

IN THE MATTER OF:

Junior Coal Contracting, Inc.
2330 Sixmile Road
Philipsburg, PA 16866

: SMP # 17980117, "Runk Operation"
: Decatur Township, Clearfield County
: Alternative Financial Assurance Mechanism
: C. O. & A # 164001 - EXHIBIT F

POST-MINING DISCHARGE TREATMENT TRUST AGREEMENT

This Trust Agreement ("Trust" or "Agreement") entered into this 1st day of May, 2016, by and among Junior Coal Contracting, Inc. with its principal place of business at 2330 Six Mile Road Philipsburg, PA 16866 ("Settlor"), and the Clearfield Bank and Trust Company, with its principal place of business at 11 North Second Street, Clearfield, PA 16830 and incorporated under the laws of the Commonwealth of Pennsylvania ("Trustee").

WHEREAS, the Settlor has entered into Consent Order and Agreement #164001, dated May 19th, 2016 (CO&A) with the Commonwealth of Pennsylvania, Department of Environmental Protection (Department or Beneficiary) which is incorporated by reference and which contains, among other things, a requirement that the Settlor provide financial guarantees to assure that funds will be available to provide for the Settlor's legal obligation to operate a mine drainage treatment system to treat and otherwise prevent discharges of mine drainage emanating from or hydrologically connected to Settlor's mines;

WHEREAS, the treatment system includes a cement sump, a Tsurumi pump, a baffled limestone ramp treatment pond, a polishing pond and a drying bed.

The 1-horsepower Tsurimi pump has a pump capacity of 60 gallons per minute (gpm) at 62 feet of head and a pump rate of 70 gpm. The dimensions of the treatment pond are 6 feet total depth, 9 feet wide by 170.5 feet long at the bottom, and 33 feet wide by 194.5 feet long at the top. The treatment pond contains eight earthen berm baffles and 691 tons of limestone with a thickness of 4.5 feet. The treatment pond is designed to treat a maximum acidity loading of 31.25 pounds per day and the maximum measured flow rate of 100 gpm. The dimensions of the polishing pond are: a total depth of 6 feet, 15 feet wide by 22 feet long at the bottom, and 40 feet wide by 50 feet long at the top. The polishing pond is designed for a retention time of 12 hours at an average flow rate of 14 gpm and a sludge factor of 1.33. With the exception of the pump, these are installed as improvements to the land owned by Judy and Alvin Hughes. This treatment system is located in Decatur Township, Clearfield County (the Facility). The discharge from the Runk Operation flows into Laurel Run and Little Laurel Run; Laurel Run to Moshannon Creek; Moshannon Creek to the West Branch of the Susquehanna River;

WHEREAS, the Pennsylvania Surface Mining Conservation and Reclamation Act, 52 P.S. § 1396.1 *et seq.* (SMCRA), requires a permittee to post with the Department a bond for each operation conditioned upon the permittee performing all of the requirements of SMCRA, the Clean Streams Law and the Coal Refuse Disposal Control Act, and SMCRA further provides for the bond to be released where all reclamation standards have been satisfied with the exception of consistently meeting mine drainage effluent standards provided the operator has

made provisions with the Department for the sound future treatment of the polluttional discharges, see 52 P.S. §§ 1396.4(d) and (g);

WHEREAS, the use of a trust fund is authorized as an alternative financial assurance mechanism under provisions of SMCRA which contemplate such a trust is for the public purpose of protecting the environment and the health and welfare of the public, without limitation on duration, and is a means which provides for the sound future treatment of polluttional discharges. 52 P.S. § 1396.4(d) and (d.2), 25 Pa. Code § 86.158(f);

WHEREAS, the Settlor has elected to establish this Trust pursuant to the CO&A to assure funds are available to provide for Settlor's legal obligation to provide funds for the treatment of the post-mining discharges;

WHEREAS, the Settlor, acting through its duly authorized officers or representatives and with the approval of the Department, has selected the Trustee under this Agreement;

WHEREAS, the Trustee has been induced, and has agreed and is willing to perform the duties as are required to be performed pursuant to this Agreement;

WHEREAS, the Trustee is a Pennsylvania chartered or national bank or financial institution with trust powers or a trust company, with offices in Pennsylvania and whose trust activities are examined or regulated by a state or federal agency;

WHEREAS, the Department has joined in this Agreement to indicate its acceptance of the terms and conditions set forth in, as well as the powers and authorities granted by, this Agreement;

WHEREAS, the Department has stated that, to the best of its knowledge and belief, the Facility currently has and is in compliance with all required federal and state permits and approvals necessary and required for the operation and maintenance of the Facility; and

WHEREAS, except as set forth in the CO&A, Settlor represents that, to the best of its knowledge, there are no violations of any environmental law regulating the Facility or the Property, as it is hereinafter defined, and that the Facility is operating in compliance with all applicable permits and approvals.

NOW THEREFORE, in consideration of the foregoing and of the mutual promises and undertakings of the parties as set forth herein, and with the intention of being legally bound hereby, the parties agree as follows:

ARTICLE ONE

Establishment of Trust

§ 1.1 The Settlor and the Trustee hereby establish this Trust for the benefit of the Department, or its successor, to be utilized for the primary purpose of addressing environmental obligations related to Settlor's mining activities permitted under SMCRA or the Coal Refuse Disposal Control Act or the Bituminous Mine Subsidence and Land Conservation Act and under the Clean Streams Law

which includes providing for the continued operation and maintenance of the Facility. For purposes of this Agreement, operation includes, but is not limited to, the operation, maintenance and replacement of the currently existing and functioning treatment facilities approved by the Department and any other facilities which may be required in the future.

§ 1.2 The Settlor and the Trustee intend for the Department to be legal beneficiary of this Trust and to have all rights of a beneficiary under the law, as well as all rights granted under this Trust Agreement. The Department, as beneficiary, shall have access to the Trust as provided herein.

§ 1.3 The Trust principal, excluding any surety bonds held for the benefit of the Trust as hereinafter provided, shall consist of:

(a) The initial payment or transfer to the Trustee of \$ 38,977.41 by Settlor.

(b) Certain rights of entry and real and personal property including buildings, structures, fixtures and appurtenances described in the Right of Entry as Exhibit A (the Property) or which may be conveyed to or acquired by the Trust in the future. Any real property shall be conveyed to the Trust by fee simple deed free and clear of all liens. Title will be fully insurable by a standard title insurance policy.

(c) Certain personal property described in Exhibit B.

(d) Ongoing Payments to be made by the Settlor in the amounts and on the dates specified in Exhibit C and such other payment as may be made from time to time by the Settlor.

(e) Cash, funds or property transferred from any other person to the Trust and accepted by the Trustee as directed by the Department, attached hereto as Exhibit D ("Bill of Sale and License").

