

N.C. DEPARTMENT OF HUMAN RESOURCES
 DIVISION OF HEALTH SERVICES

Circle one:
 G, I, P, GW, C

FILE DOCKET

DATE	ITEM
1 11-1-82	Verification of Sudden Liability Coverage
2 12-13-82	Letter to DW Strickland from Albert F. Smith
3 12-13-82	Letter to DW Strickland from Albert F. Smith
4 3-25-83	Letter to DW Strickland from Howard Harris w/enclosures
5 2-9-84	Letter to DW Strickland from Howard Harris Re: Insur. Cover-
6 4-6-84	Letter to DW Strickland from Howard Harris w/enclosures
7 9-5-84	Outline of History of Insurance
8 9-12-84	RCRA Change
9 3-1-85	Letter to DW Strickland from Willard Bundy RE: Cert. of Insur.
10 7-16-85	Memo to Ann Allen, Pam Cable from Jerry Rhodes
11 3-28-86	RCRA Financial Test Checklist
12 4-27-87	Letter to Willard Bundy from Edm. Meyer
13 7-27-87	Application for change under RCRA

G- General, I- Inspections
 P- Permits, GW- Ground Water
 C- Closure

Department of Human Resources
Division of Health Services
Solid and Hazardous Waste Management Branch

(13)

APPLICATION FOR CHANGE IN CLASSIFICATION UNDER RCRA

Date: 7-27-87

Company Name: Chromcraft

Company Address: P.O. Box 2516

High Point

EPA ID No: NC0990993001

Mr. R. J. Edwards
Solid & Hazardous Waste Management Branch
Division of Health Service
Post Office Box 2091
Raleigh, N.C. 27602

Dear Mr. Edwards:

Our Company requests the following change in its classification under RCRA (check all that apply):

<u>Add As</u>	<u>Delete As</u>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Generator
<input type="checkbox"/>	<input type="checkbox"/>	Transporter
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Treater
<input type="checkbox"/>	<input type="checkbox"/>	Storer
<input type="checkbox"/>	<input type="checkbox"/>	Disposer
<input type="checkbox"/>	<input type="checkbox"/>	Small Generator

The reason for this request is:

J. Rhodes letter to Bob Taylor 7-1-85

Rob McDaniels letter to Turner Hughey 7-2-86

Bill Ross letter to Rhodes + Babk 3-29-86

- NOTES: 1) Be specific. Give all pertinent information. This may be a change in your process; a change in your handling procedures; new analyses, or the like.
- 2) This is not a delisting petition with respect to a listed waste.

- 3) If you are requesting deletion as a treater, storer, or disposer, our branch will immediately institute steps to terminate your interim status. The termination process will include a public notice in your local paper to the effect that interim status has been terminated for this plant. Thus, in this case we must insist that your request be signed by a major corporate officer.
- 4) If this request involves small generator status, it must include an accurate statement of your present and anticipated waste generation. This is necessary because changes in the small generator definition are expected. (Attach an additional sheet.)

If your request would remove your plant from the regulated system, but you wish to retain an EPA ID Number, please give your reasons.

I understand that my company must supply information about any changes in its operations which might change its status again to our office on its own initiative.

I certify that the information supplied is accurate and correct to the best of my knowledge and belief.

I am authorized to make this request on behalf of my company at the location give. (Refer again to notes 3 and 4 before signing.)

