

ADDENDUM A TO COMMERCIAL OFFER TO PURCHASE

SELLER: The C. Reiss Coal Company
 BUYER: Manitowoc Public Utilities
 PROPERTY: 937 South 5th Street, City of Manitowoc, Manitowoc County, Wisconsin

This "**Addendum**" supplements the terms and provisions set out in the preprinted Commercial Offer to Purchase dated _____, 2015, and is an integral part thereof. In the event any terms and conditions set forth in the preprinted Commercial Offer to Purchase conflict with the terms and conditions of this Addendum, this Addendum shall control. The preprinted Commercial Offer to Purchase and this Addendum are collectively referred to herein as the "**Offer**."

1. **Property.** The Property which is subject to this Offer is described as 937 South 5th Street, City of Manitowoc, Manitowoc County, Wisconsin, Parcel #052-000-235-010.00, together with a perpetual non-exclusive easement related to Parcel #052-000-222-011.00 (See attached Exhibit A).
2. **Closing Date.** The Closing Date shall occur no later than August 31, 2015, or earlier as agreed by the parties.
3. **Conditions to Closing.** Each party's obligations to conclude this transaction is also contingent upon the following:

(a) Inspection of the Property and Related Documentation.

(i) Within ten (10) business days of the Acceptance Date, Seller shall provide Buyer with any and all of the following in Seller's possession or control as of the date hereof (collectively, the following documents and information shall be referred to as the "**Property Information**"), if any:

- A. Any previously prepared surveys, environmental studies and reports including any and all Phase I or Phase II reports previously conducted for the Property, soil investigation reports, and any other report associated with tests or investigations performed on the Property which are in the Seller's possession or are readily available to Seller at no material cost or expense to Seller. Seller shall also provide a comprehensive list of all permits and licenses (and pending applications relating thereto) relative to Seller's current operations on the Property. In addition, Seller shall to the best of Seller's Knowledge, provide any and all documents in its possession or control regarding any and all environmental conditions affecting the Property (in accordance with the standards set forth in Section 6 of this Addendum) that meet any one of the following conditions (each a "**Condition**" and collectively the "**Conditions**"):
 1. There is a reasonable likelihood that the Conditions will require Buyer to incur remediation, assessments or other costs in excess of \$100,000 for the proposed continued use as a coal storage yard;

2. There is a reasonable likelihood that the Conditions will subject MPU to liability in excess of \$10,000 due to enforcement for violations of applicable Environmental Laws as an owner of the site. For the purposes of this Offer, **“Environmental Law”** means any federal, state, local, municipal, foreign, international, multinational or other administrative order, constitution, law, ordinance, regulation, statute, treaty or principle of common law including, without limitation, natural resource-based theory of action pertaining to the protection of the environment or human health and safety, or the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, Hazardous Substances, and all amendments, modifications and additions thereto. Without limiting the generality of the foregoing, Environmental Laws shall include, without limitation, the Federal Resource Conservation and Recovery Act, the Federal Comprehensive Environmental Response, Compensation, and Liability Act, the Federal Emergency Planning and Community Right-to-Know Act, the Federal Toxic Substances Control Act, the Federal Clean Water Act, the Federal Clean Air Act, the Federal Safe Drinking Water Act, the Federal Insecticide Fungicide and Rodenticide Act, the Federal Hazardous Materials Transportation Act, the Federal Occupational Safety and Health Act, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, regulations of the Mine Safety and Health Administration, along with similar or related statutes, regulations, or ordinances of any state department of natural resources or state or local environmental protection agency, as now or at any time hereafter amended or implemented. **“Hazardous Substances”** means any substance, chemical, compound, product, solid, gas, liquid, waste, by product, material, pollutant or contaminant which is hazardous, toxic or otherwise harmful to health, safety, natural resources, wildlife or the environment, including, without limitation, asbestos, polychlorinated biphenyls, radon and urea formaldehyde foam, petroleum and petroleum products, hazardous waste source, by product or special nuclear material, and raw materials which include hazardous constituents, or any other similar substances, or materials which are now, or in the future, included under or regulated by any Environmental Law; or
3. There is a reasonable likelihood that the Conditions will subject MPU to third party damage claims arising from the Conditions in an aggregate amount that exceeds \$100,000.00.

- B. Notices and orders received by Seller from any applicable governmental authority including, without limitation, Wisconsin Department of Natural Resources or Environmental Protection Agency notices and orders, which remain unresolved as of the Acceptance Date.

In the event of termination of this Offer, the documents provided to Buyer as part of the Property Information shall be returned to Seller, and any oral information disclosed to Buyer as part of the Property Information shall remain confidential by Buyer (to the extent allowed by law). The "**Inspection Period**" shall be defined herein as a period that commences on the date Seller delivers to Buyer a written certification that Seller has delivered all of the Property Information in Seller's possession or control to Buyer and ends on the Closing Date. If Seller does not deliver the materials contemplated herein with the written certification within such ten (10) day period, the Inspection Period and Closing Date shall be extended day for day for each day such materials and certification are not timely delivered by Seller.

(ii) During the Inspection Period, Buyer will have the right to perform and complete an examination of the Property and to perform or cause to be performed such studies, reviews and inspections as may be deemed necessary or advisable by Buyer, including, without limitation, physical inspection of the improvements and related systems, title searches, surveys, and engineering assessments, and meetings with the appropriate governmental officials to discuss Buyer's intended use of the Property. Notwithstanding the above, Buyer may not, during the Inspection Period, perform any testing of the Property relating to its soil or groundwater.

