toxic or hazardous pollutant which, if not adequately treated, could constitute a threat to human health, welfare, or the environment, or
    - (iii) Any pollutant identified as the method to control a toxic pollutant or hazardous substance (i.e. indicator pollutant).
  - (c) Any unanticipated bypass which exceeds any effluent limitations in the permit. 122.41(1)(6)(ii)(A), 122.41(m)(3)(ii)

Where the permittee orally reports this information within the above mentioned 24-hour time period, a written submission outlining the above information must be submitted to the Department within 5-days of becoming aware of such a condition, unless this requirement is waived by the Department upon receipt of the oral report. 122.41(1)(6)(i) and (iii)

- (2) Anticipated Non-Compliance Reporting
  - (a) The permittee shall give advance notice to the Department of any planned changes to the permitted activity or facility which may result in non-compliance with permit requirements. 122.41(1)(2)
  - (b) Where the permittee knows in advance of the need for a bypass which will exceed effluent limitations, it shall submit prior notice to the Department at least 10 days, if possible, before the date of the bypass. 122.41(m)(3)(i)
- (3) The permittee shall report all other instance of non-compliance which are not reported above, at the time of DMR submission. 122.41(1)(7)
- (4) All of the reports and notifications required above shall contain the following information: 122.41(1)(6)
  - (a) A description of the discharge and cause of non-compliance;

- (b) The period of non-compliance, including exact dates and times and/or the anticipated time when the discharge will return to compliance; and
- (c) Steps being taken to reduce, eliminate, and prevent recurrence of the non-complying discharge.

d. Specific Toxic Substance Notification Levels - The permittee shall notify the Department as soon as it knows or has reason to believe the following:

(1) That any activity has occurred, or will occur, which would result in the discharge of any toxic pollutant which is not limited in the permit, if that discharge on a routine or frequent basis will exceed the highest of the following "notification levels": 122.42(a)(1)

- (a) One hundred micrograms per liter;
- (b) Two hundred micrograms per liter for acrolein and acrylonitrile;
- (c) Five hundred micrograms per liter for 2, 4-dinitrophenol and 2-methyl -4, 6-dinitrophenol;
- (d) One milligram per liter for antimony;
- (e) Five (5) times the maximum concentration value reported for that pollutant in the permit application;
- (f) Any other notification level established by the Department.

(2) That any activity has occurred or will occur which would result in any discharge, on a non-routine or infrequent basis, of a toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification level": 122.42(a)(2)

- (a) Five hundred micrograms per liter;
- (b) One milligram per liter for antimony;
- (c) Ten (10) times the maximum concentration value reported for that pollutant in the permit application;
- (d) Any other notification level established by the Department.

#### 4. MANAGEMENT REQUIREMENTS

a. Compliance Schedules 122.47(a), 122.41(1)(5)

- (1) Where applicable, the permittee will comply with the schedule identified in this permit relative to NPDES discharge requirements.

- (2) The permittee shall submit reports of compliance or non-compliance with, or progress reports as applicable, any interim and final requirements contained in this permit. Such reports shall be submitted no later than 14 days following the applicable schedule date or compliance deadline. 122.47(a)(4)

b. Permit Modification, Termination, or Revocation and Reissuance

(1) This permit may be modified, terminated, or revoked and reissued during its term for any of the causes specified in 25 PA Code, Chapter 92. 122.41(f)

(2) The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated non-compliance, does not stay any permit condition. 122.41(f)

(3) The permittee shall comply with effluent standards or prohibitions established under Section 307(a) of the Clean Water Act for toxic pollutants within the time specified in the regulations that establish those standards or prohibitions. 122.41(a)

c. Duty to Provide Information

(1) The permittee shall furnish to the Department, within a reasonable time, any information which the Department may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. 122.41(h)

(2) The permittee shall furnish to the Department, upon request, copies of records required to be kept by this permit. 122.41(h)

(3) Other Information - Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Department, it shall promptly submit such facts or information to the Department. 122.41(1)(8)

(4) The permittee shall give advance notice to the Department of any planned physical alterations or additions to the permitted facility.

Such notice is required when:

- (i) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source, or
- (ii) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are not subject to effluent limitations in the permit, or are not subject to the toxic substance notification requirements of Part B.3.d.(1) above. 122.41(l)(1)

d. Facilities Operation

The permittee shall at all times maintain in good working order and properly operate and maintain all facilities and systems which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit. Proper operation and maintenance



includes, but is not limited to, adequate laboratory controls including appropriate quality assurance procedure. This provision also includes the operation of backup or auxiliary facilities or similar systems which are installed by the permittee, only when necessary to achieve compliance with the terms and conditions of this permit. 122.41(e)

e. **Adverse Impact**

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment. 122.41(d)

f. Bypassing

occur

- (1) Bypassing Not Exceeding Permit Limitations - The permittee may allow a bypass to occur which does not cause effluent limitations to be violated, but only if the bypass is essential for maintenance to assure efficient operation. This type of bypassing is not subject to the reporting and notification requirements of Part B.3.c above. 122.41(m)(2)
- (2) Other Bypassing - In all other situations bypassing is prohibited unless all of the following conditions are met: 122.41(m)(4)(i)
  - (a) A bypass is unavoidable to prevent loss of life, personal injury or "severe property damage"; 122.41(m)(4)(i)(A)
  - (b) There are no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed (in the exercise of reasonable engineering judgment) to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; 122.41(m)(4)(i)(C)
  - (c) The permittee submitted the necessary reports required under Part B.3.c above. 122.41(m)(4)(i)(C)
- (3) The Department may approve an anticipated bypass, after considering its adverse effects, if the Department determines that it will meet the three conditions listed above. 122.41(m)(4)(ii)

5. PENALTIES AND LIABILITY

- a. Duty to Comply 122.41(a), (a)(2), (a)(3)

Failure to comply with the terms or conditions of this NPDES permit is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