Name (printed or typed): _____

Signature: _____

Company Title: _____

Department of Human Resources
Division of Health Services
Solid and Hazardous Waste Management Branch

APPLICATION FOR CHANGE IN CLASSIFICATION UNDER RCRA

Date: _____

Company Name: _____

Company Address: _____

EPA ID No: _____

Mr. R. J. Edwards
Solid & Hazardous Waste Management Branch
Division of Health Service
Post Office Box 2091
Raleigh, N.C. 27602

Dear Mr. Edwards:

Our Company requests the following change in its classification under RCRA (check all that apply):

<u>Add As</u>		<u>Delete As</u>	
<input type="checkbox"/>		<input type="checkbox"/>	Generator
<input type="checkbox"/>		<input type="checkbox"/>	Transporter
<input type="checkbox"/>		<input type="checkbox"/>	Treater
<input type="checkbox"/>		<input type="checkbox"/>	Storer
<input type="checkbox"/>		<input type="checkbox"/>	Disposer
<input type="checkbox"/>		<input type="checkbox"/>	Small Generator

The reason for this request is:

- NOTES: 1) Be specific. Give all pertinent information. This may be a change in your process; a change in your handling procedures; new analyses, or the like.
- 2) This is not a delisting petition with respect to a listed waste.

- 3) If you are requesting deletion as a treater, storer, or disposer, our branch will immediately institute steps to terminate your interim status. The termination process will include a public notice in your local paper to the effect that interim status has been terminated for this plant. Thus, in this case we must insist that your request be signed by a major corporate officer.
- 4) If this request involves small generator status, it must include an accurate statement of your present and anticipated waste generation. This is necessary because changes in the small generator definition are expected. (Attach an additional sheet.)

If your request would remove your plant from the regulated system, but you wish to retain an EPA ID Number, please give your reasons.

I understand that my company must supply information about any changes in its operations which might change its status again to our office on its own initiative.

I certify that the information supplied is accurate and correct to the best of my knowledge and belief.

I am authorized to make this request on behalf of my company at the location give. (Refer again to notes 3 and 4 before signing.)

Name (printed or typed): _____

Signature: _____

Company Title: _____



12

North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

April 27, 1987

Willard L. Bundy
Director, Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Chromcraft

Re: NCD990883001, Monarch Furniture
Financial Assurance

Dear Mr. Bundy:

Pursuant to 40 CFR 265.143(h) and 265.147(e), codified at 10 NCAC 10F .0033(h), you are hereby notified that Mohasco Corporation is no longer required to maintain closure assurance and sudden liability coverage for the above-referenced facility. Closure certification was received by the Branch on May 28, 1985, and the Branch has determined that closure was in accordance with the facility's approved closure plan. Therefore, I hereby withdraw the Compliance Order with Administrative Penalty, Docket #87-364, dated April 19, 1987.

Please complete the enclosed Application for Change in Classification Under RCRA and return it to our office as soon as possible. If you have questions, please contact Jerry Rhodes, Assistant Branch Head, at (919)733-2178.

Sincerely,

Jerry Rhodes
For

William L. Meyer, Head
Solid and Hazardous Waste Management Branch

cc: William G. Ross, Jr.
David Ellison, EPA Region IV
Jim Edwards
Gary Babb

6298A-25

Department of Human Resources
Division of Health Services
Solid and Hazardous Waste Management Branch

APPLICATION FOR CHANGE IN CLASSIFICATION UNDER RCRA

Date: 4/30/87

Company Name: Chromcraft

Company Address: P.O. Box 2516
High Point, NC 27261

EPA ID No: NCD990883001

Mr. William L. Meyer, Head
Solid & Hazardous Waste Management Branch
Division of Health Service
Post Office Box 2091
Raleigh, N.C. 27602

Dear Mr. Meyer:

Our Company requests the following change in its classification under RCRA.
(check all that apply):

<u>Add As</u>	<u>Delete As</u>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Generator
<input type="checkbox"/>	<input type="checkbox"/>	Transporter
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Treater
<input type="checkbox"/>	<input type="checkbox"/>	Storer
<input type="checkbox"/>	<input type="checkbox"/>	Disposer
<input type="checkbox"/>	<input type="checkbox"/>	Small Generator

The reason for this request is:

Closed regulated Treatment Unit; ceased generation of
Hazardous Waste.

NOTES: 1) Be specific. Give all pertinent information. This may be a change in your process; a change in your handling procedures; new analyses, or the like.

2) This is not a delisting petition with respect to a listed waste.