(b) Each party's obligation to close this transaction is further contingent upon Buyer obtaining the guaranty of the City of Manitowoc as set forth in the form of Guaranty attached as **Exhibit B**, or in such other form and substance acceptable to Seller, Buyer and the City of Manitowoc, to guaranty the indemnification of Seller as set forth in Section 6(a) should Buyer be unable to satisfy such indemnification obligations

(c) Termination During Inspection Period. Prior to the expiration of the Inspection Period, if Buyer, in its sole discretion, determines that the Property is unsuitable for Buyer's intended use or development, or that it is not satisfied with the contents of the Property Information or the results of tests, reviews and inspections, Buyer may deliver to Seller a written notice stating that it is terminating the Offer (a "**Notice to Cancel**"). Upon timely delivery of a Notice to Cancel this Offer shall be null and void and the parties hereto shall have no further obligations hereunder. Except as otherwise provided herein, if, by the conclusion of the Inspection Period, Buyer has not given Seller a Notice to Cancel, it will be conclusively presumed that Buyer has waived its right to terminate during the Inspection Period with respect to the contingencies set forth in this Section 3.

4. **Title Insurance.**

(a) Title Insurance. Seller, at Seller's expense, shall obtain and deliver to Buyer, within ten (10) days after the Acceptance Date, a current form commitment for an owner's policy of title insurance for the Property issued by a nationally recognized underwriter, (the "**Title Company**") in the full amount of the Purchase Price, covering title to the Property, dated on or after the date hereof (the "**Title Commitment**"), together with a copy of all title exceptions and documents of record referenced in such Title Commitment and any ALTA survey done with respect to the Property (if any). On the Closing Date, at Seller's cost and expense, and as a condition to Buyer's obligation to Close, Seller shall cause the Title Company to issue an owner's title insurance policy (or marked-up title

commitment) pursuant to and in accordance with the Title Commitment as approved by Buyer (all in accordance with Section 4(b) below) insuring fee simple title to the Property in Buyer as of the Closing Date in the amount of the Purchase Price. In addition, Seller, at Seller's expense, shall provide Buyer a GAP endorsement to Buyer's title policy at Closing.

(b) Removal of Defects. Buyer shall, within ten (10) business days after its receipt of the Title Commitment and exception documents (the "**Title Review Period**"), notify Seller of any matters or exceptions disclosed on the Title Commitment that are not acceptable to Buyer. If Buyer does not notify Seller within the Title Review Period that any matters or exceptions are not acceptable to Buyer, then the Title Commitment will be deemed to be approved by the Buyer. If Buyer so notifies Seller that the Title Commitment shows items unacceptable to Buyer, Seller shall have five (5) days thereafter from the date of delivery of Buyer's notice to (1) have the Title Company issue its endorsements (in form reasonably acceptable to Buyer) insuring over such unacceptable items and provide evidence thereof to Buyer; (2) correct any such unacceptable items; or (3) elect to not insure or correct the unacceptable items. If Seller elects to cure such items, the Closing Date shall be reasonably extended as necessary to accommodate such cure provided such period shall not exceed an additional thirty (30) days. If Seller fails to have such items corrected or insured over within said period, or elects within such period not to so insure or correct, or fails to respond within such period, then Buyer may elect within fifteen (15) days thereafter (1) to terminate this Offer by giving a Notice to Cancel (in which event any Earnest Money in connection herewith, shall be promptly returned to Buyer), or (2) to accept the Title Commitment subject to such unacceptable items without any diminution of the Purchase Price.

5. Representations and Warranties. For purposes of the Seller's representations, warranties and disclosure obligations herein, Seller's "**Knowledge**" shall mean that actual knowledge of William A. Reiss, Jr. and David Severson, after reasonable inquiry. Seller represents and warrants the following, which representations and warranties shall be accurate as of the date of the Closing:

(a) Disclosure of Conditions. To the best of Seller's Knowledge, Seller has provided to Buyer all Property Information required under Sections 3(a)(i)(A) and 3(a)(i)(B) above.

(b) Known Actions/Judgments/Etc. Seller has no Knowledge of any actions, judgments, liens, suits, claims or other proceedings pending or threatened against Seller or the Property which might materially affect this transaction, except as disclosed in the Property Information, and Seller has no Knowledge of any facts that would reasonably be expected to result in such an action, judgment, lien, suit, claim or other proceeding.

(c) Known Environmental Issues. Except for those matters disclosed in the Property Information, Seller has no Knowledge of any conditions existing on the Property which represent a violation of applicable Environmental Laws that would reasonably be expected to result in substantial cleanup liability on the owner of the Property assuming it is continued to be used for coal storage. For purposes of this paragraph, "substantial" shall mean a cleanup required by law that is likely to cost in excess of \$100,000.00; and

(d) Waterfront Issues. Seller has no Knowledge of any shore land zoning, flood plain, public trust and/or wetland conditions existing on the Property that is reasonably likely to materially impede Buyer's anticipated use of the Property as a coal storage yard.

(e) As Is Where Is. Buyer acknowledges and agrees that if Buyer accepts the Property in

its current environmental condition and elects to proceed with the purchase of the Property, Buyer will be purchasing the property "AS IS," without any expressed or implied warranty or representations of any kind by Seller except for the representations and warranties expressly set forth herein. Seller will have no liability to Buyer for any existing condition affecting the Property, including without limitation: structural defects or inadequacies, subsoil deficiencies or defects preventing construction or improvements on or to the Property, other soil or drainage problems, or the presence of any dangerous, hazardous, toxic or environmentally sensitive substances, unless Seller had Knowledge of such environmental conditions and did not disclose such matters as required herein. Buyer further acknowledges and agrees that by proceeding with the purchase of the Property, Buyer will be knowingly and voluntarily accepting all risks related to the condition of the Property based on the representations and warranties made by Seller herein. This provision shall not constitute a waiver or release of any of Buyer's rights, if any, to seek remedies against any third parties responsible for any such underlying conditions so long as any such remedy does not create liability for the Seller.

