

Guaranteed Fixed-Price Solutions for Environmental Liabilities

EnviroAnalytics Group LLC (EAG)

EAG's fixed price remediation solutions are designed for property owners, buyers and sellers, and other potentially responsible parties seeking a cost-capped solution for unresolved environmental liabilities.

Since 2008, EnviroAnalytics Group LLC (EAG) has been the captive project management team for Environmental Liability Transfer, Inc. (ELT) - a major North American environmental liability assumption firm. EAG's aggressively-minded group of engineers, geologists, PhDs, and lawyers have consistently achieved regulatory closure well below third-party cost estimates and prior to timeline goals. Years of internal success compelled EAG management to transition the service externally.

"Our relationship with ELT has hardwired our team to operate with the owner's best interest in mind" said Adam Kovacs, Vice President at EAG. As we transition this service externally, our competitive advantage remains intact - a culture designed to lower cost parameters and expedite project timelines without forfeiting quality of work. All while maintaining a keen eye on regulatory compliance and health and safety."

As a captive of ELT, EAG has become one of the fastest-growing environmental consultancies in North America. EAG has managed the remediation of over 300 environmentally-impacted sites in North America, and managed the assumption of liabilities exceeding \$1.4 billion USD (88% having reached final remedial milestones). EAG has experience with nearly all contaminants of concern-

PCBs, chlorinated solvents, creosote, petroleum impacts, heavy metals impacts, and others. In doing so, EAG has restored hundreds of environmentally-impacted sites quickly and efficiently – saving an estimated \$200 million in environmental budgets. Today, EAG actively manages the remediation of over 200 impacted sites in North America and manages remedial funds in excess of \$250 million USD.

EAG now provides clients the following environmental project management offerings:

■ **GUARANTEED FIXED PRICE REMEDIAL PROJECT MANAGEMENT**

For clients seeking to achieve cost-capped environmental remediation, EAG is offering a Guaranteed Fixed Price Remediation (GFPR) option. EAG will guarantee that remedial work remains within the predetermined budget framework for an agreed upon set of tasks. Any and all costs exceeding the budget will be the sole responsibility of EAG. Backed by a robust corporate balance sheet and a highly-accurate underwriting team, EAG is able to be aggressive in the terms it can offer clients.

■ **ENVIRONMENTAL LIABILITY TRANSFERS**

As an added level of environmental project management, EAG is offering environmental liability transfers. Through corporate affiliate Environmental Liability Transfer Inc. (ELT), EAG will take contractual ownership of corporate environmental liabilities, indemnifying clients of regulatory obligations in perpetuity. This is a complete and final "walk away" option backed by a strong indemnification package.

EAG offers our clients a complete and perpetual transfer of environmental liabilities and regulatory obligations by contractually assuming environmental liabilities on their

behalf. Advantages to ELT's comprehensive indemnification includes:

- » Environmental Liability Assumption
- » Fair market value for real estate assets (optional)
- » Elimination of compliance issues
- » Valuation benefits
- » Sale-leaseback options available
- » Protection against regulatory reopeners
- » Preserving the legacy and brand of the Seller/Transferer

For corporate clients facing escalating costs and protracted clean-up timelines, EAG also offers a Time & Materials solution. Advantages include: cost-cutting remedial strategies, access to EAG's lean and experienced project management teams, strict vendor oversight, and regulatory advocacy.

FILLING THE GFPR MARKET VOID

Recent product retractions in the environmental insurance market have contributed to a void for guaranteed fixed-price environmental remediation options. The reality of large-scale environmental cleanup projects is that predetermined budget forecasts seldom align with actual clean-up costs – this can be due to a variety of risk factors including: higher than expected concentrations of contamination, changes to regulatory requirements, fluctuating interest rates, and so on. EAG's cost-controlled remediation solutions are designed to mitigate these risks, while also fast-tracking the environmental clean-up process.

