

Surety Trust Agreement

This Surety Trust Agreement is entered into this ^{25th} day of February 2020 by and between Alaska Demolition LLC Maker and Peak Trust Company-Alaska Trustee to create a Surety Trust as a means to provide financial assurance in favor of the State of Alaska Department of Environment Conservation the Beneficiary, to secure the costs of closure pursuant to the terms of ADEC Solid Waster Permit **SWZA004-19a** to be performed if necessary, on the Real Property commonly known as the Palmer Reclamation site described as **Tax Parcel ID #: 17N02E08D008**.

NOW THEREFORE IT IS AGREED:

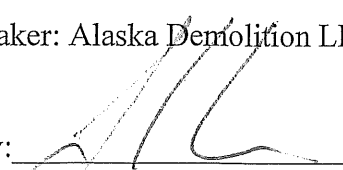
- 1) **The Trustee:** Peak Trust Company-Alaska hereby accepts this appointment to act as Trustee and to perform its duties to accept custody, protect and account for the Property held for the protection and benefit of the Beneficiary. Trustee warrants that it is qualified under the laws of the State of Alaska and the United States to act in the capacity as Trustee.
- 2) **The Maker:** Alaska Demolition LLC agrees act as and perform the duties of the Maker of this Trust.
- 3) **Maker's Duties:** The Maker shall pay or cause to be paid to Trustee funds in the amount Two Hundred and Seventy Five Thousand Dollars (\$275,000.00). Maker shall also use due diligence and best practices in completion of the Reclaim activities at the Palmer Reclamation Facility as required by ADEC Solid waste permit no. SWZA004-19a (Permit) and to inform Trustee of any changes to the Permit that affect the duties of Trustee.
- 4) **The Beneficiary:** The State of Alaska Department of Environmental Conservation (DEC), is the Beneficiary of this Trust and this Trust shall become effective upon acceptance of this Trust Agreement by the DEC. Trustee shall pay to Beneficiary the Property held by Trustee in the event the closure work required by Permit SWZA004-19a to be conducted on the Real Property Tax Parcel ID #: 17N02E08D008 is not completed by Maker as required by the terms of the Permit and any extension or written appeal thereof.
- 5) **The Property:** The Property paid to and held in trust by Trustee shall be the amount of Two Hundred and Seventy Five Thousand Dollars (\$275,000.00). Trustee shall act as a fiduciary and use due care in investing the Property in such investment securities and or deposits that are consistent with the preservation of capital. Upon receipt of the Property and annually thereafter Trustee shall meet with Maker to review and adopt with Maker's approval, a plan to invest the Property consistent with principals of capital preservation.

To the extent that earnings of the Property increase and add to the initial value of the Trust Property (275,000), the earnings may be remitted once annually to Maker. If the value of the Property ever diminishes below the initial value, Maker upon notice from Trustee shall immediately pay to Trustee those funds necessary to restore the Property to \$275,000.
- 6) **Duties of the Trustee:** The Trustee shall perform those duties under the Trust customary to its status as a fiduciary including but not limited to:

- a. To hold , protect, account for and preserve the Property in approved investment types.
 - b. Pay upon demand to Beneficiary the Property in the event of Maker's default of its Duties to reclaim the Palmer Property.
 - c. Remit the Property to Maker or its designee upon written notice from Beneficiary of the discharge or the completion of Makers Reclamation Duties.
 - d. To report to Beneficiary and Maker as reasonably required to verify and evidence the control, custody and value of the Property under Trustee's supervision and care.
- 7) **The term of the Trust:** The term of this Trust shall be coincident with and equal to the term of the Permit and any renewal thereof, provided that this Trust may be terminated upon one or more of the following events:
- a. Payment of the Property to the Beneficiary or repayment of the Property to the Maker as first approved by Beneficiary.
 - b. Upon completion of the Trustor's Reclamation Duties under the ADEC permit No SWZA004-19a. or;
 - c. Upon Maker's provision of substitute security or other financial assurance satisfactory to Beneficiary. Provided that in any event Maker must provide Trustee not less than thirty days notice of the termination of this Agreement.
- 8) **Substitution of Trustee:** Upon thirty days written notice Maker may substitute the Trustee with another qualified trustee provided that Maker will pay to Trustee the cost of wire fees, investment redemption fees if any and other reasonable costs of transferring the Property to the substitute trustee.
- 9) **Fees to Trustee.** Trustee will be entitled to a fee paid by Maker as agreed by Trustee and Maker that is not more than the published fee schedule of Trustee for similar Property.
- 10) **Amendment:** This Agreement may be amended by mutual agreement of Trustee and Maker at any time provided such amended does not lessen, or impair in any manner the Property held in Trust for Beneficiary.
- 11) **Other:** This Agreement shall be enforced and interpreted pursuant to the laws of the State of Alaska. There are no intended or implied third party beneficiaries created by this Agreement except as expressly stated herein. The legal relationship created by this Agreement is solely as a Trustee and Maker of a trust and is not and may not be construed as a partnership, joint venture or other joint enterprise by and between Trustee and Maker. Maker shall indemnify and release Trustee and provided for in the attached " Exhibit A" Release and Indemnity.
12. **Notice:** All notice or other communication required by this Agreement shall be in writing delivered by U.S. post to the addresses provided with signatures below.