(f) Survival. Seller's representations and warranties set forth herein shall survive the Closing for a period of five (5) years, and any breach of any representation herein shall give Buyer a cause of action against the Seller regardless of any AS IS language set forth in Section 5(e) above.

6. Indemnification, Deed Restrictions, and Assumption of Obligations.

(a) Indemnification. Subject to the terms, provisions and conditions herein, to the fullest extent allowed by law, Buyer will assume any alleged liability or responsibility for, and will release, indemnify, defend and hold harmless Seller and its affiliates and their respective employees, officers, directors, shareholders, partners, and members against, any claim, liability, loss, damage, demand, lawsuit, cause of action, strict liability claim, penalty, fine, administrative law action or order, expense (whether arising before or after Closing, and including, without limitation, attorneys' fees and expenses) and/or costs of every kind and character arising out of or in any way incident to (1) any environmental response activities incurred post-closing (including, without limitation, fulfilling any continuing obligations) as required by law to address any environmental conditions on or emanating from the Property, and/or (2) any third party claim relating to any environmental condition on or emanating from the Property (hereinafter, each a "Claim" and collectively "Claims"), except in either case to the extent any such environmental conditions were within Seller's Knowledge and not disclosed to Buyer in violation of this Agreement, provided, however, that any such indemnification, release and hold harmless shall not include any liability relating to any off site location to which soil, waste, or any other material was transported (excluding natural migration) from the Property prior to Closing. Should Seller wish to have Buyer indemnify, release and hold Seller harmless from any Claims, Seller shall provide written notice to Buyer, including as much detail regarding the Claim as in Seller's possession, as promptly and reasonably practical after receipt of notice of any such Claims. Seller shall reasonably cooperate with and assist Buyer with respect to the defense of any such Claims provided, however, that Seller shall not be obligated to incur any third party fees or expenses, and further provided that Buyer shall control all aspects of resolving any such Claims.

(b) Deed Restrictions. The following restrictions and covenants will be appropriately recorded with the deed conveying title from Seller to Buyer (substantially in the form attached as **Exhibit C**), or in a separately recorded document:

(i) Rezoning of Property. Rezoning the Property, or obtaining a variance from applicable zoning, for any other use than industrial use (as defined by the City of Manitowoc's zoning code in effect at such time) shall be prohibited unless the Property is remediated to support such

changed use in accordance with the requirements of the state environmental agency's laws, rules and regulations, and Buyer or its successor in title obtains written confirmation from the state environmental agency that all such remediation has been fully and completed in accordance with all applicable laws, or that no such remediation is necessary for such changed use.

(ii) Right of First Refusal Re: Potential Use of Property or Operations for Buyer. In the event Buyer: (A) decides to utilize the services of a third party on the Property for purposes involving the handling, storage, transport, or sale of petroleum coke, coal, and/or other bulk commodities typically handled by Seller; or (B) decides to make the Property available to a third party for the third party's own use related to the handling, storage, transport, or sale of petroleum coke, coal, and/or other bulk commodities typically handled by Seller, in either event, Buyer shall notify Seller in writing of such intended use and the terms and conditions thereof, and will provide Seller one (1) right of first refusal to, as applicable, serve as the operator for Buyer's intended third party use of the Property, or use the Property for its own use on the same terms and conditions to be provided by or to the third party. This right of first refusal would not apply to any proposed one-time use of the Property for which the activities and operations would not exceed two (2) months in duration and for which there is no reasonably likelihood for such ongoing or future use of the Property to occur thereafter at the time of such one-time use. This right of first refusal shall automatically terminate without any further notice obligation on December 31, 2020. If Seller wishes to exercise its right of first refusal as contemplated herein, it shall provide written notice of such to Buyer within thirty (30) days after Buyer provides Seller with notice of such opportunity and the terms and conditions thereof.

(iii) Restrictions on Soil and Groundwater Use. Restriction on the use of soil and groundwater as set forth in the Final Case Closure with Continuing Obligations dated March 19, 2015 and associated GIS registry (the "**Closure Letter**").

(iv) Post Closing Access Seller and its agents shall have the right to enter the Property at reasonable times upon not less than thirty (30) days advance written notice for the purpose of conducting environmental investigation, cleanup and other remedial or response activities which do not unreasonably interfere with the current use of the Property ("**Access Activities**") in the event that a government agency has determined that Access Activities are required to be conducted by Seller under applicable law. Such notice to be provided by Seller to Buyer shall describe in detail all proposed Access Activities to be performed and shall include copies of relevant written communication from a government agency requiring such Access Activities.

(v) Modifications, Revisions and Termination. Buyer (and any and all successors in title to the Property), agrees to and shall execute and record any further modification, revision or termination of the restriction(s) required by paragraph 6.(b)(iii) of this Addendum ("**Restriction Modifications**") if the Restriction Modifications are reasonably requested by Seller or required by applicable law. For purposes of this paragraph, a Restriction Modification request shall be "reasonable" if necessary to maintain the Closure and will not unreasonably interfere with the use of the Property. If Buyer or such successor in title refuses or fails to execute and record such Restriction Modifications within ten (10) days after request, then Seller is hereby irrevocably appointed as such party's attorney-in-fact to execute and record such Restriction Modifications.

