

## EASEMENT AGREEMENT

**THIS EASEMENT AGREEMENT** is made this 5th day of May, 2011 by and between BET Lehigh Real Estate, LLC (“**Grantor**”), a Delaware limited liability company, with its principal place of business at P. O. Box 150, 1233 E. Broad Street, Tamaqua, PA 18252 and Woodlands Bank, as Trustee of the Panther Valley Post-Mining Treatment Trust (or “**Grantee**”), a Pennsylvania corporation with its registered place of business at 2450 E. Third Street, Williamsport, Pennsylvania 17701-4028.

**WHEREAS**, the property subject to this Easement Agreement is certain property acquired by Grantor from Lehigh Coal and Navigation Company and of record in Deed Book 2372, page 2901 in the Office of the Recorder, Schuylkill County, Pennsylvania, and as depicted on the attached Exhibit 1 of this Agreement (the “**Property**”); and

**WHEREAS**, certain treatment systems for the prevention of pollution and for the protection of natural resources (the “**Panther Valley AMD Treatment System**”) are or will be located on the Property by BET Associates IV, LLC (“**BET Associates**”) pursuant to the Second Consent Order and Agreement by and between the Department of Environmental Protection (“**Department**”) and BET Associates dated May 5, 2011 (the “**Second COA**”); and

**WHEREAS**, pursuant to a Post-Mining Treatment Trust Consent Order and Agreement by and between BET Associates and the Department dated May 5, 2011 (the “**Treatment Trust COA**”), BET Associates entered into a Post-Mining Treatment Trust Agreement dated May 5, 2011 (the “**TTA**”) with Grantee to establish a trust, known as the Panther Valley Post-Mining Treatment Trust (“**Trust**”), to provide funding for and access to the Property for long-term acid mine drainage treatment and related activities in the event that BET Associates discontinues

treatment operations and continued treatment is determined to be necessary by the Department;  
and

**WHEREAS**, in order to secure BET Associates' water treatment funding obligations under the Treatment Trust COA and TTA, Grantor has executed and delivered to Grantee: (1) a certain limited recourse guaranty (the "**Guaranty**") of BET Associates' obligations under the Treatment Trust COA and TTA; and (2) a Security Agreement granting Grantee a lien on and security interest in and to certain coal reserves on the Property identified on the attached Exhibit 1 attached hereto (the "**Collateral**"); and

**WHEREAS**, in order to afford the access to the Collateral, Grantor has also agreed to grant Trustee an easement over the Property as more particularly described in this Easement Agreement; and

**WHEREAS**, the Commonwealth of Pennsylvania, acting through the Department, is the Beneficiary of the Trust;

**NOW THEREFORE**, the Grantor for and in consideration of the foregoing and the mutual promises and undertakings of the parties as set forth herein, which is hereby acknowledged, does hereby grant unto the Grantee, its agents, contractors, successors and assigns, an easement (the "**Easement**") over and across the Property as depicted on the attached Exhibit 1 to exercise its rights to the Collateral under the Security Agreement on the terms and conditions set forth herein.

1. The Easement shall be used only for the purpose of the Grantee exercising its rights to the Collateral under the Security Agreement in order to fund the Trust and shall be limited to the area necessary to access such Collateral. Pursuant to this Easement Agreement, the Grantee or its authorized representatives, agents, successors, and assigns, and the

Department, its employees, authorized representatives, and agents shall have: (a) the right of ingress, egress or regress into, over, and upon the Property for all purposes necessary, convenient or incidental to the exercise of this Easement, and (b) the right to use, construct, operate, and maintain such structures on the Property as may be necessary or convenient to the Grantee's exercise of its rights under the Security Agreement including, but not limited to, utility lines, devices and structures, pipelines, buildings, fixtures, and all other machinery, devices, improvements, structures and appurtenances.

2. The rights and privileges granted hereunder continue until the Grantee releases its interest in the Collateral as provided in the Treatment Trust COA.

3. The property boundaries subject to this Easement may be adjusted from time to time, by mutual agreement of the parties. If the Property is subdivided in the future, and the Grantee determines that the subdivided parcel is not needed for access to the Collateral, such parcels will not be covered by this Easement. If Grantor and Grantee disagree on the need of such parcel for access to the Collateral, Grantor and Grantee shall first endeavor to reach agreement as to the scope of the Easement necessary and appropriate for such parcel. If the parties are unable to reach agreement within thirty (30) days, the parties shall submit the dispute to the Court of Common Pleas of Schuylkill County, Pennsylvania for resolution.

4. Grantor retains, reserves and shall continue to enjoy the use the Property for any and all purposes which do not unreasonably interfere with or prevent the use by Grantee of the Easement. The Grantee shall notify the Grantor in writing of any such activity that it deems inconsistent with the purposes of this Easement.