(f) All investments, reinvestments, assets or proceeds attributable to or derived from the items listed in this subparagraph.

§ 1.4 All of the preceding payments, proceeds and assets referred to in Sections 1.3 hereof shall constitute the Trust principal, which together with all earnings, accretions and profits therefrom, less any payments or distributions made by the Trustee pursuant to the terms of this Trust Agreement, shall constitute the Trust Fund.

§ 1.5 The Trustee shall establish within the Trust Fund two subaccounts: a subaccount designated as the Primary Trust Account and a subaccount designated as the Capital Improvement Account. The Trustee shall deposit the Trust principal identified in Sections 1.3 through 1.5 into the Primary Trust Account. The Trustee shall transfer funds into the Capital Improvement Account from the Primary Trust Account as directed by the Department and shall deposit into the Capital Improvement Account funds received from any person for deposit into this Account. The Capital Improvement Account principal may be commingled with the principal of the Primary Trust Account for purposes of investment, but must be accounted for

and reported separately as if they are assets of separate and distinct funds. The Trustee shall manage and make disbursements from the two subaccounts in accordance with the provisions of ARTICLE TWO, Distribution Payments and ARTICLE THREE, Trust Management, as set forth in this Trust Agreement.

§ 1.6 The Trust Fund and any other real and personal property held by the Trustee pursuant to this Trust Agreement shall not be subject to assignment, alienation, pledge, attachment, garnishment, sequestration, levy or other legal process, either voluntary, involuntary or by operation of law, by, on behalf of, or in respect of the Settlor and shall not be subject or applied to the debts, obligations or liabilities of the Settlor, including, without limitation, any direct action or seizure by any creditor or claimant under any writ or proceeding at law or in equity. Furthermore, the Settlor shall have no legal title to any part of the Trust Fund, and it is the intention of the parties to this Trust Agreement that Settlor's entry into the Trust shall extinguish and remove all of Settlor's interest in the Trust from Settlor's estate under the Bankruptcy Code or similar laws.

§ 1.7 All payments made to the Trust or deposits into the Trust by the Settlor shall be irrevocable once made, and upon delivery thereof, by or on behalf of the Settlor, all interest of the Settlor therein shall cease and terminate, and no part thereof, nor any income therefrom, shall be used for or devoted to purposes other than for the exclusive benefit of the Department and the Trust as provided herein.

§ 1.8 The Trust Fund shall be held, administered, invested and reinvested by the Trustee, IN TRUST, as hereinafter provided, and all distributions therefrom shall be made in accordance with the provisions of this Trust Agreement.

§ 1.9 Any monetary payments made by the Settlor or on its behalf to the Trustee for deposit into the Trust shall consist of cash, bank checks, bank wire transfers or other negotiable instruments acceptable to the Trustee. The Trustee shall have no responsibility for the amount or adequacy of such payment or collection thereof, but the Trustee shall notify the Department of any deficiencies in the payments required to be made by the Settlor or on its behalf whenever the Trustee has knowledge of such deficiencies.

ARTICLE TWO

Distribution Payments

§ 2.1 The Trustee shall make distribution payments from the Trust upon the written order of the Department and the Department shall designate the subaccount from which such disbursement payment shall be made. The Department shall have the authority to designate, in writing, any person or entity to receive distribution payments from the Trust. The Trustee shall, upon receipt of written order for distribution payment from the Department, make distribution payments from the Trust as directed in the Department's written order. The Trustee shall be fully protected and entitled to rely upon the written orders of the Department and shall not be liable to any party for acting in accordance with those directions.

§ 2.2 The Trustee is authorized and shall, upon the written order of the Department, enter into contracts, and take title to easements, rights of way and other property interests and property as necessary to carry out the purposes of the Trust. The Trustee is authorized, upon the written order of the Department, to contract with or otherwise engage the services of, and pay reasonable compensation to, such persons or entities as the Trustee may require to carry out this provision. This authorization is in addition to the other powers granted to the Trustee by this Trust Agreement with regard to the retention and compensation of agents. Any property acquired or services provided under this provision shall not be deemed to be acquired or provided to the Trustee or the Department, but shall be deemed to be acquired or provided on behalf of the Trust, and the Trustee shall not incur any liability under the Trust when acting in accordance with the provisions of this paragraph.

§ 2.3 Except as provided by this Trust Agreement, no other disposition of monies shall be made unless directed, in writing, by the Department.

ARTICLE THREE

Trust Management

§ 3.1 The Trustee shall invest and reinvest the principal and income of the Trust and keep the Trust invested as a single fund, without distinction between principal and income. The Trustee shall add to principal any income not distributed pursuant to the provisions of this Agreement.

§ 3.2 The Trustee shall have a fiduciary duty to act at all times in the best interest of the Trust. It shall be the responsibility and sole authority of the Trustee to make decisions concerning investment and disposition of the assets of the Trust, and the Trustee shall discharge its investment duty in a manner designed to meet the goals of the Trust. Subject to section 3.3(i), the Trustee shall seek to manage the Trust with that degree of judgment, skill and care under the circumstances then prevailing, which persons of prudence, discretion and intelligence, who are familiar with such matters, exercise in the management of their own affairs. The Trustee's schedule of fees and statement of investment strategy is attached as Exhibit E.

§3.3 In order to accomplish the purpose of the Trust as stated in § 1.1, the Trustee shall use their best efforts to manage and invest the assets of the Trust in a manner designed to generate a long-term annualized effective rate of return of at least 8.43% after subtraction of all fees, taxes and expenses. For purposes of investing or reinvesting the assets in the Trust, the Trustee shall have investment discretion subject to the following guidelines:

(a) The Trustee may purchase shares of any mutual funds or "money market funds" which have their assets invested in equity shares, including any mutual fund for which the Trustee or any affiliate may be an advisor, subadvisor, manager, custodian or Trustee.

(b) The Trustee may purchase any equity shares listed on a national or regional stock exchange or capable of being valued in accordance with any other daily-recognized valuation methodology.

(c) The Trustee may purchase any bonds listed on a national exchange or capable of being valued in accordance with any other daily-recognized valuation methodology, including, but not limited to, bonds or obligations of any state or municipality, or that are obligations of or are guaranteed by the United States of America.

(d) The Trustee may invest in any interest bearing bank account or “money market” account.

(e) The Trustee may sell at public or private sale any shares acquired under this article.

(f) In regard to any shares or other equity interests the Trustee may hold, the Trustee may join in any merger, reorganization, voting-trust plan or any other concerted action of owners or shareholders.

(g) The Trustee, in the exercise of its investment powers, may utilize puts and calls, short sales, options and warrants or other investment strategies generally recognized as prudent when utilized to enhance returns, reduce risk or mitigate loss.