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

April 21, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Willard L. Bundy
Director, Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

withdrawn

Re: Compliance Order with Administrative Penalty
Mohasco Corporation, NCD990883001

Dear Mr. Bundy:

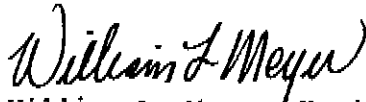
Enclosed is a Compliance Order with Administrative Penalty issued to Mohasco Corporation, for certain violations of the North Carolina Solid Waste Management Act, N.C.G.S. 130A, Article 9, (Act) and North Carolina Hazardous Waste Management Rules, 10 NCAC 10F, (Rules). The Compliance Order with Administrative Penalty describes both the violations and the actions required for compliance, at your facility, with the Act and Rules.

Pursuant to N.C.G.S. 130A-22(a) an administrative penalty of \$50.00 is imposed in the Compliance Order with Administrative Penalty. You may appeal this Compliance Order with Administrative Penalty by submitting a written petition for an administrative hearing to the Office of Administrative Hearings, P.O. Drawer 11666, Raleigh, North Carolina 27604, and by sending a copy of the petition to Nancy H. Temple, Agent, Department of Human Resources, 325 N. Salisbury Street, Raleigh, North Carolina 27601, within 30 days of the receipt of the Compliance Order with Administrative Penalty. The petition must be in accordance with N.C.G.S. 150B-23(a) and 10 NCAC 10G .0704.

If no administrative hearing is requested, the administrative penalty must be paid by Mohasco Corporation within 60 days by check or money order, payable to the Division of Health Services, and mailed to William L. Meyer, Head, Solid and Hazardous Waste Management Branch, Division of Health Services, P.O. Box 2091, Raleigh, North Carolina 27602.

If you desire to schedule an informal conference to discuss the Compliance Order with Administrative Penalty, please contact Dr. Carol M. Schiller, Branch Attorney.

Sincerely,



William L. Meyer, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section

WLM/PTC/lh/

Enclosure: Compliance Order with Administrative Penalty

cc: Enforcement File
John Lank, EPA Region IV
Gary Babb
Pamela Coble
Jim Edwards
Joe Deakins

North Carolina Department of Human Resources
Division of Health Services
Solid and Hazardous Waste Management Branch

In Re: Mohasco Corporation)
 NCD990883001)
 COMPLIANCE ORDER WITH
 ADMINISTRATIVE PENALTY
 Docket # 87-364

PRELIMINARY STATEMENT

This Compliance Order with Administrative Penalty is issued under the North Carolina Solid Waste Management Act, N.C.G.S. 130A, Article 9, (Act) and the North Carolina Solid Waste Management Rules, 10 NCAC 10F, (Rules). Mohasco Corporation is a Delaware corporation which treats, stores, and/or disposes hazardous waste at High Point, North Carolina. Based upon a financial assurance record review, the North Carolina Solid and Hazardous Waste Management Branch determined that Mohasco Corporation is in violation of certain requirements of the Act and Rules as set forth in this Compliance Order with Administrative Penalty.