(c) Permit Transfers. Buyer will assume all responsibility for and cost of obtaining and maintaining those permits and licenses as may be necessary or required for Buyer's operation of the Property whether through Buyer's own application or, when possible, through assignment of Seller's current permit or license to Buyer. Seller will, at Buyer's sole cost and expense, provide reasonable

cooperation with Buyer to assign Seller's permits and licenses which are assignable to Buyer.

7. **Miscellaneous.**

(a) **Certificate of Non-Foreign Status.** Seller and Buyer represent and warrant that they are not a foreign person within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended. At closing, Seller and Buyer will complete an appropriate Certificate of Non-Foreign Status confirming same.

(b) **Right to Assign.** Buyer shall have the right to assign this Offer, and its rights and interest herein, to an entity which is owned or controlled by Buyer.

(c) **Signatures.** Signatures to this Offer transmitted by facsimile, by electronic mail in portable document format (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document will have the same effect as physical delivery of the paper document bearing the original signature.

(d) **Parties Bound.** This Offer shall be binding upon and inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.

(e) **Governing Law and Venue.** The laws of the State of Wisconsin shall govern the validity, construction, enforcement and interpretation of this Offer. Any disputes shall be filed in Manitowoc County, Wisconsin Circuit Court.

(f) **Entirety and Amendments.** This Offer embodies the entire agreement between the parties relating to the Property and may be amended or supplemented only by a written instrument executed by the party against whom enforcement is sought.

(g) **Further Assurances.** The parties covenant and agree that they will execute and deliver such other and further documents and take such additional actions as are reasonably required to carry out, to the fullest extent, the intent and purposes of this Offer.

(h) **Counterparts.** This Offer may be executed in two (2) or more counterparts, each of which, upon execution and delivery as prescribed, shall be deemed an original for all purposes. In proving this Offer, it shall be necessary to account for only one (1) such counterpart signed by the party to be charged.

(i) **Survival, Limitations.** The representations, warranties, covenants, agreements, and indemnities set forth in this Offer shall be certified as valid at Closing and shall survive the Closing.

(j) **Warranty of Authority.** Each person executing this Offer on behalf of Buyer or Seller personally warrants he or she has the requisite authority to do so and that he or she has obtained all necessary consents and approvals for this instrument to be the valid and legally binding obligation of Buyer or Seller, enforceable in accordance with its terms.

(k) **Attorney's Fees.** If either party commences an action to enforce the terms of, or to resolve a dispute concerning, this Offer, the prevailing party in any such action shall be entitled to recover all costs and expenses incurred by such party in connection with such action, including, but not limited to, reasonable attorney's fees and court costs.

(l) Broker's Fees/Disclosure. Each party represents and warrants it has not dealt with a broker, finder or other person or entity in such a manner as to give rise to a claim or entitlement for a commission or other fee with respect to this transaction. Each party shall indemnify and hold harmless the other party from and against any and all claims, costs, damages, expenses, liabilities, and obligations (including, but not limited to, reasonable attorney's fees and expert witness fees) arising as a result of such party's conduct or actions leading to such a claim or entitlement.

(m) Ambiguity. The parties hereto agree that this Offer was prepared after negotiations between the parties hereto, and any ambiguity contained herein shall not be held nor interpreted against the drafter hereof

(n) Capitalized Terms. Except as otherwise defined herein, all capitalized terms shall have that meaning given in the preprinted Commercial Offer to Purchase.

(o) Binding Agreement. Seller and Buyer acknowledge and agree that this Offer is intended to be binding and enforceable and each party waives any right to challenge the enforceability of this Offer based on discretion afforded Buyer in evaluating the fulfillment of the contingencies or conditions contained in this Offer. Buyer covenants and agrees to exercise good faith in seeking to satisfy such contingencies and conditions. Seller acknowledges that such efforts by Buyer will require Buyer to expend time and resources in investigating the Property and that such expenditures constitute good and sufficient consideration to Seller for Seller's acceptance of this Offer. Buyer and Seller also agree that upon waiver of the last of any contingency or condition under this Offer, that this Offer shall be deemed affirmed without inclusion of the waived contingencies or conditions.

SELLER:
THE C. REISS COAL COMPANY

Dated: _____, 2015

By: _____

Name: William A. Reiss, Jr.
Title: President

BUYER:
MANITOWOC PUBLIC UTILITIES

Dated: _____, 2015

By: _____

Name: Nilaksh Kothari
Title: General Manager

EXHIBIT A

Legal Description of Property

Parcel 1

A tract or parcel of land, in Government Lot One (1) of Section Twenty-nine (29), Township Nineteen (19) North, Range Twenty-four (24) East, in the City of Manitowoc, Manitowoc County, Wisconsin, including within its boundaries Blocks Two Hundred Twenty-three (223) and Two Hundred Thirty-four (234) as said Blocks are laid down and shown upon the recorded Plat of the City of Manitowoc; and A part of Block Two Hundred Thirty-five (235), according to the recorded Plat of the City of Manitowoc;

Together with vacated streets or portions of vacated streets abutting the aforesaid Blocks; and part of the accretions to and lying easterly of said Blocks and vacated streets, which said tract or parcel of land is bounded and described as follows:

Beginning at an iron pipe located in the east line of Lake Street (n/k/a South 5th Street), in the City of Manitowoc, which is fifty-five and five-tenths (55.5) feet north, measured along said street line, from an iron pipe set at the point of intersection of said street line, with the southerly line of Quay Street (as it existed on May 23, 1942), as extended easterly across said Lake Street (n/k/a South 5th Street); running thence south from said point of beginning on and along said East line of Lake Street (n/k/a South 5th Street), a distance of four hundred one and one-tenth (401.1) feet to an angle in said street line; thence southwesterly along the southeasterly line of said Lake Street (n/k/a South 5th Street) a distance of four hundred forty-two and five-tenths (442.5) feet to an iron pipe; thence southeasterly along a line making an angle of twenty-one degrees, thirty-six minutes ($21^{\circ} 36'$) to the left, with an extension of the last described course, a distance of seventy-two and four-tenths (72.4) feet to an iron pipe; thence southeasterly along a line making an angle of sixty-eight degrees, forty-two minutes ($68^{\circ} 42'$) to the left, with an extension of the last described course, a distance of three hundred sixty-two and ninety-five one-hundredths (362.95) feet to an iron pipe; thence northeasterly along a line making an angle of seventy-four degrees, two minutes ($74^{\circ} 2'$) to the left, with an extension of the last described course, a distance of one hundred eighteen and ninety-four one-hundredths (118.94) feet to a point which is distant seventy-five (75) feet southeasterly, measured at right angles, from the southeasterly face of the dock along the northwesterly side of the coal dock slip; thence northeasterly along a line making an angle of fifteen degrees, fifty-six minutes ($15^{\circ} 56'$) to the left, with an extension of the last described course, and on and along a line which is parallel with and distant seventy-five (75) feet southeasterly, measured at right angles, from said southeasterly face of the dock along the northwesterly side of said coal dock slip, a distance of four hundred ten and sixty-five one-hundredths (410.65) feet; thence northwesterly, at right angles, ten (10) feet; thence northeasterly, at right angles, and on and along a line parallel with and distant sixty-five (65) feet southeasterly, from the southeasterly face of the dock along the northwesterly side of said ferry and coal dock slips, a distance of four hundred fifty and five-tenths (450.5) feet; thence northwesterly, at right angles, sixty-five (65) feet to the point of an angle in the southeasterly face of said dock; thence northwesterly along a line making an angle to the left of six degrees, thirty-eight minutes ($6^{\circ} 38'$), with an extension of the last described course, a distance of three hundred forty-five and seventeen one-hundredths (345.17) feet to an iron pipe, thence southwesterly on a line making an angle to the left of twelve degrees, fifty-nine minutes ($12^{\circ} 59'$) with an extension of the last described course a distance of one hundred eight and six-tenths (108.6) feet to the iron pipe at the point of beginning.

Excepting therefrom the following portions conveyed to the City of Manitowoc:

- 1) Portion conveyed by Warranty Deed recorded in Volume 2046 of Records, Page 729, as Document No. 980641.

2) Portion conveyed by Warranty Deed recorded in Volume 2377 of Records, Page 135, as Document No. 1047439.

3) Portion conveyed by Warranty Deed recorded in Volume 2377 of Records, Page 141, as Document No. 1047440.

Tax ID No. 052-000-235-010.00

Parcel 2

A perpetual non-exclusive easement for the purpose of storage and handling of coal over: A tract of land located in Government Lot One (1) of Section Twenty-nine (29), Township Nineteen (19) North, Range Twenty-four (24) East, and accretions to and lying easterly of Blocks 223, 234 and 235 of the Original Plat of the City of Manitowoc, Manitowoc County, Wisconsin, being more particularly described as follows:

Commencing at the Southwest corner of Block 222 of the Original Plat of the City of Manitowoc, thence S. $00^{\circ} 12' 12''$ W. (recorded as S. $01^{\circ} 12' 35''$ E.) 24.55 feet, thence N. $84^{\circ} 58' 15''$ E. (recorded as N. $83^{\circ} 35' 02''$ E.) 108.60 feet, thence S. $82^{\circ} 02' 32''$ E. (recorded as S. $83^{\circ} 25' 58''$ E.) 345.17 feet, the point of real beginning; thence S. $80^{\circ} 59' 45''$ E., 44.93 feet, thence S. $13^{\circ} 56' 15''$ W, 844.62 feet; thence S. $16^{\circ} 41' 48''$ E., 45.37 feet, thence S. $29^{\circ} 47' 15''$ W, 15.73 feet, thence N. $76^{\circ} 10' 45''$ W., 63.58 feet; thence N. $13^{\circ} 56' 15''$ E., 895.04 feet to the true point of real beginning.

Tax ID No. 052-000-222-011.00

**EXHIBIT B
FORM OF GUARANTY**

GUARANTY

1. **Guaranty.** In consideration of, and as an inducement for The C. Reiss Coal Company (“Company”) entering into that certain “Commercial Offer to Purchase” and Addendum dated _____ with Manitowoc Public Utilities (“MPU”), (collectively the “Purchase Agreement”) which Purchase Agreement contained, among other things, certain indemnification obligations by MPU in favor of the Company, the undersigned, City of Manitowoc (“Guarantor”), hereby guarantees the prompt performance and payment when due of the Guaranteed Obligations, subject to the other terms and conditions set forth in this Guaranty. For the purposes of this Guaranty, the “Guaranteed Obligations” means all indemnification obligations, liabilities, and other undertakings of MPU in favor of the Company in accordance with the terms and conditions of the Purchase Agreement. “Guaranteed Obligations” includes all legal fees, costs, and expenses incurred by Company in enforcing the obligations under this Guaranty. This Guaranty is a guaranty of payment and performance and not merely a guaranty of collection.