(h) The Trustee may hold cash awaiting investment or distribution for a reasonable period of time, provided however, where possible and consistent with sound investment practices, shall invest such cash in overnight investments.

(i) The Trustee shall not be responsible for any losses incurred hereunder whether it is due to market fluctuations or otherwise, except in the case of its gross negligence or willful misconduct or that of its agents.

(j) The Trustee may not invest in high-risk non-transparent investment instruments, such as collateralized debt obligations, credit-default swaps, hedge funds or derivatives.

ARTICLE FOUR

Express Powers of Trustee

§ 4.1 Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Trust Agreement or by law, the Trustee is expressly authorized and empowered:

(a) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the power herein granted.

(b) To register any securities held in the Trust in its own name or in the name of a nominee and to hold any security in bearer form or book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, or to deposit or arrange for deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by another person, or to deposit or arrange for deposit of any

securities issued by the United States Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Trust and that such securities are not co-mingled with or made a part of any other account of another customer of the Trustee or the Trustee itself.

(c) To deposit any cash in the Trust in interest-bearing accounts maintained by the Trustee, to the extent such are insured by an agency of the Federal or State Government or otherwise secured as provided under the laws of the Commonwealth of Pennsylvania.

(d) To hold title to real and personal property and to generally exercise all rights and privileges appurtenant to any property held by the Trustee as may be necessary to preserve, protect, maintain, operate, transfer, convey or sell *such* property, and to execute and deliver any and all instruments which may be necessary or expedient in any powers granted under this Trust Agreement. However, the Trustee shall not have the power to transfer, convey or sell the property described in Exhibits A and B without written authorization from the Department.

(e) To purchase public liability insurance and fire insurance, when directed to do so by the Department, to cover the operation, maintenance, improvement and all other activities associated with the real and personal property held by the Trust. The Trustee and the Commonwealth of Pennsylvania shall be listed on the policy as additional insureds. The

insurance shall be written on an occurrence basis and shall provide bodily injury and property damage coverage in the amounts of \$500,000 per person and \$1,000,000 per occurrence. The fire insurance shall be in the amount determined by the Department.

ARTICLE FIVE

Advice of Counsel

§ 5.1 The Trustee may, from time to time, consult with counsel of its own choosing with respect to any question arising as to the construction or interpretation of this Agreement or any action to be taken hereunder. The Trustee shall be protected, to the extent permitted by law, in acting in good faith on the advice of counsel.

§ 5.2 The Trustee shall not be required to furnish any bond or security in any jurisdiction.

§ 5.3 No person dealing with the Trust or the Trustee shall be obligated to inquire as to the authority of the Trustee in connection with the acquisitions, investment, management or disposition of the Trust assets or in connection with the exercise of any other power granted under this Agreement.

ARTICLE SIX

Claims

§ 6.1 The Trustee shall not initiate, terminate, settle, compromise or otherwise adjust claims in favor of or against the Trust without the written consent of the Department.

§ 6.2 The Trustee shall give prompt written notice to the Department of each claim in favor of or against the Trust, specifying the amount and nature of such claim. The Trustee shall also give prompt written notice to the Department of any controversies, demands, actions, losses, damages, costs or expenses or any other matter which the Trustee believes is likely to give rise to a claim.

§ 6.3 The Department shall have the right, but not the duty to: (1) direct the Trustee to initiate, terminate, settle, compromise or otherwise adjust claims in favor of or against the Trust, and (2) participate in the prosecution of or defense against, any claim in favor of or against the Trust. To the extent the Department directs the Trustee to assume prosecution or defense, the Trustee shall retain counsel of the Department's choosing or counsel selected by the Trustee and approved by the Department. If the Department directs the Trustee to assume prosecution or defense of any claim, the Trustee shall prosecute or defend the claim at the expense of the Trust, and the Trustee shall be entitled to assess against the Trust Fund all costs associated with the prosecution or defense. Upon notice to the Trustee that the Department will assume prosecution or defense, the Trustee will not be responsible for the subsequent prosecution or defense nor for any loss ensuing therefrom. If the Department fails to instruct the Trustee with respect to the prosecution or defense of any claim, the Trustee may prosecute or defend any claim at the expense of the Trust, but shall be under no duty to do so, and shall have no liability for its failure or refusal to prosecute or defend the claim if deems such action to be in the best interest of the Trust.

ARTICLE SEVEN

Evaluation and Reports

§ 7.1 The Trustee shall at least quarterly furnish to the Department and to the Settlor a statement providing an accounting of all transactions involving the Trust and confirming the value of the Trust. Such statement shall value Trust investments at market value, which shall be that market value, determined not more than thirty (30) days prior to the date of statement. Should the Settlor cease to exist or have its surety bonds forfeited, the Trustee is to discontinue providing any such statement to Settlor.

§ 7.2 The Trustee shall be responsible for the keeping of all appropriate books and records relating to the receipt and disbursement of all monies and assets under this Trust Agreement. In addition, whenever called upon to do so, the Trustee shall exhibit to the Settlor, should the Settlor be in existence, and the Department all documents, instruments or reports relating to the Trust or the Trust Fund. The Trustee shall also cause to be prepared all income tax returns required to be filed with respect to the Trust and shall execute and file such returns. The Department, upon request, shall furnish the Trustee with such information as may be reasonably required in connection with the preparation of such income tax returns.

ARTICLE EIGHT

Expenses, Taxes and Trustee Compensation

§ 8.1 Compensation of the Trustee and all other reasonable and customary expenses incurred by the Trustee, including fees for legal services rendered to the Trustee, shall be taken and paid from the Trust at the time that the Trustee shall deem appropriate. Trustee shall be paid a fee, semi-annually in advance, based on the attached schedule of fees marked Exhibit E. The Trustee must provide the Department written notice of any proposed future changes of the Trustee's schedule of fees. The Department has thirty (30) days after receipt of the proposed changes to approve or disapprove the proposed changes to the Trustee's schedule of fees.

§ 8.2 The Trust is intended to be categorized, for federal income tax purposes, as a grantor trust in accordance with and under the provisions of United States Treasury Regulation Section 301.7701-4(e)(1), (2), (3) and (4) and any implementing regulations cited therein or any corresponding successor provision. All federal taxes of any kind that may be assessed or levied against or in respect of the Trust shall be paid by the Settlor and shall not be taken from the Trust. The Trustee shall enter into such Agreements with the Settlor as are necessary to carry out this provision.