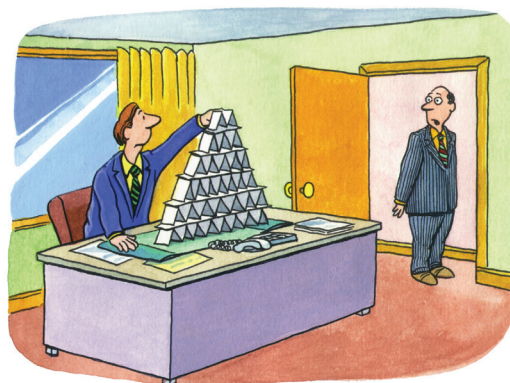
REGULATORY ADVOCACY

EAG has engaged and negotiated with environmental regulatory agencies in over 40 U.S. states and in every Canadian province and territory. Our regulatory relationships are mature, far-reaching, and allow us to negotiate favorably on our clients' behalf. When you work with EAG, we will leverage these relationships during negotiations – resulting in a more favorable, practical, and cost-efficient scope of work.

Our relationship with ELT has hardwired our team to operate with the owner's best interest in mind. This aggressive mindset is carried over to our external clients as well. EAG will represent your best interests to federal, state, and provincial regulatory authorities with the same determination and vigor we apply when representing our own ownership group.

THE UNFORTUNATE REALITY OF TODAY'S ENVIRONMENTAL CONSULTING FIRMS

Immense pressure to routinely increase billing exists within many environmental engineering and consulting firms. Companies must diligently guard against environmental cost escalations and "overscoped" workplans. EAG will protect your environmental dollars by auditing your clean-up projects and negotiating directly with regulators for your best interests.



"Just one question: Is it billable?"

EAG is not a typical environmental consultant, we take a different approach. Our project management teams are equipped with a practical, cost-saving mindset that expedites regulatory closure and prevents vendors from taking action on non-essential tasks designed to inflate invoices.

The EAG business model incentivizes expeditious site closure and rewards strict budget management – it's how our people are wired, and it's what has made our group successful for the past 25 years.

BENEFITS OF THE GFPR MODEL

EAG's fixed-price remediation solutions are designed for property owners, buyers and sellers, and other potentially responsible parties seeking a cost-capped solution for unresolved environmental liabilities.

Human Capital Relief: The GFPR model allows a Company to focus on core operations, instead of managing an environmental cleanup project which is most often not a core competency. EAG offers a highly-efficient culture and fixed budgets to supplement staff or help fill a void left by staff departures or reduction.

Guaranteed Cost Certainty: EAG provides a fixed-cost solution for environmental obligations and uncertainties – costs exceeding the pre-determined remediation plan are absorbed by EAG.

Elimination of Compliance Issues: EAG and ELT can assume all regulatory compliance obligations, regardless of whether regulations change or become stricter in the future, including potential reopeners.

Safeguard Against Change Orders: EAG is a change order adverse organization that does everything in our power to stick to established budgets, going so far as to self-fund overtures on the agreed upon set of tasks if they occur.

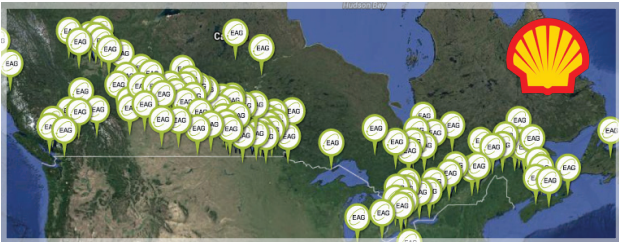
Corporate Indemnification: Through EAG affiliate ELT, EAG can offer a comprehensive corporate indemnification from environmental liability; this includes liabilities that are known, unknown, above grade, at grade, below grade, onsite, offsite (naturally migrating offsite) whether the issues occurred in the past, present or future.

Corporate Sustainability: EAG will design an action plan to prepare the site to be repurposed for its highest and best use. This provides benefits to the local community such as job creation, and preserves the legacy and brand of the Seller when leaving a community.