(1) The Clean Water Act provide that any person who violates section 301, 302, 306, 307, 308, 318 or 405 of the Act, or any permit condition or limitation implementing any such sections in a permit issued under section 402, or any requirement imposed in a pretreatment program approved under Sections 402(a)(3) or 402(b)(8) of the Act, is subject to a civil penalty not to exceed \$25,000.00 per day for each violation. The Clean Water Act provides that any person who negligently violates sections 301, 302, 306, 307, 308, 318, or 405 of the Act, or any condition or limitation implementing any of such sections in a permit issued under section 402 of the Act, or any requirement imposed in a pretreatment program approved under section 402 (a)(3) or 402(b)(8) of the Act, is subject to criminal penalties of \$2,500.00 to \$25,000.00 per day of violation, or imprisonment of not more than 1 year, or both. In the case of a second or subsequent conviction for a negligent violation, a person shall be subject to criminal penalties of not more than \$50,000.00 per day of violation, or by imprisonment of not more than 2 years, or both. Any person who knowingly violates such sections, or such conditions or limitations is subject to criminal penalties of \$5,000.00 to \$50,000.00 per day of violation, or imprisonment for not more than 3 years, or both. In the case of a second or subsequent conviction for a knowing violation, a person shall be subject to criminal penalties of not more than \$100,000.00 per day of violation, or imprisonment of not more than 6 years, or both. Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of the Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of the Act, and who know at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than \$250,000.00 or imprisonment of not more than 15 years, or both. In the case of a second or subsequent conviction for a knowing endangerment violation, a person shall be subject to criminal penalties of not more than \$100,000.00 per day of violation, or imprisonment of not more than 6 years, or both, Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of the Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of the Act, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than \$250,000.00 or imprisonment of not more than 15 years, or both. In the case of a second or subsequent conviction for a knowing endangerment violation, a person shall be subject to a fine of not more than \$500,000.00 or by imprisonment of not more than 30 years, or both. An organization, as defined in section 309(c)(3)(B)(iii) of the Clean Water Act, shall, upon conviction of violating the imminent danger provision, b subject to a fine of not more than \$1,000,000.00 and can be fined up to \$2,000,000.00 for second or subsequent convictions.

Any person may be assessed an administrative penalty by the Administrator for violating section 301, 302, 306, 307, 308, 318, or 405 of the Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of the Act. Administrative penalties for Class I violations are not to exceed \$10,000.00 per violation, with the maximum amount of any Class I penalty assessed not to exceed \$25,000.00. Penalties for Class II violations are not to exceed \$10,000.00 per day for each day during which the violation continues, with the maximum amount of any Class II penalty not to exceed \$125,000.00.

b. Falsifying Information

The Clean Water Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring devise or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000.00., or by imprisonment for not more than 2 years, or both. If a conviction of such person under this paragraph, punishment is a fine of not more than \$20,000.00 per day of violation, or by imprisonment of not more than 4 years, or both. 122.41(j)(5)

The Clean Water Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or non-compliance shall, upon conviction, be punished by a fine of not more than \$10,000.00 per violation, or by imprisonment for not more than 6 months per violation, or by both. 122.41(k)

c. Enforcement Proceedings

It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. 122.41(c)

6. OTHER RESPONSIBILITIES

a. Right of Entry 122.41(i)

Pursuant to Sections 6(b) and 305 of Pennsylvania's Clean Streams Law and 25 PA Code, Chapter 92, and 40 C.F. R. 122, the permittee shall allow the head of the Department, the EPA Regional Administrator, and/or their authorized representatives, upon the presentation of credentials and other documents as may be required by law:

To enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit. 122.41(i)(1)

To have access to and copy at reasonable times any records that must be kept under the conditions of this permit. 122.41(i)(2)

To inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices or operations regulated or required under this permit. 122.41(i)(3)

To sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the Clean Water Act, any substances or parameters at any location. 122.41(i)(4)

b. Transfer of Ownership or Control

NPDES discharge permit requirements may not be transferred unless approved by the Department as a permit modification or revocation and reissuance. 122.61(a), 122.41(1)(3)

c. Property Rights

The issuance of this NPDES permit does not convey any property rights of any sort, or any exclusive privilege. 122.41(g)

d. Renewal of NPDES Permits

Application for renewal of this NPDES permit, or notification of intent to cease discharging by the expiration date, must be submitted to the Department at least 180 days prior to the above expiration date (unless permission has been granted by the Department for submission at a later date). 122.41(b)

# **EXHIBIT B**

**CLEARFIELD COUNTY  
RECORDER OF DEEDS**

**Maurene E. Inlow, Recorder**  
**Betty L. Lansberry - Chief Deputy**  
P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
**FINNEY ENTERPRISES INC**

Instrument Number - 201117308  
Recorded On 12/16/2011 At 9:54:55 AM  
\* Instrument Type - SUPPLEMENTAL C  
\* Total Pages - 4  
Invoice Number - 246881  
\* Grantor - MACHIPONGO LAND AND COAL COMPANY  
\* Grantee - FINNEY ENTERPRISES INC  
\* Customer - FINNEY ENTERPRISES INC

\* FEES

STATE WRIT TAX	\$0.50
RECORDING FEES - RECORDER	\$13.00
RECORDER IMPROVEMENT FUND	\$3.00
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL PAID	\$18.50

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Maurene E. Inlow*  
Maurene E. Inlow  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

**Do Not Detach**

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

CONTRACT NO.  
Department Use ONLY)

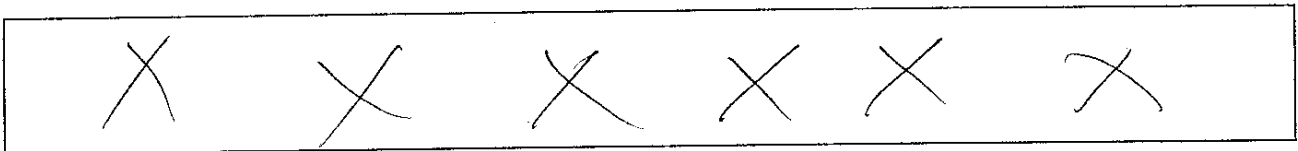
### CONTRACTUAL CONSENT OF LANDOWNER

(I) (We), the undersigned, being the owner(s) of 379.867 acres of land located in Woodward Township, Clearfield County, as described  
(Township, Borough, City)