(a) Should it be determined this Trust is taxable for federal income tax purposes and the Settlor fails, refuses or is unable to pay these taxes, the Settlor and Trustee agree the Department shall have the right to appeal the decision to the appropriate authority. Should the Department not prevail on appeal or should federal law change such that the Trust becomes taxable for federal income tax purposes, then the Department shall have the right, but

not the duty, to petition the appropriate judicial forum to reform the Trust to be a federal charitable trust or to take other measures to meet the requirements of federal law such that the Trust would not be taxable for federal income tax purposes. If the Department elects not to exercise its right to petition to reform the Trust or to take measures to meet the requirements of federal law for the Trust to become tax exempt, then the Trustee is empowered with the right to petition the appropriate judicial forum to reform the Trust to be a federal charitable trust for federal income tax purposes. Notwithstanding any provision of this subsection (a) to the contrary, the Trust may not be reformed such that the purposes and objectives of the Trust cannot be met or that would alter any of the rights, obligations and duties of the Settlor as are provided in this Trust Agreement and in the consent order and agreement between the Department and the Settlor executed the same day as this Trust Agreement.

§ 8.3 The Trust is intended to be categorized, for state income tax purposes, as a Pennsylvania charitable trust.

(a) Should it be determined this Trust is not a charitable trust or Pennsylvania law changes so this Trust becomes taxable for Pennsylvania income tax purposes, then Settlor agrees that Settlor will contribute to the Trustee the amount of the Pennsylvania income tax assessed or levied against or in respect of the Trust. The Trustee shall use the money contributed by the Settlor to pay the income tax assessed or levied against or

in respect of the Trust. The money to pay the tax assessed or levied against the Trust shall not be taken from the Trust. The Trustee shall enter into such agreements with the Settlor as are necessary to carry out this provision.

(b) If, at any time, it is determined by a taxing authority with jurisdiction in the matter that this Trust is not a Pennsylvania charitable trust, the Settlor and the Trustee agree the Department shall have the right to appeal the decision to the appropriate authority. Should the Department not prevail on appeal or should Pennsylvania law change such that the Trust becomes taxable for Pennsylvania income tax purposes, then the Department shall have the right, but not the duty, to petition the appropriate judicial forum to reform the Trust to be a Pennsylvania charitable trust or to meet the requirements of Pennsylvania law such that the Trust would not be taxable for Pennsylvania income tax purposes. If the Department elects not to exercise its right to petition to reform the Trust, then the Trustee is empowered with the right to petition the appropriate judicial forum to reform the Trust to be a Pennsylvania charitable trust for Pennsylvania income tax purposes. Notwithstanding any provision of this subsection (b) to the contrary, the Trust may not be reformed such that the purpose and objectives of the Trust cannot be met or that would alter any of the rights, obligations and duties of the Settlor as are provided in this Trust Agreement and in the consent order and agreement between the Department and the Settlor executed the same day as this Trust Agreement.

§ 8.4 If at any time that the Trust itself shall become liable for any taxes, and if the Settlor shall fail, refuse or be unable to pay these taxes from its own funds, then the Trustee shall pay from the Trust Fund all such taxes then due and owing. As soon as possible after the happening of the Settlor failing, refusing or becoming unable to pay such taxes, except to the extent that the Settlor disputes the payment of such taxes in good faith, the Trustee and the Department shall negotiate and enter into an Agreement in respect of Trustee's payment of the taxes during the continuance of this Agreement. Further, unless the Department and the Trustee otherwise agree to the contrary, immediately upon the happening of the Settlor's failure, refusal or inability to pay any such taxes, the Trustee is directed and empowered (notwithstanding any provision of this Agreement to the contrary) to change the investment objective of the Trust to an objective which minimizes the tax liability of the Trust, giving due consideration to market conditions so as to avoid, to the extent possible, losses on the conversion of existing instruments. In carrying out this investment objective, the Trustee shall invest in the following:

(a) Any bonds or obligations of any state or municipality that are exempt from federal income tax.

(b) Shares of any mutual fund or "money market fund" which has one hundred percent (100%) of its assets invested in the investments of the type described in the preceding subsection (a).

(c) Such other investments as may be approved by the Department.

ARTICLE NINE

Successor Trustee

§ 9.1 The Trustee may resign or the Settlor may replace the Trustee at Settlor's discretion, which discretion is limited to replacement with a Pennsylvania chartered or national bank or corporate financial institution with trust powers or a trust company with offices in Pennsylvania and whose trust activities are examined or regulated by a state or federal agency. Any such action, however, shall only be effective by the Settlor after giving sixty (60) days notice to the Department. The Trustee's resignation or replacement shall not be effective until a successor trustee has been appointed and such appointment confirmed, in writing, by the Department, which confirmation will not be unreasonably withheld. The successor trustee shall have the same powers and duties as those conferred upon the Trustee hereunder and shall be subject to the same reservations, limitations, terms and conditions. The successor trustee shall specify the date on which it will assume administration of the Trust, in writing, sent to the Trustee and Department, by certified mail, return receipt requested, not less than ten (10) days before such assumption takes effect. Upon the successor trustee's acceptance of the appointment, the Trustee hereunder shall assign, transfer, convey and pay-over to the successor trustee the funds and properties then constituting the Trust and shall provide the Department and successor trustee a full accounting of all transactions involving the Trust which occurred after the last quarterly statement provided in accordance with Article Seven and shall be discharged from any further liability or responsibility with regard to the administration of the Trust.

§ 9.2 The Department may replace the Trustee at the Department's discretion with a Pennsylvania chartered or national bank or corporate financial institution with trust powers or a trust company with offices in Pennsylvania and whose trust activities are examined or regulated by a state or federal agency. The trustee's replacement shall not be effective until a successor trustee has been appointed and such appointment confirmed, in writing, by the Department. The successor trustee shall have the same powers and duties as those conferred upon the Trustee hereunder and shall be subject to the same reservations, limitations, terms and conditions. The successor trustee shall specify the date on which it will assume administration of the Trust, in writing, sent to the Trustee and Department, by certified mail, return receipt request, not less than ten days before such assumption takes effect. Upon the successor trustee's acceptance of the appointment, the Trustee hereunder shall assign, transfer, convey and pay over to the successor trustee the funds and properties in constant between the trust and shall provide the Department and successor trustee a full accounting of all transactions involving the Trust which occurred after the last quarterly statement provided in accordance with Article Seven and shall be discharged from any further liability or responsibility with regard to the administration of the Trust.

ARTICLE TEN

Instructions to the Trustee

§ 10.1 All orders and instructions by the Department to the Trustee shall be in writing, and signed by the Deputy Secretary for Active and Abandoned Mine

Operations, the Director of the Bureau of Mining Programs, the Director of the Bureau of Abandoned Mine Reclamation, the District Mining Manager of the Moshannon District Mining Office, or such other persons as the Department may designate by amendment, in writing, to this Agreement. The Trustee shall be fully protected and shall not be liable to any party while acting in accordance with the Department's orders and instructions, when such orders and instructions are authorized by the Agreement and consistent with the Trustee's fiduciary duty to the Trust, and, to the extent necessary, shall be held harmless from the Trust fund. The Trustee shall not have the right to assume, in the absence of written notice to the contrary, that an event constituting a change or termination of the authority of any person to act on behalf of the Department hereunder has occurred. The Trustee, upon receipt of orders, requests or instructions by the Department which are signed by a person purporting to be designated by the Department, but not listed above or in any written amendment to this Agreement, shall with due diligence ascertain if such persons are designated by the Department and have authority to act on behalf of the Department hereunder.