HIGHLY EFFECTIVE ENVIRONMENTAL PROJECT MANAGEMENT TEAMS

EAG is comprised of high-level environmental consulting professionals – PhDs, Licensed PEs, Geologists, Environmental Lawyers, Environmental Project Managers, and other professionals – with a lean and efficient bias toward project management. Resumes and work history for our executive and PM team is available upon request.

KEY PROJECTS UNDERWAY



Shell Global: In 2014, Shell transferred three portfolios of environmentally-impacted, non-retail sites to ELT, which initiated the environmental remediation process. EAG is currently managing this large-scale environmental cleanup

project (150+ sites) and will achieve 95% environmental closure by 2018; the remaining sites will be restored prior to timeline goals.



Sparrows Point: EAG is currently overseeing the remediation at Sparrows Point, the 3,100 acre site of the former RG Steel and Bethlehem Steel mill outside Baltimore, MD. EAG is on track to achieve regulatory closure in accordance with agreed timelines which will prepare this distressed property for the development of "Tradeport Atlantic" - the largest deepwater logistical hub and industrial tract on the eastern seaboard.



Evraz Steel: EAG is ahead of budget and ahead of schedule cleaning the environmental impact at a 425-acre retired steel mill in Claymont, DE. EAG is working with regulators to prepare for the "First State Crossing" project expected to break ground in 2017. In July 2016, the project received a \$10 million federal grant toward a new transportation center, expected to "ignite growth in Claymont."



American Electric Power (AEP): In 2016, EAG began the environmental remediation at "Tanners Creek", a 725-acre retired AEP coal-fired power plant in Lawrenceburg, IN.

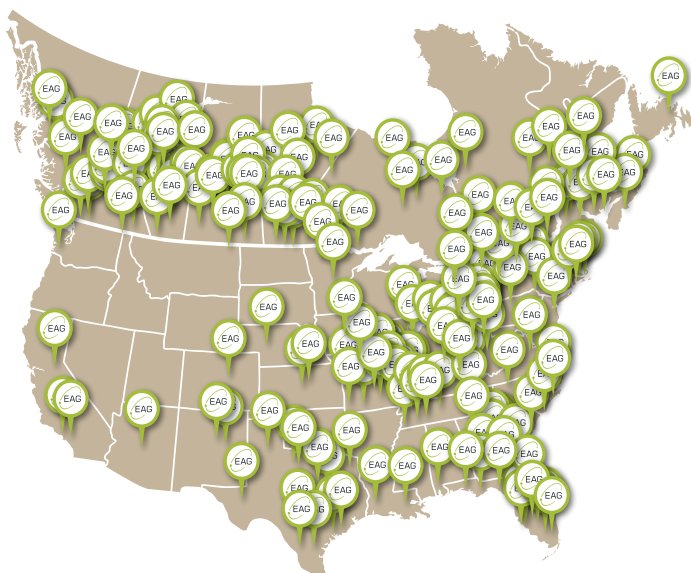
Immediately following a transfer of liabilities to ELT, the site was identified as a favorable location for the development of a major inland port. This project has received tremendous support from state leadership, including former Gov. Mike Pence who said this development “could unleash enormous economic investment throughout the southeast region of our state.”



DTE Energy: EAG developed a cost-cutting and efficient plan of action to remediate and demolish a retired 511-MW coal-fired power plant in Marysville, MI. EAG’s plan was approved by the Michigan Department of Environmental Quality (MDEQ). Environmental clean-up and demolition is and will prepare the site for a new proposed development.

EAG FOOTPRINT

With an active remediation portfolio of over 200 properties, EAG has earned the trust of some of the largest companies in the world – spanning sectors such as oil & gas, coal, heavy industrial, pharmaceutical, and more. We have led the way to a better bottom line for our clients by illuminating, reducing, and eliminating environmental concerns and expenditures.



EAG BY THE NUMBERS

200+

Sites Under Management

\$250 million

Clean-up Funds Under Management

10

Fortune 500 Clients

30+

In-House PhDs, PEs, Lawyers, PMs

25

Years of Corporate History

\$200 million

*Accumulative Cost Savings to
Environmental Budgets*

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