STATEMENTS OF FACT AND LAW

1. Mohasco Corporation is a Delaware corporation which owns and/or operates an existing hazardous waste treatment, storage, and/or disposal facility, as defined in N.C.G.S. 130A-290 and 10 NCAC 10F .0002, at 600 Scientific Road, High Point, North Carolina. Mohasco Corporation is a person as defined in N.C.G.S. 130A-290(12) and 10 NCAC 10F .0002.
2. Prior to November 19, 1980, Mohasco Corporation notified the United States Environmental Protection Agency (EPA) that it owned and/or operated a hazardous waste management facility, submitted a Part A permit application and complied with the other requirements for achieving interim status under Section 3005 of the Resource Conservation and Recovery Act of 1976 (RCRA), 42 U.S.C. 6901 et seq.
3. In that application, Mohasco Corporation stated that it treated, stored, and/or disposed F006 which is defined as hazardous waste under 40 CFR 261, codified at 10 NCAC 10F .0029.
4. On December 18, 1980, the State of North Carolina, Solid and Hazardous Waste Management Branch (State), was authorized to operate the State RCRA hazardous waste program under the Solid Waste Management Act, N.C.G.S. 130A, Article 9, and rules codified at 10 NCAC 10F ("Act" and "Rules"). William L. Meyer, Head of the Branch, has been delegated those responsibilities.
5. 40 CFR Part 265, codified at 10 NCAC 10F .0033, contains standards and requirements applicable to owners and/or operators of hazardous waste management facilities which have achieved interim status.
6. On April 9, 1987, Pamela Coble, Branch Paralegal, made a financial assurance record review and found the facility to be in violation of certain requirements contained in 40 CFR 265, Subpart H, codified at 10 NCAC 10F .0033(h). Specifically:

40 CFR 265.143(e)(3)(i), codified at 10 NCAC 10F .0033(h), requires an owner or operator to submit a letter signed by the owner's or operator's chief financial officer and worded as specified in Section 264.151(f), codified at 10 NCAC 10F .0032(i), to demonstrate that he meets the financial test as specified in Section 265.143(e), codified at 10 NCAC 10F .0033(h). Mohasco Corporation is in violation of 40 CFR 265.143(e)(3)(i), codified at 10 NCAC 10F .0033(h), in that it has not submitted a letter worded as specified in Section 264.151(f), codified at 10 NCAC 10F .0032(i).

CIVIL PENALTY

N.C.G.S. 130A-22(a) and 10 NCAC 10G .0701 - .0707 authorizes an administrative penalty of up to \$10,000.00 per day for each violation of the hazardous waste provisions of the Act and Rules. The N.C. Solid Waste Management Penalty Computation Procedure (March 19, 1985) was used to determine the penalty. Accordingly, a penalty of \$50.00 is imposed. The factors considered include, but are not limited to: the nature of the violations, the potential effect on the public health and environment, the degree and extent of harm caused by the violations, the costs of rectifying any damage, the types and amount of wastes, the ease and costs of compliance and the history of noncompliance.

CONDITIONS FOR CONTINUED OPERATION

Based upon the foregoing, Mohasco Corporation is hereby ordered to take the following actions:

1. Within sixty (60) days, submit the administrative penalty, by check or money order, payable to the Division of Health Services, and mailed to William L. Meyer, Head, Solid and Hazardous Waste Management Branch, Division of Health Services, P.O. Box 2091, Raleigh, NC 27602.
2. By May 22, 1987, take the following action to correct all violations as stated in this Compliance Order with Administrative Penalty and otherwise be in compliance with requirements of 40 CFR 265, Subpart H, codified at 10 NCAC 10F .0033(h):

Comply with 40 CFR 265.143(e)(3)(i), codified at 10 NCAC 10F .0033(h), by submitting a letter signed by the owner's or operator's chief financial officer and worded as specified in Section 264.151(f), codified at 10 NCAC 10F .0032(i). A copy of the North Carolina model document is enclosed for your use.

POTENTIAL CONSEQUENCES OF FAILURE TO COMPLY

Mohasco Corporation is hereby advised that pursuant to N.C.G.S. 130A-22 each day of continued violation of any requirement of the Act or the Rules constitutes a separate violation for which an additional penalty of up to \$10,000 per day may be imposed. If the violation(s) continue, Mohasco Corporation may also be subject to further enforcement including injunction from any further treatment, storage, or disposal of hazardous waste and such further relief as may be necessary to achieve compliance with the Solid Waste Management Act and Rules.

