

T R U S T A G R E E M E N T

THIS TRUST AGREEMENT, is made and entered into this 28th day of April, 1993, by and between Holliday Constructors, Inc. ("Holliday"), a Pennsylvania Corporation, and Eugene ("Jan") Oberle, an individual whose address is R.D. 1, Box 697, Claysburg, Pennsylvania 16648.

WITNESSETH

WHEREAS, Holliday is the permittee of a reclaimed surface coal mining site in Mt. Pleasant Township, Westmoreland County, covered by Mine Drainage Permit 6579119 and known as the Hoyman Mine and a reclaimed surface coal mining site in Saltlick Township, Fayette County, covered by Mine Drainage Permit 3375SM54 and known as the Shaffer Mine.

WHEREAS, there exists at the Hoyman Mine groundwater pumping and wetland mine drainage treatment systems which are employed to intercept mine drainage before it discharges to Jacobs Creek and to treat it to applicable effluent limitations prior to discharge from the Hoyman Mine and there exists at the Shaffer Mine a gravity flow wetland mine drainage treatment facility.

WHEREAS, over the past several years, operation of the mine drainage treatment facilities at the Hoyman Mine and the Shaffer Mine has been funded by an irrevocable trust which, by its terms, terminated on January 30, 1993.

EXHIBIT

A

WHEREAS, Holliday wishes to establish a new trust pursuant to this agreement (the "Holliday Trust") for the purpose of receiving the assets of the former irrevocable trust and utilization of said assets for the exclusive purpose of operating and maintaining the mine drainage treatment facilities at the Hoyman Mine and Shaffer Mine.

NOW THEREFORE, the parties, in consideration of the covenants and agreements herein, and intending to be legally bound hereby, covenant and agree as follows:

1. Holliday hereby establishes this trust to be known as the Holliday Trust, under the laws of the Commonwealth of Pennsylvania, to receive and hold certain assets as set forth herein. The Holliday Trust shall be funded with the assets of the irrevocable trust which assets are identified on Exhibit A, which assets shall be held in trust for the purposes and subject to the terms and conditions hereinafter set forth. This trust shall become effective on the effective date of an Agreement between Holliday and the Department of Environmental Resources providing for the Department's distribution of the assets of the former irrevocable trust to the Holliday Trust.

2. The Trustee shall hold, manage, invest and reinvest the trust property, shall collect the income therefrom and shall use the assets of the trust for the sole purpose of operating and maintaining the groundwater pumping and water treatment facilities at the Hoyman Mine and the wetland mine drainage treatment facility at the Shaffer Mine. In that regard, trust

assets may be expended to purchase materials, parts and supplies, and to pay the Trustee and others employed by the Trustee for work performed in inspecting, repairing, operating and maintaining the groundwater pumping and mine drainage treatment facilities at the Hoyman Mine and the wetland treatment facility at the Shaffer Mine. The Trustee may employ legal counsel to represent the Trustee in matters pertaining to the Holliday Trust.

3. The Trustee is authorized to replace any of the collateral mining and reclamation bonds for the Hoyman Mine and Shaffer Mine which have matured and are no longer paying interest or any such bonds which mature during the period this trust is in effect. In order to accomplish replacement of said bonds, the Trustee is authorized to borrow money to secure replacement bonds and is authorized to convert any released bonds to cash in order to repay such loans upon release by DER of the bonds which are being replaced.

4. This trust shall continue for a period of five (5) years from and after the date hereof or upon forfeiture of the mining and reclamation bonds posted with the Pennsylvania Department of Environmental Resources for the Hoyman Mine, which ever occurs sooner.

5. The Trustee is authorized to accept any funds from any source, which funds shall be used exclusively for the purposes set forth herein.

6. Upon the termination of this trust, the Trustee shall distribute any remaining assets to Holliday or its designee.

7. Neither the principal nor the income of any trust estate created hereunder or any part thereof shall be liable in any manner to the control or answerable for the debts, contracts or other obligations of any of the beneficiaries of this trust, or liable to any charge, encumbrance, assignment, or conveyance, except as expressly set forth herein.

8. The Trustee is authorized to compromise, adjust and settle any disputes and claims arising in the administration of the trust established hereunder, whether such claims are asserted by the Trustee against other persons or by other persons against the trust.

9. The Trustee accepts and undertakes to discharge the obligations created by this Agreement upon the terms and conditions hereof. The Trustee shall exercise such of the rights and powers vested in him by this Agreement and use the same degree of care and skill in such exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

10. The Trustee shall be indemnified out of the trust against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or

other proceeding by the trust or any other person, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter by reason of his being or having been such a Trustee, provided that he shall not be entitled to have such indemnification in respect of any misappropriation of trust assets.

11. In the event the Trustee is unable or unwilling to continue to act hereunder, Holliday, or its designee, shall have the right to select a successor Trustee to act hereunder. In addition, Holliday, or its designee, shall have the right at any time to remove the Trustee or any successor Trustee and appoint a successor Trustee to act hereunder.

12. The Trustee shall be entitled to receive reasonable compensation for services performed and reimbursement of expenses incurred on behalf of the trust. In this regard, for his service as Trustee, Mr. Oberle shall be paid at the hourly rate of \$25.00.

13. Unless a bond is required by law, no bond shall be required of any original or successor Trustee hereunder.

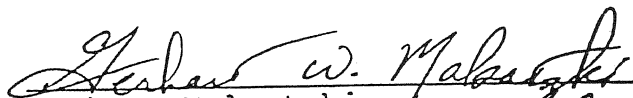
14. Holliday, or its designee, shall have the right at any time and from time to time to amend, modify or change any of the provisions of this trust with the consent of the Trustee or to terminate this trust with or without the consent of the Trustee.


15. The trust hereby established has been accepted by the Trustee in the Commonwealth of Pennsylvania, and all questions pertaining to the validity and construction of this

instrument and to the administration of the trust shall be determined in accordance with the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered on the date first written above.

FOR HOLLIDAY CONSTRUCTORS, INC.


Gerhart Malsatzki *Pres.*


Eugene ("Jan") Oberle, TRUSTEE