§ 10.2 The Trustee may request and rely upon the written instruction of the Department with respect to decisions concerning the operation of the Facility and any other treatment facilities which may be required in the future. Decisions concerning investment and disposition of the assets of the Trust are the sole responsibility of the Trustee, and the Trustee shall act in a manner consistent with

its fiduciary duty to the Trust, notwithstanding instructions of the Department related to investment and disposition of assets which may be to the contrary.

ARTICLE ELEVEN

Trustee Exculpation

§ 11.1 The Trustee shall not be responsible for the enforcement or policing of any environmental action nor be required to defend any claims relating thereto. The Trustee shall be a mere title holder and “fiduciary” as defined in the Pennsylvania Act entitled: “The Economic Development Agency, Fiduciary and Lender Environmental Liability Protection Act,” Act No. 3 of 1995, P.L. 33, 35 P.S. §§6027.1 through 6027.14, and its liability shall be limited as provided under Section 6 of the Act, 35 P.S. §6027.6.

§ 11.2 As to all actions taken by the Trustee with respect to the administration of the Trust, the Trustee shall not be answerable or liable for the exercise or nonexercise of any discretion or power under this Agreement nor for anything whatever in connection with the Trust hereunder, except for its own gross negligence or willful misconduct or that of its agents. Except in the case of the Trustee’s own gross negligence or willful misconduct, the Trustee shall be entitled to be exonerated and indemnified from the Trust Fund against any and all losses, claims, costs, expenses and liabilities arising out of in connection with the administration or distribution of the Trust Fund or the affairs of the Trust. The provisions of this section shall also extend to the employees and agents of the Trustee.

ARTICLE TWELVE

Irrevocability and Termination

§ 12.1 The Trust shall be irrevocable and, except as provide in §16.5 of ARTICLE SIXTEEN hereof, shall continue from the date of inception, unless otherwise terminated by the occurrence of any one of the following:

(a) The Department determines that the Trust is no longer required, including when the Department has accepted a bond or bonds from the Settlor pursuant to Paragraph 5(c) of the CO&A.

(b) The Trustee determines that the size of the Trust does not warrant the continuation of the Trust.

(c) The Trustee determines that administration of the Trust renders it impractical to continue the Trust and the Department agrees.

Upon termination of the Trust, the Trustee shall distribute any residuum, less final trust administration expenses of the Trustee, to the Department, unless directed otherwise in writing by the Department.

ARTICLE THIRTEEN

Amendments

§ 13.1 This Trust Agreement may be amended by an instrument in writing, executed by the Settlor or Trustee and the Department or by the Trustee and the Department in the event the Settlor ceases to exist or has had its bonds forfeited, but during the existence of the Settlor any amendment of this Trust Agreement cannot in any manner affect the irrevocable nature of the Trust.

ARTICLE FOURTEEN

Notices

§ 14.1 All notices, inquiries, directions or other written communications made or given pursuant to the Trust shall be given to the Department and the Trustee by certified mail, return receipt requested, addressed to the following addresses, and shall be deemed to be received upon the earlier of the date of signed receipt of the certified mailing or seven (7) days following the date of mailing:

Department: Director, District Mining Operations
Moshannon District Mining Office
186 Enterprise Drive
Philipsburg, PA 16866
Telephone: 814-342-8200
Facsimile: 814-342-8145

Trustee: Vicki J. Myers
Vice President / Trust Office
Clearfield Bank and Trust Company
11 North Second Street
P. O. Box 171
Clearfield, PA 16830
Telephone: 814-762-8836
Facsimile: 814-765-7835

§ 14.2 Any change in the above addresses shall be made by giving notice to all parties to the Trust.

ARTICLE FIFTEEN

Interpretation

§ 15.1 As used in this Agreement, words in the singular include the plural, and words in the plural include the singular. Words used in this Agreement shall be given their plain and ordinary meaning, except that, words used in a financial or

investment context that are terms of art shall be given their commonly accepted meaning when used in the context of financial services and investment practices. The headings of each section of this Agreement are for descriptive purposes only and shall not affect the interpretation or legal efficacy of this Agreement.

ARTICLE SIXTEEN

Construction

§ 16.1 This Agreement shall be constructed and governed in all respects in accordance with the laws of the Commonwealth of Pennsylvania.

§ 16.2 In case of the merger or consolidation of any corporate Trustee serving hereunder, the resultant company shall become such Trustee's successor without notice to any party.

§ 16.3 Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

§ 16.4 All covenants and agreements contained herein shall be binding upon and inure to benefit the Department and the Trustee, as well as their successors and assigns. Similarly, any request, notice, direction, consent, waiver or other writing or action, taken by the Department or the Trustee shall bind their successors and assigns.

§ 16.5 It is the intention of the parties hereto that this Trust remain in existence until terminated in accordance with the provisions of ARTICLE TWELVE hereof and that the Trust be exempt from the application of any rule against perpetuities by reason of the Department's beneficial interest herein because the Trust is authorized by the Pennsylvania Surface Mining Conservation and Reclamation Act which contemplates no limitation on duration, and because the Trust is for the public purpose of assuring funds will be available in the future to ensure the Facility will continue to be maintained and operated to protect the environment and the health and welfare of the public. However, in the event that it is ever finally determined by a court with jurisdiction in the matter, that the Trust is subject to any such rule, then the Trust shall terminate twenty-one (21) years less one (1) day, after the death of the last descendent of Ambassador Joseph P. Kennedy living on the date of this Trust Agreement, and the Trust Fund shall be distributed to the Department, less final trust administration expenses of the Trustee.

ARTICLE SEVENTEEN

Situs


§ 17.1 The Trust created by this Agreement shall have a legal situs in Dauphin County, Pennsylvania.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers or representatives duly authorized and their corporate seals to be hereunto affixed and attested as of the date first written above.

ATTEST:



SETTLOR:


BY: 

George Cowler, Jr.
President

ATTEST:



TRUSTEE:

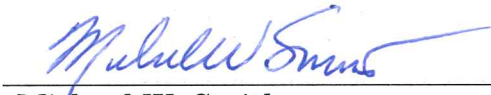
BY: 

Vicki Myers
Vice President / Trust Officer
Clearfield Bank and Trust Company

ATTEST:

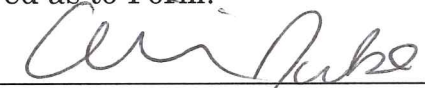


DEPARTMENT:

BY: 

Michael W. Smith
District Mining Manager
Moshannon District Mining Office

Approved as to Form:

BY: 

Name: Alicia Duke
Title: Counsel for Department



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF MINING PROGRAM

17980117

Permit No.