2. **Waiver.** Guarantor hereby waives: (a) notice of acceptance of this Guaranty, and of the creation or existence of any of the Guaranteed Obligations and of any action by Company in reliance hereon or in connection herewith; (b) presentment, demand for payment, notice of dishonor or nonpayment, protest and notice of protest with respect to the Guaranteed Obligations; and (c) any requirement that suit be brought against, or any other action by Company be taken against, or any notice of default or other notice be given to, or any demand be made on, MPU or any other person, or that any other action be taken or not taken as a condition to Guarantor's liability for the Guaranteed Obligations or as a condition to the enforcement of this Guaranty against Guarantor.

3. **Guaranty Enforceable.** The liability of Guarantor under this Guaranty shall be irrevocable and enforceable irrespective of: (i) any change in the time, manner, terms, place of payment, or in any other term of all or any of the Guaranteed Obligations, or any other document executed in connection therewith; (ii) any sale, exchange, or transfer of any property related to the Guaranteed Obligations, or any release, amendment, waiver, or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations; (iii) failure, omission, delay, waiver, or refusal by Company to exercise, in whole or in part, any right or remedy held by Company with respect to the Guaranteed Obligations; (iv) any change in the existence, structure, or ownership of Guarantor or MPU, or any insolvency, bankruptcy, reorganization, or other similar proceeding; and (v) any other circumstance that might otherwise constitute a defense available to, or discharge of, Guarantor not available to MPU. This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Company upon the insolvency, bankruptcy, or reorganization of MPU, or any other guarantor or otherwise, all as though such payment had not been made.

4. **Default.** In the event of default by MPU in performance or payment of any indemnification, liability or undertaking in accordance with the terms and conditions of the Purchase Agreement, including, but not limited to, anticipatory breach, insolvency, inability to pay debts as they mature, or assignments for the benefit of creditors or institution of similar proceedings by or against

MPU alleging any of these events, Guarantor shall promptly pay and/or perform all Guaranteed Obligations.

5. Representations and Warranties.

- A) Guarantor is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and has full power to execute, deliver, and perform this Guaranty.
- B) The execution, delivery, and performance of this Guaranty have been and remain duly authorized by all necessary action and do not contravene any provision of law or of Guarantor's organizational documents or any contractual restriction binding on Guarantor or its assets.
- C) All consents, authorizations, and approvals of, and registrations and declarations with, any governmental authority necessary for the due execution, delivery, and performance of this Guaranty have been obtained and remain in full force and effect and all conditions thereof have been duly complied with, and no other action by and no notice to or filing with any governmental authority is required in connection with the execution, delivery, or performance of this Guaranty.
- D) This Guaranty constitutes the legal, valid, and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.
- E) Guarantor has adequate means to obtain from MPU, on a continuing basis, information concerning the financial condition of MPU, and is not relying on Company to provide such information, now or in the future.
- F) Guarantor represents that MPU is a subsidiary of Guarantor or, if MPU is not a subsidiary of Guarantor, that Guarantor will benefit from MPU being able to enter into Transactions with Company.

6. Notice. Notices under this Guaranty shall be deemed received if sent to the addresses specified below or at such other address as may be designated from time to time by Guarantor or Company: (i) if given by personal delivery, on the day received (if such day is a business day, or if such day is not a business day, the next succeeding business day); (ii) if sent by overnight express delivery, upon date of actual delivery as verified by confirmation from the courier company; or (iii) if sent by facsimile transmission or e-mail, on the day of receipt (if such day is a business day, or if such day is not a business day, the next succeeding business day) as confirmed by sender's transmission report, if sent by facsimile, or read receipt, if sent by e-mail.

To Guarantor:
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220
Attention: Finance Director

With a CC to:
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220
Attention: City Attorney

To Company:
The C. Reiss Coal Company
4111 East 37th Street North
Wichita, KS 67220
Attention: Contract Administrator
Email: CRCCcontractadmin@kochind.com

7. **Successors and Assigns.** Guarantor may not assign or delegate its obligations hereunder without the prior written consent of Company, which consent may be withheld in Company's sole and absolute discretion. Company may, upon written notice to Guarantor, assign its rights hereunder without the consent of Guarantor. Subject to the foregoing, this Guaranty shall be binding upon Guarantor, its successors and assigns, and shall be for the benefit of Company, its successors and assigns.

8. **Choice of Law; Severability.** This Guaranty shall be governed by, and construed in accordance with the laws of the State of Wisconsin and applicable federal law. However, if any provision of this Guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Guaranty.

9. **Waiver of Jury Trial.** Guarantor and Company each waive, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action, or proceeding relating to this Guaranty.

10. **Jurisdiction.** With respect to any suit, action or proceedings relating to this Guaranty ("Proceedings"), each of Guarantor and Company hereby irrevocably (i) submits to the exclusive jurisdiction of Manitowoc County, Wisconsin Circuit Court, or the United States District Court for the Eastern District of Wisconsin; and (ii) waives any objection that it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have personal jurisdiction over such party.

11. **Third Party Beneficiaries.** Nothing herein, express or implied, is intended to or shall confer upon any other person any right, benefit, or remedy of any nature whatsoever under or by reason of this Guaranty.

12. **Entire Agreement.** This Guaranty, together with the Purchase Agreement, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and shall supersede and revoke all previous and prior guarantees issued by Guarantor on behalf of MPU to Company prior to the date hereof, if any.