OPPORTUNITY TO REQUEST A HEARING

Mohasco Corporation has the right to request an administrative hearing to contest any matter of law, material fact, requirement, or penalty set forth in this Compliance Order with Administrative Penalty. To avoid being in default and having the penalty collected without further administrative proceedings, a written petition must be submitted within 30 days of receipt of this Compliance Order with Administrative Penalty in accordance with N.C.G.S. 150B-23(a) and 10 NCAC 10G .0704. The petition shall be verified or supported by affidavit and shall state facts tending to establish that the agency has deprived Mohasco Corporation of property, has ordered Mohasco Corporation to pay a fine or civil penalty, or has otherwise substantially prejudiced Mohasco Corporation's rights and that the Branch:

1. exceeded its authority or jurisdiction;
2. acted erroneously;
3. failed to use proper procedure;
4. acted arbitrarily or capriciously; or
5. failed to act as required by law or rule.

The petition must be submitted to the Office of Administrative Hearings, P.O. Drawer 11666, Raleigh, North Carolina 27604, in accordance with N.C.G.S. 150B-23(a). A copy of the petition must be submitted to Nancy H. Temple, Agent, Department of Human Resources, 325 N. Salisbury Street, Raleigh, North Carolina 27601. Requested administrative hearings will be conducted in accordance with applicable rules contained in the North Carolina Administrative Code, a copy of which is available upon request. If no hearing is requested, payment of the administrative penalty becomes due within 60 days after receipt of this notice. If a hearing is requested, payment of the administrative penalty is due within 60 days after service of a written copy of the decision. If payment is not received as required, the Secretary of Human Resources shall request the Attorney General to commence an action to recover the amount of the penalty and may also request that an injunctive action be commenced to achieve compliance pursuant to N.C.G.S. 130A-22(g).

INFORMAL CONFERENCE

Whether or not Mohasco Corporation requests an administrative hearing, the Branch encourages an informal conference to discuss this matter and to give Mohasco Corporation an opportunity to provide additional information, including any actions it has taken to correct the violations(s). If an informal conference is desired, please contact:

Dr. Carol M. Schiller
Branch Attorney
Solid and Hazardous Waste Management Branch
P.O. Box 2091, 306 N. Wilmington Street
Raleigh, N.C. 27602-2091
(919) 733-2178

THE SCHEDULING OF AN INFORMAL CONFERENCE WILL NOT RELIEVE MOHASCO CORPORATION OF THE NEED TO FILE A WRITTEN PETITION FOR AN ADMINISTRATIVE HEARING WITHIN 30 DAYS OF RECEIPT OF THIS COMPLIANCE ORDER WITH ADMINISTRATIVE PENALTY.

BY: William L. Meyer
William L. Meyer, Head
Solid and Hazardous Waste Management Branch
Division of Health Services
Department of Human Resources

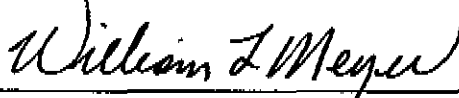
Date: 4/19/87

CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing Compliance Order with Administrative Penalty to be served upon the person(s) designated below, at the last known address, by causing said copy to be deposited in the U.S. Mail, First Class (certified mail, restricted delivery, return receipt requested, and postage prepaid) in an envelope addressed to:

Willard L. Bundy
Director, Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Dated this 19 day of April, 1987.



William L. Meyer, Head
Solid and Hazardous Waste Management Branch

(6603A)(1-7)

NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES
SOLID AND HAZARDOUS WASTE MANAGEMENT BRANCH
P.O. BOX 2091 RALEIGH, NORTH CAROLINA 27602-2091

306 N. WILMINGTON ST.
INSPECTION REPORT

EPA ID.# : NCD990883001 FACILITY NAME : Mohasco (Chromcraft/Monarch)

ADDRESS: _____ CITY: _____

DATE OF INITIAL INSPECTION: _____ STAFF ID #: _____ DOCKET #: 87-364

RESPONSIBLE AGENCY: (S) = STATE: E = EPA: X = OVERSIGHT:
B = STATE CONTRACTOR: E = EPA CONTRACTOR:

TYPE OF EVALUATION: 3

1=CEI	8=WITHDRAWAL CANDIDATE
2=SAMPLING	9=CLOSED FACILITY
3=RECORD REVIEW	10=GENERAL (LOIS FOR EPA)
4=CME	11=CASE DEVELOPMENT
5=FOLLOW UP	12=CORRECTIVE ACTION
6=CITIZEN COMPLAINT	
7=PART B.	80=INFORMAL MEETING

DATE OF INSPECTION: 4 9 87

CLASS	AREA OF EVALUATION							
	GW:	C/CP	FIN:	PART B:	CMPL.SCH:	MA:	OT:	CA:
I			0					
II			X					

ENTER 0, X, or Z IN THE CLASS I ROW.
MAKE ENTRY IN CLASS II ROW ONLY IF CLASS II VIOLATIONS EXIST.

ENFORCEMENT ACTIONS:

CLASS	VIOLATION	CODE	DATE ACTION TAKEN		COMPLIANCES DATE		PENALTY		RESPONSIBLE	
			TAKEN	SCHED.	SCHED.	ACTUAL	ASSESSED	COLLECTED	AGENCY	ID
II	fin	05	4/21/87	5/22/87	4/20/87		50.00		S	46

02=3007 INFO REQUEST 05=FINAL ADMIN. ORDER
03=NOV WARNING LETTER 10=INFORMAL
04=ADMIN. COMPLAINT

STATUS OF HANDLER: IN COMPLIANCE WITH SCHEDULE IN ORDER: _____ YES: _____ NO: _____

DATE STATUS EVALUATED: _____

COMMENTS: reviewed financial Test

Mohasco

NCD990883001

Facility

EPA I.D.

46 - Pamela Coble

financial test

4/9/87

Reviewer

Document Being Reviewed

Review Date

COST ESTIMATE Closure (265.142) Post-Closure (265.144)

- has written estimate, in current dollars (a)
- adjusted for inflation (b)
- estimate revised because of closure plan change (c)
- latest estimate kept at facility (d)

FINANCIAL ASSURANCE Closure (265.143) Post-Closure (265.145)

A. Trust Fund

- originally signed duplicate (a)(1)
- trustee authorized and regulated (a)(1)
- wording identical (a)(2)
- accompanied by acknowledgement (a)(2)
- Schedule A updated (a)(2)
- annual payment made (a)(3)
- value of fund maintained (a)(4)
- first payment equals amount fund would have contained if established initially (a)(5)

B. Surety Bond

- surety company acceptable (b)(1)
- wording identical (b)(2)
- standby trust established (b)(3)
- original duplicate standby trust submitted (b)(3)(1)
- penal sum equals current cost estimate (b)(5)
- penal sum increased within 60 days of cost estimate increase (b)(7)
- cancellation notice provided 120 days in advance (b)(8)

C. Letter of Credit

- issuing institution authorized and regulated (c)(1)
- wording identical (c)(2)
- standby trust fund established (c)(3)
- original duplicate of standby trust fund submitted (c)(3)
- letter from owner/operator (c)(4)
- cancellation notice provided 120 days in advance (c)(5)
- letter of credit in amount equal to closure cost estimate (c)(6)
- letter of credit amount increased within 60 days of closure cost estimate increase (c)(7)

D. Closure Insurance

- insurer licensed or eligible (d)(1)
- wording identical (d)(2)
- face amount equals cost estimate (d)(3)
- cancellation notice provided 120 days in advance (d)(8)
- face amount increased within 60 days of closure cost estimate increase (d)(9)
- policy maintained (d)(6)