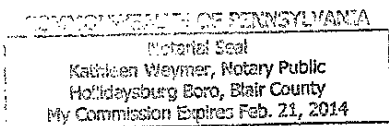
in the deed(s) recorded in the Recorder of Deeds Office Book(s) and page(s) 426-481 and shown by crosshatched lines on the maps attached hereto which is signed in the original by the landowner upon which Finney Enterprises, Inc.  
(Name of Contractor)

proposal will be made to the Department of Environmental Protection and to which contract this consent will be made a part, **DO HEREBY ACKNOWLEDGE THAT THE CONTRACTOR HAS THE RIGHT TO ENTER UPON AND USE THE LAND FOR THE PURPOSES OF CONDUCTING INCIDENTAL AND NECESSARY COAL REMOVAL AND SURFACE RECLAMATION ACTIVITIES.** Furthermore, (I) (We), the undersigned, do hereby irrevocably grant to the Contractor and the Commonwealth of Pennsylvania the right to enter upon the aforesaid land during the contract term and for a period of three (3) years after the termination of the contract for the purposes of inspecting, studying, backfilling, planting and reclaiming the land and abating pollution in accordance with the provisions of the Surface Mining Conservation and Reclamation Act, the Clean Streams Law, the Coal Refuse Disposal Control Act, and the Dam Safety and Encroachment Act, as amended, rules and regulations promulgated thereunder, and in accordance with the provisions of the contract entered into with the Contractor. (I) (We) do hereby grant in addition to the Commonwealth for the aforesaid period of time, a right of entry across any adjoining or contiguous lands owned by (us) (me) in order to have access to the land described herein. It is specifically agreed and understood that this contractual consent give the Commonwealth right to enter, inspect, study, backfill, plant and reclaim the land and abate pollution therefrom as a matter within the police power but does not obligate the Commonwealth to do so, and does not constitute any ownership interest by the Commonwealth in the aforesaid land.

This Consent shall not be construed to amend or impair any contractual agreement between the Contractor and the Landowner. Unless expressly stated otherwise on this form, it is understood that the landowner consents to the transferability of this form to eligible successor contractors, their agents, or assigns.



In witness whereof and intending to legally bind (myself) (ourselves), (my) (our) heirs, successors and assigns, (I) (we) have hereunto set (my) (our) hand(s) and seal this 15<sup>th</sup> day of DECEMBER, 2011.



Judith Pursley, President  
LANDOWNER (Print Name)  
Machipongo Land and coal Company

By: \_\_\_\_\_  
(Signature) (Seal)

\_\_\_\_\_  
(Print Name)

By: \_\_\_\_\_  
(Signature) (Seal)



ACKNOWLEDGEMENT OF INDIVIDUALS OR PARTNERS

LANDOWNER

STATE OF :
COUNTY OF :

On \_\_\_\_\_, before me, the undersigned Notary, personally appeared

(Name (s))
known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument, and who acknowledged that \_\_\_\_\_ (he, she or they)
executed the same and desires it to be recorded.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL) \_\_\_\_\_ My Commission Expires: \_\_\_\_\_ (Date)
Notary Public

LANDOWNER

STATE OF :
COUNTY OF :

On \_\_\_\_\_, before me, the undersigned Notary, personally appeared

(Name (s))
known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument, and who acknowledged that \_\_\_\_\_ (he, she or they)
executed the same and desires it to be recorded.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL) \_\_\_\_\_ My Commission Expires: \_\_\_\_\_ (Date)
Notary Public

ACKNOWLEDGEMENT OF CORPORATIONS

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kathleen Weymer, Notary Public
Hollidaysburg Boro, Blair County
My Commission Expires Feb. 21, 2014

LANDOWNER

STATE OF PENNSYLVANIA :
COUNTY OF BLAIR :

On DEC. 15, 2011, before me, the undersigned Notary, personally appeared

Judith Pursley (Name (s))

who acknowledged (herself) (himself) to be the President (Title of Person) of

Machipongo Land and Coal Company (Name of Corporation), a

corporation, and that (she) (he), as such officer, being authorized to do so, executed the foregoing instrument on behalf of the said corporation and desires that this instrument be recorded.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal.

(SEAL) Kathleen Weymer My Commission Expires: Feb. 21, 2014 (Date)
Notary Public

This instrument has been recorded in Clearfield County, Pennsylvania, this 16th day of December 2011 (year), at Book Bmt. 2011 1308, Page(s)

Maurine E. Inlow (Signed) + (Print Name)
Maurine E. Inlow (Seal)