* * * * *

IN WITNESS WHEREOF, the foregoing instrument is executed this _____ day of _____, 2015.

**GUARANTOR:
CITY OF MANITOWOC**

By: _____
Name: Justin Nickels
Title: Mayor

By: _____
Name: Jennifer Hudon
Title: City Clerk

**EXHIBIT C
Form of Deed**

State Bar of Wisconsin Form 1-2003
WARRANTY DEED

Document Number

Document Name

THIS DEED, made between The C. Reiss Coal Company, 4111 East 37th Street North Wichita, KS 67220 (“Grantor”, whether one or more), and City of Manitowoc - Manitowoc Public Utilities, 1303 South 8th Street, PO Box 1090, Manitowoc, WI 54221-1090 (“Grantee”, whether one or more).

Grantor, for a valuable consideration, conveys to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in Manitowoc County, State of Wisconsin (“Property”) (if more space is needed, please attach addendum):

Property Address:
937 South 5th Street
Manitowoc, WI 54220

See Attached Addendum A

Recording Area

Name and Return Address

Attorney Andrew J. Steimle
Steimle Birschbach, LLC
PO Box 2225
Manitowoc, WI 54221-2225

052-000-235-010.00 and 052-000-222-011.00
Parcel Identification Number (PIN)

This is not homestead property.
(is) (is not)

Grantor warrants that the title to the Property is good, indefeasible in fee simple and free and clear of encumbrances except: *[Permitted Title Exceptions to be inserted.]*

The Property conveyed herein shall be subject to the following restrictions, which restriction shall run with the land:

1. Rezoning the Property, or obtaining a variance from applicable zoning, for any other use than industrial use (as defined by the City of Manitowoc’s zoning code in effect at such time) shall be prohibited unless the Property is remediated to support such changed use in accordance with the requirements of the state environmental agency’s laws, rules and regulations, and Grantee or its successor in title obtains written confirmation from the state environmental agency that all such remediation has been fully and completed in accordance with all applicable laws, or that no such remediation is necessary for such changed use.
2. In the event Grantee or its successor in title: (A) decides to utilize the services of a third party on the Property for purposes involving the handling, storage, transport, or sale of petroleum coke, coal, and/or other bulk commodities typically handled by Grantor; or (B) decides to make the Property available to a third party for the third party’s own use related to the handling, storage, transport, or sale of petroleum coke, coal, and/or other bulk commodities typically handled by Grantor, in either event, Grantee shall notify Grantor in writing of such intended use and the terms and conditions thereof, and will provide Grantor one (1) right of first refusal to, as applicable, serve as the operator for Grantee’s intended third party use of the Property, or use the Property for its own use on the same terms and conditions to be provided by or to the third party. This right of first refusal would not apply to any proposed one-time use of the Property for which the activities and operations would not exceed two (2) months in duration and for which there is no reasonably likelihood for such ongoing or future use of the Property to occur thereafter at the time of such one-time use. This right of first refusal shall automatically terminate without any further notice obligation on December 31, 2020. If Grantor wishes to exercise its right of first refusal as contemplated herein, it shall provide written notice of such to Grantee within thirty (30) days after Grantee provides Grantor with notice of such opportunity and the terms and conditions thereof.
3. Use of soil and groundwater on the Property shall be restricted as set forth in the Final Case Closure with Continuing Obligations dated March 19, 2015 and associated GIS registry (the “Closure”).

4. Grantor and its agents shall have the right to enter the Property at reasonable times upon not less than thirty (30) days advance written notice for the purpose of conducting environmental investigation, cleanup and other remedial or response activities which do not unreasonably interfere with the current use of the Property ("Access Activities") in the event that a government agency has determined that Access Activities are required to be conducted by Grantor under applicable law. Such notice to be provided by Grantor to Grantee shall describe in detail all proposed Access Activities to be performed and shall include copies of relevant written communication from a government agency requiring such Access Activities.

5. Grantee and its successors in title shall execute and record any further modification, revision or termination of the restriction(s) required by Section 3. above ("Restriction Modifications") if the Restriction Modifications are reasonably requested by Grantor or required by applicable law. For purposes of this paragraph, a Restriction Modification request shall be "reasonable" if necessary to maintain the Closure and will not unreasonably interfere with the use of the Property. If Grantee or such successor in title refuses or fails to execute and record such Restriction Modifications within ten (10) days after request, then Grantor is hereby irrevocably appointed as such party's attorney-in-fact to execute and record such Restrictions Modifications.

Dated _____.

_____(SEAL) _____(SEAL)
 * *
 _____(SEAL) _____(SEAL)
 * *

AUTHENTICATION

ACKNOWLEDGEMENT

Signature(s) _____

 Authenticated on _____
 *
 TITLE: MEMBER STATE BAR OF WISCONSIN
 (If not, _____
 Authorized by Wis. Stat. § 706.06)

STATE OF WISCONSIN)
)ss.
 _____ COUNTY)

THIS INSTRUMENT DRAFTED BY:
Kenneth W. Vermeulen, Barnes & Thornburg LLP
171 Monroe Ave. NW, Suite 1000, Grand Rapids, MI 49503

Personally came before me on _____,
 the above-named _____

 to me known to be the person(s) who executed the foregoing
 instrument and acknowledged the same.

*

 Notary Public, State of Wisconsin
 My Commission (is permanent) (expires: _____)

(Signatures may be authenticated or acknowledged. Both are not necessary.)