E. Financial Test and Corporate Guarantee

- C letter signed by CFO (e)(3)(1)
- X identical wording (e)(3)(1)
- C copy of CPA report (e)(3)(ii)
- C special CPA report (e)(3)(iii)
- C updated information timely submitted (e)(5)
- N/A ineligibility notice within 90 days of fiscal year end (e)(6)
- N/A alternative financial assurance within 120 days of fiscal year end (e)(6)
- C meets Alternative I criteria (e)(1)(1)
- N/A meets Alternative II criteria (e)(1)(1)
- alternative financial assurance within 30 days of branch ineligibility notice (e)(7)
- N/A alternative financial assurance within 30 days of notification of disallowance (e)(8)
- N/A guarantor is parent corporation (e)(10)
- N/A guarantor meets criteria (e)(10)
- N/A identical wording (e)(10)
- N/A accompanies financial test (e)(10)
- N/A cancellation notice provided 120 days in advance (e)(10)(ii)
- N/A alternative financial assurance within 90 days (e)(10)(iii)

Comments

3907

Financial Assurance - Liability (147)

A. Sudden

- _____ required coverage (a)
- _____ properly worded certificate/endorsement (a)(1)(i)
- _____ signed duplicate original (a)(1)(i)
- _____ insurer licensed/eligible (a)(1)(ii)
- _____ continuously demonstrated (e)

B. Nonsudden

- _____ required coverage (b)
- _____ properly worded certificate/endorsement (b)(1)(i)
- _____ signed duplicate original (b)(1)(i)
- _____ insurer licensed/eligible (b)(1)(ii)
- _____ continuously demonstrated (e)

C. Liability Financial Test

- _____ letter signed by CFO (f)(3)(i)
- _____ identical wording (f)(3)(i)
- _____ copy of CPA report (f)(3)(ii)
- _____ special CPA report (f)(3)(iii)
- _____ updated information timely submitted (f)(5)
- _____ insurance within 90 days of fiscal year end (f)(6)
- _____ alternative financial assurance within 30 days of branch ineligibility notice (f)(7)
- _____ meets Alternative I criteria (f)(1)(i)
- _____ meets Alternative II criteria (f)(1)(ii)

RA FINANCIAL TEST CHECKLIST

Name Mohasco Corp.

Code FG

ID# NCD 990883001

Seq. No. _____

Date reviewed 4/9/87 by pte

AMOUNT COVERED CLOSURE 16,032.00

STATUS IS.

AMOUNT COVERED POST CLOSURE N/A

MULTI FACILITY IND no

RESPONSIBLE AGENCY _____

FREE FIELD 1 _____

FREE FIELD 2 _____

FISCAL YEAR ENDS 12-31

FREE FIELD 3 _____

DATE TEST EXPIRES 3-31-88

FREE FIELD 4 _____

Chief financial officer's letter

All facilities appear to be listed

Facilities are listed in correct paragraphs

Test also covers liability insurance for:

sudden non-sudden

Sum of cost estimates is correct

Chief financial officer's signature is of appropriate level

Submission includes changes in cost estimates due to either inflation or revised closure/post closure plans.

Letter is acceptable - yes no

doesn't include #5.

Alternative I

- Test meets two of three ratios required
- Net working capital and tangible net worth each at least six times sum of cost estimates (plus liability coverage when applicable)
- Tangible net worth at least \$10 million
- Assets in U.S. equal to at least 90% of total assets or six times sum of cost estimates (plus liability when applicable)

Alternative II.

- _____ Current bond rating is adequate; rating: _____ BY: _____
- _____ Tangible net worth is at least six times sum of cost estimates (plus liability when applicable)
- _____ Tangible net worth at least \$10 million
- _____ Assets in U.S. equal to at least 90% of total assets or six times sum of cost estimates (plus liability when applicable)

INDEPENDENT AUDITOR'S REPORT, ON YEAR END FINANCIAL STATEMENTS

- Acceptable, unqualified opinions
- _____ Unacceptable, disclaimers of opinion, adverse opinions, or other type of qualified opinion.

INDEPENDENT AUDITOR'S SPECIAL REPORT, CONFIRMING CHIEF FINANCIAL OFFICER'S LETTER.

- Acceptable, Unqualified opinions
- _____ Disclaimers of opinion, Adverse opinions, or other type of qualified opinion.