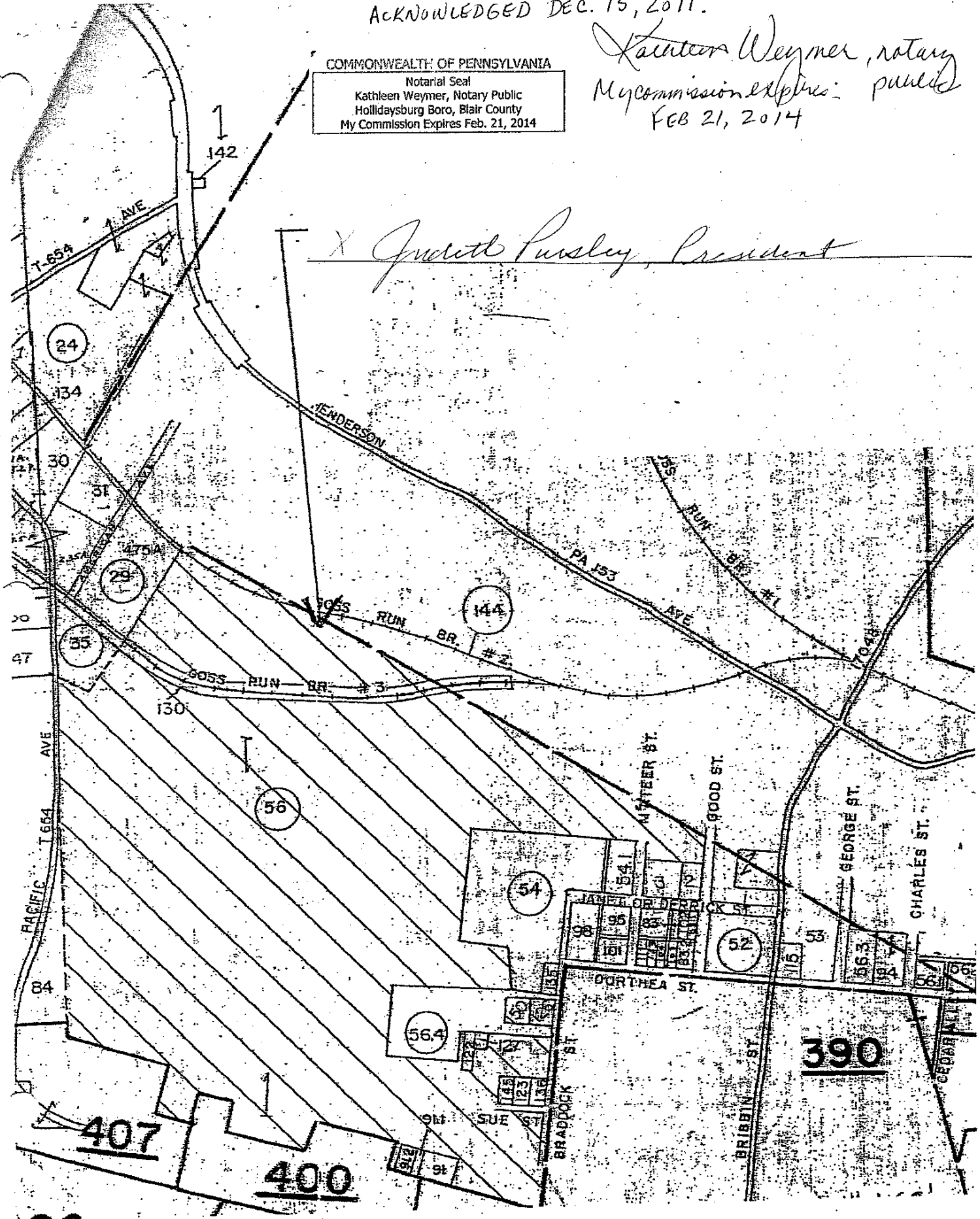
MY COMMISSION EXPIRES FIRST MONDAY IN JANUARY 2012 RECORDER OF DEEDS

ACKNOWLEDGED DEC. 15, 2011.

*Kathleen Weymer, notary*  
*My commission expires: public*  
*FEB 21, 2014*

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Kathleen Weymer, Notary Public  
Hollidaysburg Boro, Blair County  
My Commission Expires Feb. 21, 2014

*X Judith Purvisley, President*



**CLEARFIELD COUNTY  
RECORDER OF DEEDS**

**Maurene E. Inlow, Recorder**  
**Betty L. Lansberry - Chief Deputy**  
P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
**FINNEY ENTERPRISES INC**

Instrument Number - 201117319  
Recorded On 12/16/2011 At 11:07:15 AM  
\* Instrument Type - SUPPLEMENTAL C  
\* Total Pages - 4  
Invoice Number - 246890  
\* Grantor - MACHIPONGO LAND AND COAL COMPANY  
\* Grantee - FINNEY ENTERPRISES INC  
\* Customer - FINNEY ENTERPRISES INC

**\* FEES**

STATE WRIT TAX	\$0.50
RECORDING FEES - RECORDER	\$13.00
RECORDER IMPROVEMENT FUND	\$3.00
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL PAID	\$18.50

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Maurene E. Inlow*

**Maurene E. Inlow**  
**Recorder of Deeds**

THIS IS A CERTIFICATION PAGE

**Do Not Detach**

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
BUREAU OF MINING AND RECLAMATION

APPL. NO. (Department Use Only)

**CONTRACTUAL CONSENT OF LANDOWNER  
(COAL)**

(I) (We), the undersigned, being the owner(s) of 379.567 acres of land located in Woodward Township, Clearfield County, as (Township, Borough, City)

described in the deed(s) recorded in the Recorder of Deeds Office Book(s) and page(s) 426-481 and shown by crosshatched lines on the map attached hereto which is signed in the original by the landowner upon which Finney Enterprises, Inc.

(Name of Mining Operator)

proposes to engage in surface mining activities for which application for permit will be made to the Department of Environmental Protection and of which application this consent will be made a part, **DO HEREBY ACKNOWLEDGE THAT THE MINING OPERATOR HAS THE RIGHT TO ENTER UPON AND USE THE LAND FOR THE PURPOSES OF CONDUCTING SURFACE MINING ACTIVITIES.** Furthermore, (I) (We), the undersigned, do hereby irrevocably grant to the mining operator and to the Commonwealth of Pennsylvania, the right to enter upon the aforesaid land before beginning the mining activity(ies), during the mining activity(ies) and for a period of five (5) years after the completion or abandonment of the mining activity(ies) for the purposes of inspecting, studying, backfilling, planting and reclaiming the land and abating pollution in accordance with the provisions of the Surface Mining Conservation and Reclamation Act, The Clean Streams Law, and the Coal Refuse Disposal Act, as amended, rules and regulations promulgated thereunder, and the provisions of permit(s) issued to the Mining Operator. (I) (We) do hereby grant in addition to the Commonwealth, for the aforesaid period of time, a right of entry across any adjoining or contiguous lands owned by (us) (me) in order to have access to the land described herein. It is specifically agreed and understood that this contractual consent gives the Commonwealth the right to enter, inspect, study, backfill, plant and reclaim the land and abate pollution therefrom as a matter within the police power but does not obligate the Commonwealth to do so, and does not constitute any ownership interest by the Commonwealth in the aforesaid land.

This Consent shall not be construed to impair any contractual agreement between the Mine Operator and the landowner.

(INSERT ADDITIONAL PROVISIONS OR CROSS OUT)

X X X X X X

In witness whereof and intending to legally bind (myself) (ourselves), (my) (our) heirs, successors and assigns, (I) (we) have hereunto set (my) (our) hand(s) and seal this 15<sup>th</sup> day of DECEMBER, 2011 (year)

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Kathleen Weymer, Notary Public  
Hollidaysburg Boro, Blair County  
My Commission Expires Feb. 21, 2014

*Judith Pursley* President  
LANDOWNER Judith Pursley, President  
(Print Name)  
Machipongo Land and coal company

By: \_\_\_\_\_  
(Signature) (Seal)

\_\_\_\_\_  
(Print Name)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

ACKNOWLEDGEMENT OF INDIVIDUALS OR PARTNERS

LANDOWNER

STATE OF :
COUNTY OF : ss

On \_\_\_\_\_, before me, the undersigned Notary, personally appeared

(Name (s))
known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument, and who acknowledged that \_\_\_\_\_ (he, she or they)
executed the same and desires it to be recorded.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL) \_\_\_\_\_ My Commission Expires: \_\_\_\_\_ (Date)
Notary Public

LANDOWNER

STATE OF :
COUNTY OF : ss

On \_\_\_\_\_, before me, the undersigned Notary, personally appeared

(Name (s))
known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument, and who acknowledged that \_\_\_\_\_ (he, she or they)
executed the same and desires it to be recorded.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL) \_\_\_\_\_ My Commission Expires: \_\_\_\_\_ (Date)
Notary Public

ACKNOWLEDGEMENT OF CORPORATIONS

STATE OF Pennsylvania :
COUNTY OF BLAIR : ss

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kathleen Weymer, Notary Public
Hollidaysburg Boro, Blair County
My Commission Expires Feb. 21, 2014

On DEC. 15, 2011, before me, the undersigned Notary, personally appeared

Judith Pursley (Name (s))

who acknowledged (herself) (himself) to be the President (Title of Person) of

Machipongo Land and Coal Co. (Name of Corporation), a

corporation, and that (she) (he), as such officer, being authorized to do so, executed the foregoing instrument on behalf of the said corporation and desires that this instrument be recorded.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal.