5. The Easement and the rights and privileges granted hereunder shall continue so long as Grantee holds the Security Interest. This Easement is an easement in gross and runs with the land.

6. Each party to this Easement Agreement hereby releases the other party from any liability, loss, claim and expense for damage to the releasing party's property caused by the releasing party, its employees, agents, contractors, invitees, officers, successors or assigns while on the Property. Each party to this Easement Agreement hereby indemnifies the other party from any liability, loss, claim and expense for damage to the indemnified party's property, the property of third parties and for bodily injury to persons caused by the indemnifying party, its employees, agents, contractors, invitees, officers, successors or assigns while on the Property.

7. The Commonwealth of Pennsylvania acting through the Department and its successor, if any, shall have the same rights as the Grantee and the same right to enforce the terms and conditions of this Easement Agreement as the Grantee.

8. Except as provided in paragraph 3 of this Easement Agreement, the Grantor agrees to incorporate the terms of this Easement Agreement in any deed or other legal instrument that transfers any interest in the Property. The Grantor and Grantee agree that the terms of this Easement Agreement shall survive any merger of the fee and easement interests in the Property or any portion thereof.

9. The parties recognize and agree that the benefits of this Easement Agreement are assignable provided, however that the Grantee hereby covenants and agrees, that in the event it transfers or assigns this Easement Agreement, the organization receiving the interest will be a qualified holder under Pennsylvania law, and the Grantee further covenants and agrees that the

terms of the transfer or assignment will be such that the transferee or assignee will be required to continue the purposes of the Easement as described in this Easement Agreement.

10. If any provision of this Easement Agreement is found to be void or unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect.

11. Grantor is responsible for any real estate taxes, assessments, fees, or charges levied upon the Property. Grantee shall not be responsible for any costs or liability of any kind related to the ownership, operation, insurance, upkeep, or maintenance of the Property, except as expressly provided herein.

12. This Easement Agreement may be amended, but only in a writing signed by all parties hereto, and provided such amendment is consistent with the purposes of this Easement Agreement and is with the prior written consent and approval of the Commonwealth of Pennsylvania acting through the Department, or its successor, if any, or through a judicial proceeding.

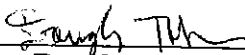
13. This Easement Agreement may be signed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument. Facsimile and electronically scanned signatures shall be valid and effective.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, this instrument is executed this 5<sup>th</sup> day of may, 2011.

GRANTOR:

BET Lehigh Real Estate, LLC

  
By: Douglas Topkis  
Member

GRANTEE:

Woodlands Bank

Marc S. Winkler  
By: Marc S. Winkler  
President and CEO

IN WITNESS WHEREOF, this instrument is executed this \_\_\_\_ day of \_\_\_\_\_, 2011.


GRANTOR:

BET Lehigh Real Estate, LLC

\_\_\_\_\_  
By: Douglas Topkis  
Member

GRANTEE:

Woodlands Bank

  
\_\_\_\_\_  
By: Marc S. Winkler  
President and CEO

**ACKNOWLEDGEMENT OF CORPORATIONS**

STATE OF NEW YORK :  
: SS  
COUNTY OF NEW YORK :

On this, the 5<sup>th</sup> day of May, 2011, before me, the undersigned Notary, personally appeared Douglas Topkis, who acknowledged himself to be a Member of BET Lehigh Real Estate, LLC, a limited liability company, and that he, as such officer, being authorized to do so, executed this instrument on behalf of said limited liability company, and who desires it to be recorded.

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

EVETTE GAMBOA  
Notary Public, State of New York  
No. 01GAG201816  
Qualified in Bronx County  
COMMISSION EXPIRES 03/02/2013  
(SEAL) \_\_\_\_\_ My Commission Expires: 03/02/2013  
Notary Public  
*Evette Gamboa*

This instrument has been recorded in Schuylkill County, Pennsylvania, this 5<sup>th</sup> day of \_\_\_\_\_, 2011, at Book \_\_\_\_\_, Page(s) \_\_\_\_\_.