This Surety Trust Agreement entered into by Trustee and Maker upon joint execution below:

Maker: Alaska Demolition LLC

By: 
Justin Green
Its: Managing Member
2817 Rampart Drive
Anchorage Alaska 99501

2-25-2020
Date:

Trustee: Peak Trust Company-Alaska

By: 
Brandon Cintula
Its: Senior Vice President
3000 A Street, Suite 200
Anchorage Alaska 99503

2/25/2020
Date:



Exhibit A to Surety Trust Agreement by and Between Alaska Demolition and Peak Alaska-Trust

With respect to any trust created hereunder (i) The Trustee shall not incur any liability by reason of any error of judgment, mistake of law or action of any kind taken or omitted to be taken in connection with the administration of any trust created hereunder if in good faith reasonably believed by such Trustee to be in accordance with the provisions and intent hereof, except for matters involving such Trustee's willful misconduct or gross negligence. (ii) Trustee shall not have any fiduciary responsibility to observe, monitor or evaluate the actions of any other Trustee and appointed hereunder. (iii) Trustee shall not be liable to any party for the failure to seek to remedy a breach of trust, or in a recurring situation to request instructions from a court having jurisdiction over the trust.

In no event shall any Trustee hereunder be liable for any matter with respect to which he, she or it is not authorized to participate hereunder (including the duty to review or select trust investments).

Compensation

The Trustee), Under this agreement, Trustee shall receive such compensation, if any, as is provided for in a written agreement between such Trustee and the Maker. In the absence of any such agreement, each individual Trustee shall receive compensation that is reasonable under the laws of the State of Alaska and each corporate Trustee shall be compensated in accordance with its regularly published schedule of fees in effect at the time the compensation is payable. Compensation shall be paid from the income or principle as the Trustee shall deem appropriate. The Trustee shall also be reimbursed without application to any court the reasonable expenses it incurs in the administration of the trust.

Resignation

The Trustee may resign from its appointment as Trustee hereunder without leave of court at any time and for any reason. Such resignation shall be made by a duly acknowledged, written instrument delivered to the Maker. Thereafter Maker shall have thirty (30) days To identify a substitute trustee and Trustee shall reasonably cooperate by taking such acts and executing such documents as are necessary to transfer the Property to the control and custody of the substitute trustee.


Northrim Bank
3111 C Street
Anchorage, AK 99503

CASHIERS CHECK

No. 101025702

89-0093
1252

DATE: 02/26/2020

AMOUNT \$*****275,000.00

Pay to the
Order of: **ALASKA DEMOLITION PRS SURETY TRUST *****

TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS AND ZERO CENTS ***

Authorized Signature

Authorized Signature

Two Signatures are Required Over \$100,000

ALASKA DEMOLITION LLC
Remitter/Memo



⑈ 101025702⑈ ⑆ 125200934⑆ 7100000137⑈

PLEASE DETACH AND RETAIN FOR YOUR RECORDS


Northrim Bank
3111 C Street
Anchorage, AK 99503

CASHIERS CHECK

No. 101025702

89-0093
1252

DATE: 02/26/2020

AMOUNT \$*****275,000.00

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Order of: **ALASKA DEMOLITION PRS SURETY TRUST *****

TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS AND ZERO CENTS ***

NON-NEGOTIABLE

ALASKA DEMOLITION LLC
Remitter/Memo

Authorized Signature

CUSTOMER COPY

Details on Back.
Security Features Included.