(SEAL) [Signature] My Commission Expires: FEB. 21, 2014 (Date)
Notary Public

This instrument has been recorded in Cleared
County, Pennsylvania, this 16th day of December
2011 (year), at Book Inst # Page(s) 201117319

Marcene E Inlow RECORDER OF DEEDS
(Signed) + (Print Name)

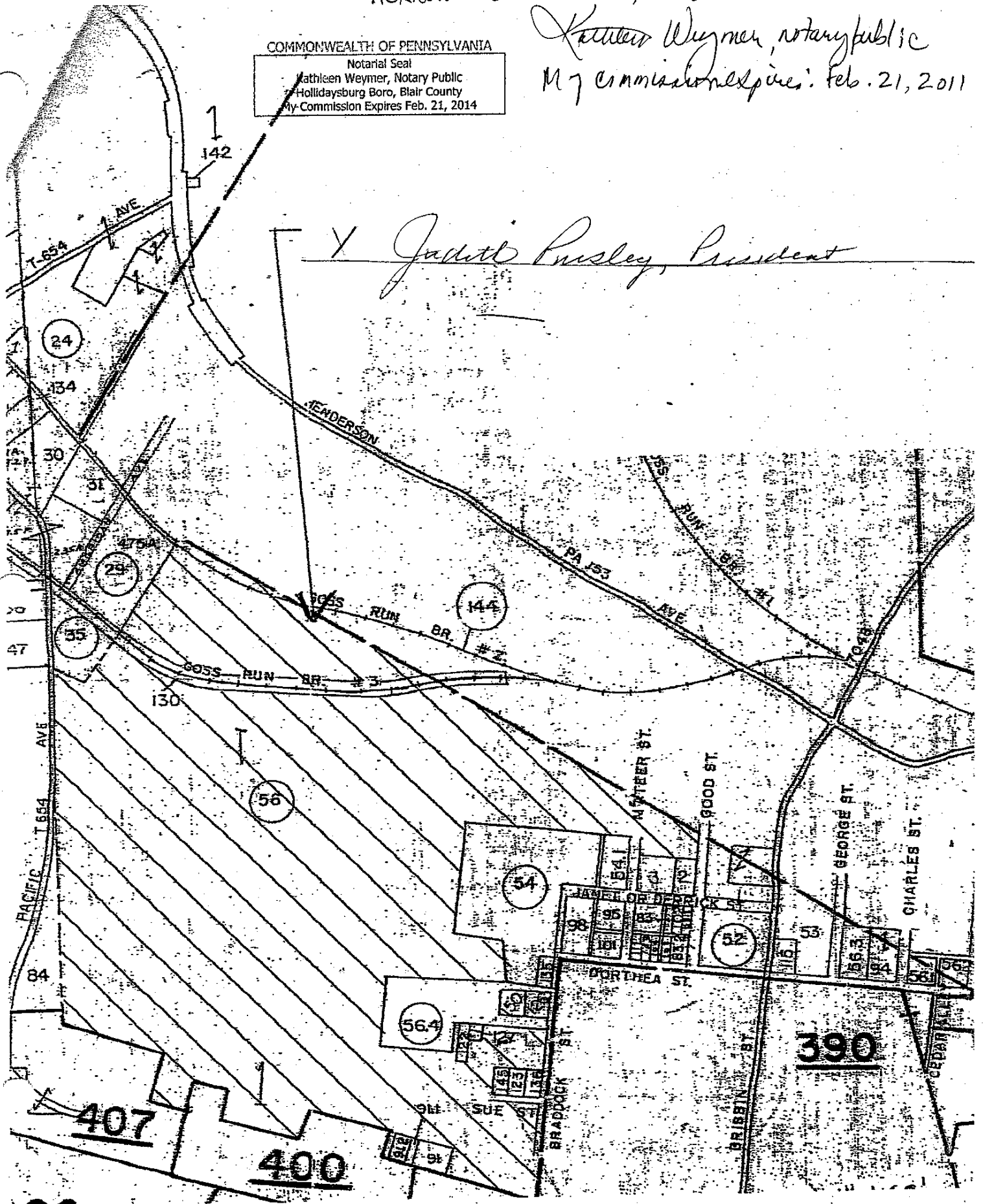
Marcene E Inlow MY COMMISSION EXPIRES
FIRST MONDAY IN JANUARY 2012

ACKNOWLEDGED DEC. 15, 2011.

*Kathleen Weymer, Notary Public*  
My Commission Expires: Feb. 21, 2011

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Kathleen Weymer, Notary Public  
Hollidaysburg Boro, Blair County  
My Commission Expires Feb. 21, 2014

*Judith Pusley, President*



# **EXHIBIT C**

## COAL LEASE

THIS LEASE made this 21<sup>st</sup> day of December, 2005 by and between MACHIPONGO LAND AND COAL COMPANY, a Pennsylvania corporation with an address of 8324 Janesville Pike, Smithmill, Pennsylvania 16680 (hereinafter "OWNER");

AND

FINNEY ENTERPRISES, INC, with an address of  
2007 Parsonville Road,  
Osceola Mills, PA 16666 (hereinafter "COMPANY")

WITNESSETH:

WHEREAS, OWNER is the owner of a certain tract of land and/or owner of mineral rights including coal rights under the surface of a certain tract of land more fully described herein; and

WHEREAS, OWNER agrees to let to COMPANY, and COMPANY agrees to let from OWNER such premises for the purpose of mining and removing coal therefrom under the terms, conditions, covenants and other agreements set forth herein.

NOW, THEREFORE, in consideration of the rent, royalties, and fees and the parties' mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **PREMISES.** The COMPANY's rights to mine and remove coal under this Lease shall be upon and under the property described as Lot 56 (Woodward Township) located north of Route 53 and, if available, as further identified by Exhibit A attached hereto. COMPANY agrees to indemnify, defend, save and hold harmless from and against any and all claims, demands, causes of action, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses and court costs) asserted against or incurred by the OWNER



or its successors and assigns arising from any mining by COMPANY, its employees, agents, subcontractors, independent contractors, successors or assigns, not on OWNER's property and/or over OWNER's property boundary including, but not limited to, losses and damages to property, real and/or personal, personal injury or death, losses and damages for the removal or loss of coal and other minerals, and the award of exemplary damages, if awarded. OWNER warrants and represents that OWNER has good and marketable title to the land in fee simple, if applicable, or to the coal where OWNER only owns the mineral rights, if applicable, and that the same are free and clear of liens, encumbrances, adverse conveyances, leases or other agreements. COMPANY shall have the right to rely upon any survey provided by OWNER and/or OWNER's agents.