NOTE: THIS IS A STANDARD FORM. ANY MODIFICATIONS TO THIS FORM SHOULD BE CLEARLY IDENTIFIED.

WARRANTY DEED

© 2003 STATE BAR OF WISCONSIN

FORM NO. 1-2003

*Type name below signatures.

Addendum A

Parcel 1

A tract or parcel of land, in Government Lot One (1) of Section Twenty-nine (29), Township Nineteen (19) North, Range Twenty-four (24) East, in the City of Manitowoc, Manitowoc County, Wisconsin, including within its boundaries Blocks Two Hundred Twenty-three (223) and Two Hundred Thirty-four (234) as said Blocks are laid down and shown upon the recorded Plat of the City of Manitowoc; and A part of Block Two Hundred Thirty-five (235), according to the recorded Plat of the City of Manitowoc;

Together with vacated streets or portions of vacated streets abutting the aforesaid Blocks; and part of the accretions to and lying easterly of said Blocks and vacated streets, which said tract or parcel of land is bounded and described as follows:

Beginning at an iron pipe located in the east line of Lake Street (n/k/a South 5th Street), in the City of Manitowoc, which is fifty-five and five-tenths (55.5) feet north, measured along said street line, from an iron pipe set at the point of intersection of said street line, with the southerly line of Quay Street (as it existed on May 23, 1942), as extended easterly across said Lake Street (n/k/a South 5th Street); running thence south from said point of beginning on and along said East line of Lake Street (n/k/a South 5th Street), a distance of four hundred one and one-tenth (401.1) feet to an angle in said street line; thence southwesterly along the southeasterly line of said Lake Street (n/k/a South 5th Street) a distance of four hundred forty-two and five-tenths (442.5) feet to an iron pipe; thence southeasterly along a line making an angle of twenty-one degrees, thirty-six minutes ($21^{\circ} 36'$) to the left, with an extension of the last described course, a distance of seventy-two and four-tenths (72.4) feet to an iron pipe; thence southeasterly along a line making an angle of sixty-eight degrees, forty-two minutes ($68^{\circ} 42'$) to the left, with an extension of the last described course, a distance of three hundred sixty-two and ninety-five one-hundredths (362.95) feet to an iron pipe; thence northeasterly along a line making an angle of seventy-four degrees, two minutes ($74^{\circ} 2'$) to the left, with an extension of the last described course, a distance of one hundred eighteen and ninety-four one-hundredths (118.94) feet to a point which is distant seventy-five (75) feet southeasterly, measured at right angles, from the southeasterly face of the dock along the northwesterly side of the coal dock slip; thence northeasterly along a line making an angle of fifteen degrees, fifty-six minutes ($15^{\circ} 56'$) to the left, with an extension of the last described course, and on and along a line which is parallel with and distant seventy-five (75) feet southeasterly, measured at right angles, from said southeasterly face of the dock along the northwesterly side of said coal dock slip, a distance of four hundred ten and sixty-five one-hundredths (410.65) feet; thence northwesterly, at right angles, ten (10) feet; thence northeasterly, at right angles, and on and along a line parallel with and distant sixty-five (65) feet southeasterly, from the southeasterly face of the dock along the northwesterly side of said ferry and coal dock slips, a distance of four hundred fifty and five-tenths (450.5) feet; thence northwesterly, at right angles, sixty-five (65) feet to the point of an angle in the southeasterly face of said dock; thence northwesterly along a line making an angle to the left of six degrees, thirty-eight minutes ($6^{\circ} 38'$), with an extension of the last described course, a distance of three hundred forty-five and seventeen one-hundredths (345.17) feet to an iron pipe, thence southwesterly on a line making an angle to the left of twelve degrees, fifty-nine minutes ($12^{\circ} 59'$) with an extension of the last described course a distance of one hundred eight and six-tenths (108.6) feet to the iron pipe at the point of beginning.

Excepting therefrom the following portions conveyed to the City of Manitowoc:

1) Portion conveyed by Warranty Deed recorded in Volume 2046 of Records, Page 729, as Document No. 980641.

2) Portion conveyed by Warranty Deed recorded in Volume 2377 of Records, Page 135, as Document No. 1047439.

3) Portion conveyed by Warranty Deed recorded in Volume 2377 of Records, Page 141, as Document No. 1047440.

Tax ID No. 052-000-235-010.00

Parcel 2

A perpetual non-exclusive easement for the purpose of storage and handling of coal over: A tract of land located in Government Lot One (1) of Section Twenty-nine (29), Township Nineteen (19) North, Range Twenty-four (24) East, and accretions to and lying easterly of Blocks 223, 234 and 235 of the Original Plat of the City of Manitowoc, Manitowoc County, Wisconsin, being more particularly described as follows:

Commencing at the Southwest corner of Block 222 of the Original Plat of the City of Manitowoc, thence S. 00° 12' 12" W. (recorded as S. 01° 12' 35" E.) 24.55 feet, thence N. 84° 58' 15" E. (recorded as N. 83° 35' 02" E.) 108.60 feet, thence S. 82° 02' 32" E. (recorded as S. 83° 25' 58" E.) 345.17 feet, the point of real beginning; thence S. 80° 59' 45" E., 44.93 feet, thence S. 13° 56' 15" W, 844.62 feet; thence S. 16° 41' 48" E., 45.37 feet, thence S. 29° 47' 15" W, 15.73 feet, thence N. 76° 10' 45" W., 63.58 feet; thence N. 13° 56' 15" E., 895.04 feet to the true point of real beginning.

Tax ID No. 052-000-222-011.00