CONSENT TO RIGHT OF ENTRY FOR OPERATION AND MAINTENANCE OF A MINE DRAINAGE TREATMENT FACILITY COVERED BY A BOND OR A POST-MINING DISCHARGE TREATMENT TRUST AGREEMENT

Property Owner(s): List everyone with an ownership interest in the property which is the subject of this Agreement.

Name: Alvin L. & Judy E. Hughes

Name: _____

Address: 9 Runk Farm Ln., Philipsburg, PA 16866

Address: _____

WHEREAS, the Property Owner(s) own surface property containing 66.86 +/- acres located in Decatur Township, Clearfield County, Pennsylvania, and described in Instrument # 201009572, 201304363 in the Clearfield County Recorder's Office (the Property);

WHEREAS, the Commonwealth of Pennsylvania, Department of Environmental Protection (DEP) is authorized to administer and enforce the Surface Mining Conservation and Reclamation Act, 52 P.S. §§ 1396.1-1396.19a, the Clean Streams Law, 35 P.S. §§ 691.1-691.1001, and their implementing regulations, including requiring the construction, operation and maintenance of facilities designed to remediate the effects of mine drainage;

WHEREAS, Junior Coal Contracting, Inc. ("*Operator*") conducted surface mining activities on or adjacent to the Property pursuant to Surface Mining Permit No. 17980117;

WHEREAS, DEP has determined that mine drainage caused by *Operator's* mining activities is discharging from or passing through the Property, and the mine drainage on the Property is causing pollution, or a danger of pollution, to waters of the Commonwealth;

WHEREAS, *Operator* is required, under the mining law and its surface mining permit, to construct, operate and maintain mine drainage treatment facilities on a portion of the Property (the Treatment Facility Property), for purposes of treating the pollutional discharge(s);

WHEREAS, a map showing the boundaries of the Treatment Facility Property is attached as Exhibit A;

WHEREAS, *Operator* has posted a bond with the Department, or has established a trust with a financial institution as an alternative financial assurance mechanism, in order to provide sufficient funds to guarantee *Operator's* legal obligation to operate and maintain the mine drainage treatment facilities on the Property and the *Operator's* obligation for long-term treatment, or abatement, of the post-mining pollutional discharge(s) on the Property;

WHEREAS, to assure compliance with its legal obligations, *Operator* and DEP [*and the Trustee*] must have access to the Treatment Facility Property to conduct and/or oversee the mine drainage treatment activities required by law and the mining permit;

WHEREAS, *Operator and DEP* have requested and the Property Owner(s) is willing to grant *Operator and DEP [and Trustee]* a right of entry into, under, over and upon the Treatment Facility Property to construct, operate and maintain mine drainage treatment facilities;

WHEREAS, the Property Owner(s) acknowledge that treatment of the mine drainage on the Property will provide benefits to the Property Owner and to the Commonwealth through abatement of a nuisance, restoration of land affected by mining operations, and prevention of pollution to waters of the Commonwealth;

NOW THEREFORE, in consideration of the benefits which the Property Owner(s) and the general public will receive, and with the intention of being legally bound, it is agreed as follows:

1. Right of Entry. The Property Owner(s) hereby grants and conveys to *Operator* and DEP [and *Trustee*], its employees, agents, servants, contractors and subcontractors, a right of entry into, under, over and upon the Treatment Facility Property. This right of entry includes all necessary rights of ingress, egress and regress with all personnel, materials, and equipment needed to perform the discharge treatment activities.

2. Duration of Right of Entry. The term of this Right of Entry shall extend for the length of time necessary to complete the discharge treatment activities in accordance with applicable law. It is specifically understood and agreed that the term of this Right of Entry extends for the length of time necessary to operate and maintain all mine drainage treatment facilities on the Treatment Facility Property, and shall only terminate when such treatment facilities are no longer necessary to remediate or prevent pollution to waters of the Commonwealth.

3. Insurance. DEP will require *Operator* to obtain and keep in force insurance coverage in accordance with the requirements of 25 Pa. Code § 86.168.

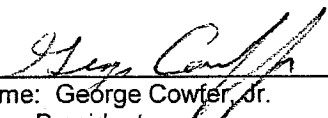
4. Property Use. During the term of this Right of Entry, the Property Owner(s) will not, without the written consent of DEP, make any use of the Property which will interfere with the construction, operation or maintenance of the mine drainage treatment facilities installed on the Treatment Facility Property.

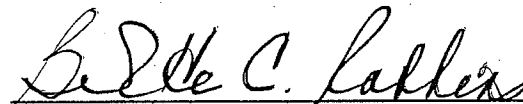
5. Notification. This Consent to Right of Entry shall be recorded by *Operator* in the Clearfield County Recorder's Office within thirty days of its execution. In the event that the Property Owner(s) intends to sell, lease, or otherwise transfer any interest in the Property prior to the termination of this Right of Entry, the Property Owners shall advise the prospective owner or lessee of the terms and conditions of this Right of Entry. The Property Owner(s) shall advise DEP, by notifying the Department representative whose signature appears below or his successor, of the intent to sell the Property prior to any sale.

6. Representation of Interests. The Property Owners represent that they are the only persons authorized to grant access to the Treatment Facility Property.

7. Binding on Successors. All the covenants, representations, consents, waivers and agreements contained herein shall be binding upon and inure to the benefit of the parties and their heirs, successors and assigns.


For [Operator]


Name: George Cowfer, Jr.
Title: President


Witness

For the Department of Environmental Protection:


Name: Michael Smith
Title: District Mine Manager


Witness

IN WITNESS WHEREOF, each of the parties set its respective hand and seal, for itself, its heirs, executors, administrators, successors and assigns, intending to be legally bound, this _____ day of _____, 2015.

The Property Owner(s)
(Each owner sign and print
their name under the signature.)