2. **COAL ONLY.** COMPANY's rights under this Lease extend to the right to mine and remove coal only. Any other overburden material that is merchantable must immediately be identified to OWNER upon discovery by COMPANY. COMPANY shall conduct its mining operations so as to avoid causing harm, waste, and/or loss to any such merchantable overburden material discovered during mining operations for a period of at least thirty (30) days. COMPANY shall have the first option for a lease for any such merchantable overburden material when provided by OWNER with a *bona fide* offer from a third-party, which must be exercised within ten (10) days upon presentation by OWNER to COMPANY. In the event that COMPANY declines to enter a lease for any such merchantable overburden material, COMPANY covenants to cooperate with any third-party in the removal of any such merchantable overburden material and agrees to conduct its mining operations so as to minimize the loss of any such merchantable overburden material.

3. **MINING RIGHTS.** OWNER does hereby lease, demise and let unto COMPANY for the purpose of mining and removing the merchantable and profitably minable coal all of the coal that can be mined in such manner as allowed by regulatory authorities in the PREMISES. OWNER hereby grants to

COMPANY the exclusive right to mine and remove coal, under or upon the PREMISES with the right of ingress, egress, and regress into, upon and over said lands for the purpose of examining, testing, mining, stripping, and removing coal from the date hereof. COMPANY shall have the right to erect such chutes, tipples, buildings, pipelines, pole lines, and other structures, with the exception of any dwelling unit, which may not be erected, as may be necessary for the use and working of the mine or stripping. COMPANY shall have the right to deposit dirt therefrom upon the surface with the right to redeposit the same with all rights and privileges necessary and convenient in the mining, digging, stripping, removing and transporting the coal. COMPANY also agrees to conduct its mining operations so as to extract, mine, strip and remove coal in such a manner so as to minimize the loss of merchantable coal.

4. **TERM.** The term of this Lease shall commence upon the date first written above. COMPANY covenants to commence mining operations on the PREMISES within twenty four (24) months of the date of the commencement of this Lease. OWNER may, at its option, elect to immediately terminate this Lease for failure to commence mining operations within this period. For purposes of this Lease, "mining operations" shall be the mining, stripping, extraction, and/or removal and actual sale of coal. Thereafter, the Lease shall continue until COMPANY advises OWNER that no merchantable and profitably minable coal exists within the Upper Freeport (Seam E) and Lower Freeport (Seam D), unless otherwise terminated as provided in this Lease. Following the expiration of the term of this Lease, COMPANY shall be entitled to be present on the PREMISES to conduct post-mining cleanup, restoration, and/or reclamation until completed. COMPANY hereby reserves the right to terminate this lease due to restrictions set forth by local and/or state regulations and/or the results of the coal exploration showing exhausted coal reserves within the Upper Freeport (Seam E) and Lower Freeport (Seam D).

5. **FEE.** Until the commencement of mining operations by COMPANY, including any extension of the twenty four (24) month period required to

commence mining operations set forth in Section 4 agreed to by OWNER, COMPANY shall pay a monthly fee of SEVENTY FIVE AND 00/100 DOLLARS (\$75.00) per month payable on the 20th of each month. Upon the commencement of mining operations, the fee shall be prorated based upon the number of days in the month in which mining operations were not taking place.

6. **ROYALTIES.** COMPANY agrees to pay OWNER a royalty in the amount of THREE AND 00/100 DOLLARS (\$3.00) per ton or ten percent (10%) of the net selling price each month, whichever is greater, for each ton of coal mined and removed from the PREMISES pertaining to land rights. In the event COMPANY wants to auger coal from the PREMISES, COMPANY agrees to pay OWNER a royalty in the amount of FOUR AND 50/100 DOLLARS (\$4.50) per ton or fifteen percent (15%) of the net selling price each month, whichever is greater, for each ton of coal mined and removed from the PREMISES pertaining to land rights. A ton shall consist of two thousand (2,000) pounds,, Additionally, COMPANY shall pay to the OWNER five percent (5%) of the net selling price for the month for each ton of coal mined and removed from other premises and transported over the PREMISES.. Royalties shall be paid on the 20th of each month to OWNER at the address set forth on page 1 or as otherwise directed under Section 18.

7. **MINIMUM PRODUCTION.** Once mining commences, COMPANY covenants to continue mining activities on a monthly basis on the Premises.. If a continuous six-month lapse of mining inactivity occurs, OWNER may, at its option, elect to immediately terminate this Lease. COMPANY shall pay a minimum royalty of SEVENTY FIVE and 00/100 DOLLARS (\$75.00) for each month payable on the 20th of each month. Mining operations shall continue until COMPANY advises OWNER that no merchantable and profitably minable coal exists within the Upper Freeport (Seam E) and Lower Freeport (Seam D).

8. **WEIGHTS and VERIFICATION.** COMPANY covenants to have a broker weigh all coal removed from the PREMISES or transported over the PREMISES. Such weight shall be determined by truck weights weighed by a currently

Commonwealth of Pennsylvania certified and licensed weighmaster. COMPANY shall provide with each months royalty payment copies of all weigh slips for coal subject to royalties under this Lease and a summary report containing the following: the number of trucks removing coal from the PREMISES that month listed by day; the total weight of coal from such trucks leaving the PREMISES; the total sales price for such coal; number of trucks transporting coal over the PREMISES, which coal was removed from other property; the total weight of coal from such trucks; and the total sales price for such coal. COMPANY shall maintain all records supporting the monthly reports, including but not limited to, bills of sale, weigh slips, and purchase orders, for one (1) year following the month in which royalties are paid based upon such information. COMPANY shall make available for inspection to OWNER and/or its agents such supporting records during normal business hours at the PREMISES upon forty-eight (48) hours notice provided by the OWNER to the COMPANY. OWNERS right to inspect shall be limited to one (1) time in any twelve (12) month period. In the event that OWNER exercises such right of inspection and discovers from such inspection the failure of COMPANY to pay OWNER royalties owed under this Lease in an amount in excess of two thousand five hundred (\$2,500.00), in addition to paying the OWNER such sum due and owing, COMPANY shall pay OWNER one additional dollar (\$1.00) for each dollar COMPANY failed to pay OWNER, it being the intent that the unpaid sum discovered from the inspection be doubled and paid to the OWNER. In the event that OWNER exercises such right of inspection and discovers from such inspection the failure of COMPANY to pay OWNER royalties owed under this Lease in an amount of two thousand five hundred (\$2,500.00) or less, OWNER shall only be entitled to be paid such sum from COMPANY.