\_\_\_\_\_  
(Signed) + (Print Name)

\_\_\_\_\_  
(Seal)



**ACKNOWLEDGEMENT OF CORPORATIONS**

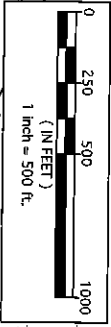
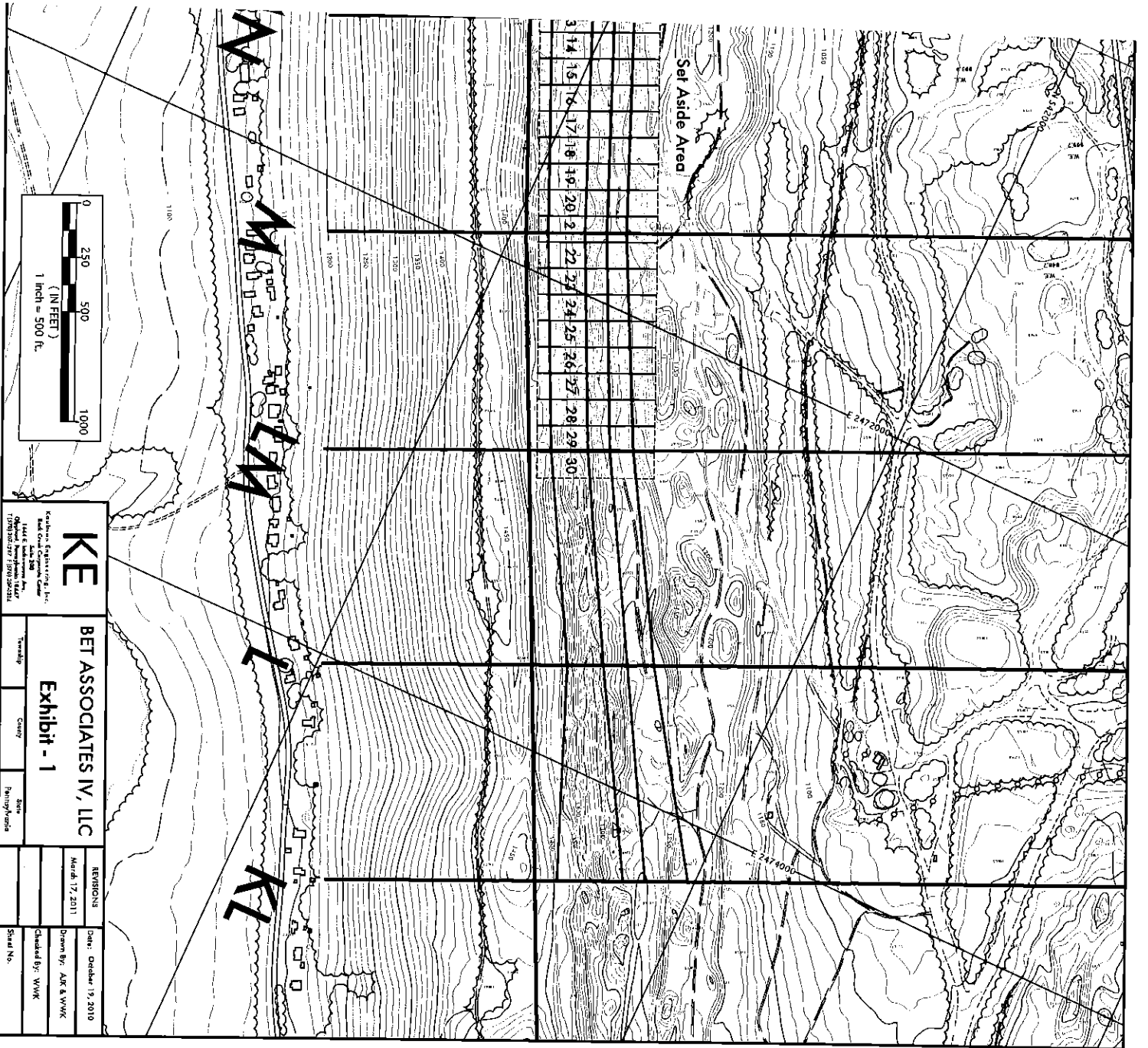
STATE OF PENNSYLVANIA :  
 :  
 : SS  
COUNTY OF LYCOMING :

On this, the 5 day of May, 2011, before me, the undersigned Notary, personally appeared Marc S. Winkler, who acknowledged himself to be an officer of Woodlands Bank, a Pennsylvania financial institution, and that he, as such officer, being authorized to do so, executed this instrument on behalf of said financial institution.

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

(SEAL) Nicole Scochera My Commission Expires: April 14, 2012  
Notary Public

**COMMONWEALTH OF PENNSYLVANIA**  
Notarial Seal  
Nicole Scochera, Notary Public  
Hepburn Twp., Lycoming County  
My Commission Expires April 14, 2012  
Member, Pennsylvania Association of Notaries



<b>KE</b>	Ketchikan Engineering, Inc. <small>1400 1st Street      Ketchikan, Alaska 99901      Phone: 907-338-1111      Fax: 907-338-1112</small>		
	<b>BET ASSOCIATES IV, LLC</b>	Township	County
<b>Exhibit - 1</b>		State	Parish/County
REVISIONS	Date: October 13, 2010		
March 17, 2011	Drawn By: AAR & WVK		
Checked By: WVK	Sheet No.		