Alvin L. Hughes
Name: Alvin L. Hughes

Judy E. Hughes
Name: Judy E. Hughes

ACKNOWLEDGEMENT

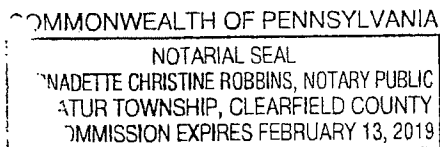
STATE OF Pennsylvania :
COUNTY OF Clearfield : ss

On this, the 27th day of July, 2015, before me, the undersigned Notary, personally appeared

Alvin L. & Judy E. Hughes
(Name (s))

known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to this instrument, and who acknowledged that (he, she or they) have executed the same and desire it to be recorded.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal.
(SEAL) Bridgette Robbins My Commission Expires: 2/13/19
Notary Public





Alvin L. Hughes
Landowner

By: Alvin L. Hughes
(Signature)

Alvin L. Hughes
(Print Name)

Judy E. Hughes
Landowner

By: Judy E. Hughes
(Signature)

Judy E. Hughes
(Print Name)

Treatment Trust Agreement Exhibit B

Runk Operation Personal Property

1 horsepower Tsurumi pump

TREATMENT TRUST AGREEMENT EXHIBIT C
--

Junior Coal Contracting, Inc.
Runk Operation
Trust Fund Payment Schedule:

<u>Payment Date:</u>	<u>Payment Amount:</u>	<u>Total of Payments:</u>
Due upon signing CO&A:	\$ 38,977.42	\$ 38,977.42
Due June 30, 2016	\$ 38,977.41	\$ 77,954.83
Due September 30, 2016	\$ 38,977.41	\$ 116,932.24
Due December 31, 2016	\$38,977.41	\$ 155,909.65

TREATMENT TRUST AGREEMENT EXHIBIT D

BILL OF SALE AND LICENSE AGREEMENT

This Bill of Sale and License Agreement is entered into this 19th day of May, 2016 by and between **Junior Coal Contracting Company**, a Pennsylvania corporation, with its principal place of business at 2330 Sixmile Road, Phillipsburg, Pennsylvania, 16866 ("Transferor") and **Clearfield Bank and Trust Company**, as Trustee of the Junior Coal Company Post-Mining Discharge Treatment Trust (hereafter the "Junior Coal Trust") ("Trustee").

Whereas, the Junior Coal Contracting Company has entered into a Consent Order and Agreement ("CO&A") #164001, dated May 19th, 2016 with the Pennsylvania Department of Environmental Protection, and

Whereas, the Junior Coal Contracting Company has entered into a Post-Mining Discharge Treatment Trust Agreement dated May 19th, 2016 with Clearfield Bank and Trust Company which established the Junior Coal Trust.

Whereas, the Department requires Transferor to continue to treat the post-mining discharges covered by the CO&A, but also to immediately transfer the water treatment equipment and facilities to the Trustee to facilitate continued treatment of water and protection of the environment in the event the Junior Coal Contracting Company or its successors should cease treating the post-ming discharges.

KNOW ALL MEN BY THESE PRESENTS that the Transferor in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, does hereby bargain, sell, transfer and convey to Clearfield Bank and Trust Company, as Trustee of the Junior Coal Trust, all of its right, title and interest to the equipment, facilities, and other personal property (the "Personal Property") comprising Runk Operation Treatment Facilities, including, but not limited to, the equipment and other property described on Exhibit H, attached hereto and made a part hereof, such transfer to be effective as of the date hereof (the "Effective Date").

Transferor represents and warrants that the Personal Property is transferred to Trustee hereby free and clear of all liens and encumbrances.

PROVIDED, HOWEVER, that Junior Coal Contraction Company and its successors shall have a license to use, operate, maintain, construct or reconstruct the Personal Property to treat the post-mining discharges so long as Junior Coal Contracting Company, or its successors, is conducting the necessary water treatment operations. Pursuant to the exercise of the rights granted under this License, Junior Coal Contracting Company shall at its sole cost and expense be responsible for maintaining and replacing/upgrading, as appropriate, the Personal Property.

Parts, additional equipment, replacements, and upgrades to the Personal Property and the treatment facilities and systems shall be done with the express written consent of the Trustee and

Company agrees that all such parts, additional equipment, replacements, and upgrades shall immediately and automatically become the property of the Clearfield Bank and Trust Company as Trustee of the Junior Coal Trust. As long as this license is in effect and not terminated or revoked, Junior Coal Contracting Company or its successors, shall bear all risk of loss of the Personal Property.

This Bill of Sale and License shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflict of laws provisions thereof.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands effective the day and year first above written.

TRANSFEROR:
JUNIOR COAL CONTRACTING COMPANY


(signature)

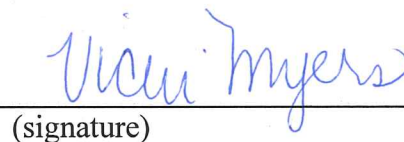
Witness:



By: George Cowfer, Jr.

Its: President

TRUSTEE:
CLEARFIELD BANK AND TRUST COMPANY


(signature)

Witness:



By: Vicki Myers

Its: Vice-President / Trust Officer



Fees for Personal Trust and Investment Management Services

The following schedules apply to each type of account currently offered at Clearfield Bank & Trust Company. The percentages indicated are annual expense ratios and are charged to the account, 65% to Principal and 35% to Income.

Revocable, Irrevocable & Testamentary Trusts; Investment Management; Guardianship; POA

.75% on the First \$1,000,000 of Principal Assets
.50% on the Next \$1,000,000 of Principal Assets
.30% on the Balance of Principal Assets

5% Commission on Income Received

Minimum Annual Fee - \$600 (Minimum Annual Fee for Crummey Trusts - \$1,000)

The fee schedule shown above represents our usual and customary charges. In certain instances, an account will be charged more or less than the standard fee. Any such adjustments would be based upon the particular requirements of the account under management and the special services rendered.

Special Services

Should special or extraordinary services be performed, such as the operating, selling or liquidating of a business, the processing of medical insurance claims, dealing with assets located outside Pennsylvania, for household management services, among other services, additional compensation will be charged to the account based on the nature and extent of the services rendered at the following rates:

Administrative Assistant	\$ 65 per hour
Trust Officer	\$125 per hour
Senior Trust Officer	\$175 per hour
Executive Trust Officer	\$225 per hour

Costs incurred for the preparation of tax returns and tax letters, asset appraisals, legal fees, brokerage commissions, wire fees, and the like, will be charged to the account for which the costs were incurred.

Real Estate

The Bank will also charge a fee of 3% on real property sold with the assistance of a broker, and 6% on real property sold without the assistance of a broker, when real property is an account asset.

Co-Fiduciary

Whenever the Bank acts as a Co-Fiduciary, it will be compensated according to the schedule above. We recommend that clients provide for additional compensation to Co-Fiduciaries, if desired.

Closing Fee

A fee may be charged to cover the expense of closing an account.

Effective February 17, 2015

Fees for Trust Custody and Self-Directed Employee Benefit Account Services

The following schedule applies to each type of account currently offered at Clearfield Bank & Trust Company. The percentages indicated are annual expense ratios and are charged to the account, from Principal.