9. **DRILLING AND/OR TESTING.** COMPANY agrees to provide OWNER copies of all boring logs and analysis of coal or other merchantable overburden material performed by or on behalf of COMPANY within fourteen (14) days of receipt of such results by COMPANY. To the extent that COMPANY was given

permission to conduct such drilling and/or tests prior to the execution of this Lease, COMPANY shall immediately provide copies of such results if already in COMPANY's possession, or otherwise in accordance with this Section.

10. **PERMITS.** COMPANY shall obtain and pay the cost of any and all required permits, whether federal, state or local, and provide copies of the same to OWNER upon receipt of the same. OWNER will cooperate in the completion and signing of any documentation required by landowners or mineral owners leasing land or mineral rights for the mining of coal as may be required by particular governmental entities.

11. **INSURANCE.** COMPANY shall maintain property and commercial general liability insurance with a financially responsible insurance company providing a combined single limit of not less than ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00) property damage, personal or bodily injury, or death per occurrence. The policy shall be written on an occurrence basis and not upon a claims-made basis. Such policy shall expressly provide therein that coverage includes the contractual liability assumed by COMPANY pursuant to this Lease. Prior to the commencement of mining operations and so as to be current thereafter, COMPANY shall provide OWNER with a certificate of insurance for the coverage and amounts set forth herein, identifying OWNER as an additional insured, and a notation that the policy cannot be cancelled without first providing the OWNER thirty (30) days prior notice. If COMPANY has employees, COMPANY shall also maintain Worker's compensation coverage in an amount required by Pennsylvania law and shall provide proof of the same to OWNER prior to the commencement of mining operations and thereafter as requested by OWNER. COMPANY shall require subcontractors and others not protected under its insurance to obtain and maintain worker's compensation and employers' liability insurance.

12. **CONDUCT OF COMPANY'S MINING OPERATION.** COMPANY shall conduct all work and mine the PREMISES in a workmanlike manner and shall

comply with all federal, state, and local laws, ordinances, rules and regulations, now existing or hereafter adopted, regulating the management and/or operation of coal mines. Additionally, COMPANY shall comply with all federal, state, and local laws, ordinances, rules and regulations regarding post-mining cleanup, restoration, and/or reclamation.

13. **OWNER'S RIGHT OF INSPECTION.** OWNER and/or its agents shall have the right at all times and at its own risk to enter COMPANY's mining operations in and upon the PREMISES for the purpose of examining, inspecting and surveying such operations. Company will provide monthly sketches of his progress as to coal removed, height of overburden and a projection of coal to be removed.

14. **POST-MINING CLEANUP, RESTORATION, AND/OR RECLAMATION.** COMPANY covenants to remove all equipment, machinery, buildings or other structures upon termination of the Lease. COMPANY covenants to and shall comply with all requirements of federal, state, and local laws, ordinance, rules and regulations regarding post-mining cleanup, restoration of the real estate, and/or reclamation upon termination of the Lease. While any stricter requirement of federal, state, and local laws, ordinances, rules and regulations shall control, COMPANY covenants to and shall at a minimum level the ground, filling all holes, and seed the same grass, crown vetch, or other suitable vegetation following termination of the Lease. COMPANY shall provide OWNER with a copy of the land reclamation bond required by the Pennsylvania Department of Environmental Protection, or successor or related agency to ensure performance under the Pennsylvania Statutes and Code with respect to post-mining cleanup, restoration of the real estate, and/or reclamation. COMPANY's covenants hereunder shall survive termination regardless of which party terminates the Lease or why the party terminates the Lease, and COMPANY agrees the covenants may be specifically enforced by the Clearfield County Court of Common Pleas.

15. **REAL ESTATE TAXES.** OWNER shall pay all real estate tax assessments levied against the PREMISES, provided that if OWNER shall fail to pay such taxes, COMPANY, may, at its option, pay such taxes and deduct the same from royalties. COMPANY shall be responsible for paying during the term of this Lease all other taxes, fees, levies or assessments including but not limited to any assessment upon any improvements to the real estate.

16. **COMPANY'S INDEMNIFICATION OF OWNER.** COMPANY does hereby covenant to indemnify, defend, save and hold harmless OWNER, its officers, directors, shareholders, agents, and employees from any and all claims, demands, causes of action, losses, damages, liabilities, fines, costs and expenses (including reasonable attorneys' fees and expenses and court costs) for damages to persons or property that may arise as a result of COMPANY's mining operation and/or presence in and upon the PREMISES hereunder. Such duties hereunder shall be extended to include, **but are not limited to**, Orders and/or actions brought by the Pennsylvania Department of Environmental Protection and/or the United States Department of Environmental Protection or their respective successor agencies; and claims and/or lawsuits by neighboring landowners for subsidence and/or other similar harm.

17. **DEFAULT.** Except as otherwise provided in this Lease, COMPANY covenants that in event of default of any term of this Agreement with exception of default for failure to pay any amounts owing hereunder that OWNER shall promptly notify COMPANY of the default in writing as provided for in this Agreement. COMPANY shall have thirty (30) days within which to cure the default or OWNER shall be entitled to terminate this Lease and collect all sums owing hereunder. COMPANY agrees that in the event of two (2) defaults regarding the timeliness of payment of any amounts owing hereunder in any twelve (12) month period, OWNER shall be entitled to terminate this Lease and collect all sums owing hereunder. In the case of default of any payment hereunder, OWNER shall provide COMPANY notice of such default and COMPANY shall have ten (10) days from receipt of such notice to cure such

default. In case default be made for the space of thirty (30) days at any time regardless of the number of prior defaults for untimely payment, OWNER shall be entitled to terminate this Lease and collect all sums owing hereunder.