Trust Custody Accounts; Employee Benefit Self-Directed Accounts

.45% on the First \$1,000,000 of Principal Assets
.30% on the Next \$1,000,000 of Principal Assets
.15% on the Balance of Principal Assets

5% Commission on Income Received

Minimum Annual Fee - \$600

Special Services

Should special or extraordinary services be performed, additional compensation will be charged to the account based on the nature and extent of the services rendered at the following rates:

Administrative Assistant	\$65 per hour
Trust Officer	\$125 per hour
Senior Trust Officer	\$175 per hour
Executive Trust Officer	\$225 per hour

Costs incurred for the preparation of tax returns and tax letters, asset appraisals, legal fees, brokerage commissions, wire fees, and the like, will be charged to the account for which the costs were incurred.

Real Estate

The Bank will also charge a fee of 3% on real property sold with the assistance of a broker, and 6% on real property sold without the assistance of a broker, when real property is an account asset.

Closing Fee

A fee may be charged to cover the expense of closing an account.

Effective February 17, 2015

Fees for Employee Benefit, Profit Sharing and IRA Account Services

The following schedule applies to each type of account currently offered at Clearfield Bank & Trust Company. The percentages indicated are annual expense ratios and are charged to the account, as directed by the plan document, unless otherwise directed.

Employee Benefit, Pension, Profit Sharing and IRA

.75% on the First \$1,000,000 of Principal Assets
.50% on the Next \$1,000,000 of Principal Assets
.30% on the Balance of Principal Assets

5% Commission on Income Received

Minimum Annual Fee - \$600

The fee schedule shown above represents our usual and customary charges. In certain instances, an account will be charged more or less than the standard fee. Any such adjustments would be based upon the particular requirements of the account under management and the special services rendered.

Special Services

Should special or extraordinary services be performed, additional compensation will be charged to the account based on the nature and extent of the services rendered at the following rates:

Administrative Assistant	\$65 per hour
Trust Officer	\$125 per hour
Senior Trust Officer	\$175 per hour
Executive Trust Officer	\$225 per hour

Costs incurred for the preparation of tax returns and tax letters, asset appraisals, legal fees, brokerage commissions, wire fees, and the like, will be charged to the account for which the costs were incurred.

Real Estate

The Bank will also charge a fee of 3% on real property sold with the assistance of a broker, and 6% on real property sold without the assistance of a broker, when real property is an account asset.

Co-Fiduciary

Whenever the Bank acts as a Co-Fiduciary, it will be compensated according to the schedule above. We recommend that clients provide for additional compensation to Co-Fiduciaries, if desired.

Closing Fee

A fee may be charged to cover the expense of closing an account.

Effective February 17, 2015

Fees for Estate Settlement Services

The following fee schedule applies where Clearfield Bank & Trust Company acts as Executor or Administrator. The Principal fee shall be charged to Principal and the Income commission charged to Income.

Estate Administration

Principal Fee

- 5% on the First \$750,000 of Principal Assets
- 4% on the Next \$750,000 of Principal Assets
- 3.5% on the Next \$1,000,000 of Principal Assets
- 2% on Balance of Principal Assets

Minimum Fee - \$3,500

Income Fee

5% Commission on Income Received

Special Services

Should special or extraordinary services be performed, such as the operating, selling or liquidating of a business, the processing of medical insurance claims, dealing with assets located outside Pennsylvania, for household management services, among other services, additional compensation will be charged to the account based on the nature and extent of the services rendered at the following rates:

Administrative Assistant	\$65 per hour
Trust Officer	\$125 per hour
Senior Trust Officer	\$175 per hour
Executive Trust Officer	\$225 per hour

Costs incurred for the preparation of tax returns and tax letters, asset appraisals, legal fees, brokerage commissions, wire fees, and the like, will be charged to the account for which the costs were incurred.

Non-Probate Assets

Inter-vivos assets, life insurance proceeds, jointly held real and personal property, property subject to powers of appointment, for example, are not generally part of a probate estate under administration. However, the Bank often is called upon to render services in connection with such property. When such services are rendered, the estate will also be charged a fee of 2% on the value of the assets for which the services were rendered.

Real Estate

The Bank will also charge a fee of 3% on real property sold with the assistance of a broker, and 6% on real property sold without the assistance of a broker, when real property is an account asset.

Co-Fiduciary

Whenever the Bank acts as a Co-Fiduciary, it will be compensated according to the schedule above. We recommend that clients provide for additional compensation to Co-Fiduciaries, if desired.

Effective August 1, 2011

Fees for the Provision of Miscellaneous Services

The following fees shall be charged to an account for services rendered to the account.

Successor Fiduciary

Where the Bank qualifies as a Successor Fiduciary, such will only be accomplished after a full Accounting having been filed which results in an Adjudication to the Bank of the assets to be managed. An Acceptance Fee of \$1,000 will be charged in addition to the normal management fees applicable to the account accepted.

Where the Bank is to provide transaction notification advices or confirmations, a charge of \$20 will be made to the account for each such notification or confirmation.

Accountings

Where the Bank is to produce a formal Accounting of its stewardship, where regular statements have been generated throughout the life of the account, a fee of at least \$600 will be charged to the account for each such accounting.

Administrative Assistant	\$ 65 per hour
Trust Officer	\$125 per hour
Senior Trust Officer	\$175 per hour
Executive Trust Officer	\$225 per hour
Accounting Firm Fee	Tax return preparation charge is in addition to minimum fee

Income Tax Service

Where the Bank is to provide income tax services and employee benefit reporting services, the account for which those services are provided will be charged the following fees:

Federal and State fiduciary returns/Form K-1 or tax letter for 6 or fewer beneficiaries	\$260.00
Fee for (1) Federal and State return with tax letter or Form K-1 for 6 or fewer beneficiaries	\$130.00
Gathering tax data and/or preparation of tax letter for outside accountant	\$130.00

Effective October 20, 2015

We may also charge for extraordinary services to prepare complicated returns requiring special research and/or forms other than the standard 1041/PA41 or 1040/PA40 in accordance with hourly rates established in the current fee schedule or as approved at the time such services are rendered.

Employee Benefit Form 5500	\$450.00
Employee Benefit Form 5500C	\$300.00
Employee Benefit Form 5500R/EZ	\$150.00
Complete Summary Annual Report	\$150.00

Property Management

Where the Bank is to provide rental property management services, a fee equal to 10% of all gross rents due and owing shall be charged to the account for which the services were provided.

Mineral Interest

Where the Bank is to provide mineral interest management services, a parcel charge of \$200 will be charged annually to the account for which such services were provided. A beneficiary charge of \$50 per year will also be charged, per beneficiary, to the account for which such services were provided. Likewise, a gross receipts charge of 7% of all gross receipts from timber, oil, gas, coal or other mineral interests, or any other royalties of any nature from assets within an account, will be charged to the account for which such services were provided.

Generally as to the fees applicable to all accounts, the Investment & Trust Services Division Manager may from time to time approve deviation from established schedules in appropriate circumstances.

Effective October 20, 2015