**COMPANY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR IT AND CONFESS JUDGMENT FOR THE AMOUNT THEN DUE AND UNPAID AND THEREUPON AUTHORIZE THE IMMEDIATE ISSUING OF A WRIT OF EXECUTION FOR THE AMOUNT OF SAID JUDGMENT, WITH COSTS OF SUIT, RELEASE OF ERRORS TOGETHER WITH INTEREST AT EIGHTEEN PERCENT (18%) PER ANNUM ON UNPAID AMOUNTS FROM THE DATE OF NON-PAYMENT, ATTORNEYS' FEES IN THE AMOUNT OF TEN PERCENT(10%) OF THE TOTAL AMOUNT OF THE JUDGMENT, WAIVING ALL EXEMPTION LAWS NOW IN FORCE OR THAT MAY HEREAFTER BE PUT IN FORCE, IT BEING PROVIDED THAT THE POWER TO CONFESS JUDGMENT MAY BE EXERCISED SO OFTEN AS DEFAULT MAY OCCUR.**

18. **NOTICES.** All notices or other communication required hereunder must be given by delivering the same in person or by mailing the same by U.S. Certified Mail, Return Receipt Requested, addressed to the OWNER or COMPANY at the address set forth on the first page. Either party may change their address to receive such notice or communication by giving notice to the other party in accordance with this Section.

19. **SEVERABILITY.** Whenever possible, each provision of this Lease shall be interpreted in such a manner as to be effective and valid under applicable law. The invalidity or unenforceability of any particular provision of this Lease shall not affect the other provisions. The remainder of such particular provision found to be invalid or unenforceable shall remain in effect to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Lease.

20. **INTERPRETATION.** This Lease shall be governed by, construed and interpreted in accordance with the law of the Commonwealth of Pennsylvania without regard to its choice of law provisions. The Section headings used herein are part of the Lease and may be considered in interpreting the construction of any section. Except where the context requires otherwise, as used herein, any



gender shall include the other gender or neuter, the neuter shall include a gender, the singular shall include the plural, and the plural shall include the singular. This Lease shall be interpreted and construed without any presumption against the drafter.

21. **ENTIRE AGREEMENT.** This Lease contains and is the entire and whole agreement between the OWNER and COMPANY, and there are no other terms, conditions, obligations, covenants, representations, warranties, statements or conditions oral or otherwise of any kind whatsoever not stated herein.

22. **MODIFICATIONS.** Any modification or amendment to the terms of this Lease shall be valid and effective only if and when made in writing and duly executed on behalf of both the OWNER and COMPANY.

23. **WAIVER.** The failure of either OWNER or COMPANY to insist, in any one or more instances, upon strict performance of any of the terms of this Lease, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of such term or the relinquishment of any such rights, but the same shall continue and remain in full force and effect unless otherwise agreed to in a separate writing signed by both parties.

24. **ASSIGNABILITY.** This Lease may not be assigned, transferred or sublet by either party hereto without the written consent of the other party, which shall not be unreasonably withheld. Any attempt to assign, transfer or sublet without the written consent of the other party shall be void *ab initio*.

25. **LEGALLY BINDING EFFECT.** It is the intention of the parties hereto to be legally bound hereby and that this Lease shall be binding and inure to the benefit of the successors, heirs, executors, administrators, and assigns of the parties hereto as limited by Section 23.

26. **ATTORNEYS', EXPERTS' AND OTHER FEES.** In the event of any lawsuit with respect to this Lease, the prevailing party shall be entitled to its reasonable attorneys', expert witness fees and other costs reasonably and actually incurred by the prevailing party in conjunction with the litigation.

27. **TRIAL BY COURT AND FORUM SELECTION.** Each party hereto waives the right to trial by Jury. Any dispute with respect to this Lease shall be brought in the Court of Common Pleas of Clearfield County, Pennsylvania.

28. **NOT A JOINT VENTURE.** Nothing herein should be construed to create a partnership or a joint venture. The parties specifically represent they are acting for their own benefit and have entered this Lease, which was negotiated at arms length.

IN WITNESS WHEREOF, the parties have entered this Lease and agree to be bound thereto by setting forth their signature below, effective as of the first date written above.

ATTEST:

judith C Pursley  
Secretary

MACHIPONGO LAND AND COAL CO.

By: Ray Pursley II  
Ray Pursley, II

SEAL

COMPANY:

By: [Signature]

COMMONWEALTH OF PENNSYLVANIA

:  
: SS:  
:

COUNTY OF CLEARFIELD

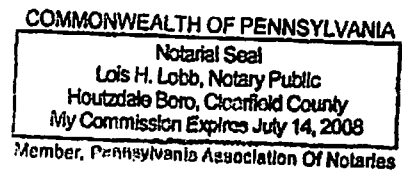
On this, the 21st day of Dec, 2005 before me, the undersigned officer, personally appeared RAY PURSLEY, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within

instrument, and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

*Lois H. Lobb*

\_\_\_\_\_  
Notary Public



**Machipongo Land & Coal Company**

*Robert J. Campolong, President  
Arthur J. Minds, Secretary/Treasurer  
309 W Pine St., Clearfield, PA 16830*

October 10, 2019

**NOTICE OF DEFAULT  
NOTICE OF TERMINATION**  
By Certified Mail  
Return Receipt Requested

Mr. Robert Finocchio  
Finney Enterprises, Inc.  
PO Box 121  
Brisbin, PA 16620-0121

Mr. David J. Finney, President  
Finney Enterprises, Inc.  
509 ½ Knarr St.  
Dubois, PA 15801-1919

Re: Coal Lease agreement dated December 21, 2005

Dear Mr. Finocchio and Mr. Finney:

This is to notify you that Finney Enterprises, Inc. is in default of the Coal Lease agreement with Machipongo Land & Coal Company dated December 21, 2005 (hereinafter “the Lease”) as follows:

1. Failure to timely report coal sales and remit earned royalty thereon for the calendar month ended July 31, 2019 as provided by Paragraphs 6, 7 and 8 of the Lease;
2. Failure to timely report coal sales and remit earned royalty thereon for the calendar month ended August 31, 2019 as provided by Paragraphs 6, 7 and 8 of the Lease;
3. Filing a false statement of no sales and remitting minimum monthly rent for the calendar month ended July 31, 2019.

Notices of Default dated April 2 and April 23, 2018 were previously mailed by Certified Mail – Return Receipt Requested to the Brisbin post office box shown above and were returned by the post office marked “Not deliverable as addressed” and “Unable to Forward.” The Brisbin address continues to be shown on the letterhead remitting royalty payment as recently as September 30, 2019.

Machipongo Land & Coal Company hereby exercises its right to terminate the Agreement as of the date of this letter. All backfilling, planting and completion of work necessary to comply with your mining permit should be promptly completed and the premises vacated no later than November 9, 2019.

Sincerely,

Arthur J. Minds, Secretary/Treasurer

cc. Robert J. Campolong, President