✓
_____ Credentials of the independent certified public accountant(s)
are valid

_____ Corporate guarantee test

_____ The wording of the written guarantee of corporate
parent is identical to that required by RCRA
Regulations.

_____ Corporate guarantor qualifies as a corporate parent
of the owner or operator.

_____ Firm to be subjected to further investigation due to:

Comments: _____

FINANCIAL PARTY

NAME Mohasco Corporation

MAILING ADDRESS 57 Lyon Street

CITY Amsterdam

STATE NY

ZIP CODE 12010

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211
FAX-518/841-2692

March 23, 1987



Mr. O.W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602



Dear Mr. Strickland:

Enclosed for your files and appropriate further handling,
please find:

1. A letter, in the prescribed form, dated March 5, 1987,
from Robert W. Overholtzer, Mohasco's Chief Financial
Officer, supporting Mohasco's use of the financial
test to demonstrate financial assurance.
2. Mohasco Corporation's 1986 Annual Report.
3. Peat, Marwick, Mitchell & Co's special report in con-
firmation of Robert W. Overholtzer's March 5, 1987
letter.

Please contact me if you have any questions about this.

Sincerely,

Willard L. Bundy
Director
Risk Management

WLB/g
Enc.

cc: R. Overholtzer

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211
FAX-518/841-2692

March 5, 1987



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$16,032.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1986.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] \$ 16,032.00

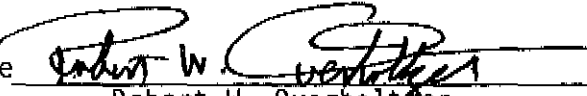
*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$ <u>159,032,000.00</u>
*3. Tangible net worth	\$ <u>225,584,000.00</u>
*4. Net worth	\$ <u>226,563,000.00</u>
*5. Current assets	\$ <u>232,685,000.00</u>
*6. Current liabilities	\$ <u>94,725,000.00</u>
*7. Net working capital [line 5 minus line 6]	\$ <u>137,960,000.00</u>
*8. The sum of net income plus depreciation, depletion, and amortization	\$ <u>38,174,000.00</u>
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$ <u>347,075,000.00</u>

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	_____
11. Is line 3 at least 6 times line 1?	<u>X</u>	_____
12. Is line 7 at least 6 times line 1?	<u>X</u>	_____
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u>X</u>	_____
14. Is line 9 at least 6 times line 1?	<u>X</u>	_____
15. Is line 2 divided by line 4 less than 2.0? .70	<u>X</u>	_____
16. Is line 8 divided by line 2 greater than 0.1? .24	<u>X</u>	_____
17. Is line 5 divided by line 6 greater than 1.5? 2.45	<u>X</u>	_____

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 5, 1987
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name 
Robert W. Overholter

Title Vice President, Finance

Date March 5, 1987



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
74 North Pearl Street
Albany, New York 12207
(518) 462-9651

The Board of Directors
Mohasco Corporation:

As requested, we have applied certain agreed-upon procedures to documents which Mohasco Corporation (the Company) has prepared to demonstrate its financial responsibility under the Environmental Protection Agency's financial assurance regulations in compliance with 40 CFR 264 and 265, Subpart H. These procedures, as discussed below, were performed solely to assist the Company in complying with these regulations and, therefore, this report is not to be used for any other purpose. Our procedures and findings with respect to the attached schedule (Exhibit A) were as follows:

1. Agreed the amounts in the column "Per consolidated financial statements" with amounts contained in the Company's consolidated financial statements for the year ended December 31, 1986. No exceptions were noted.
2. Agreed the amounts in the column "Per CFO's letter" to the letter prepared in response to the regulations (Exhibit B). No exceptions were noted.
3. Agreed the amounts in the column "Reconciling items" to analyses prepared by the Company setting forth the indicated items, of which there were none.
4. Recomputed the totals. No exceptions were noted.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we express no opinion on any amounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the attached schedule (Exhibit A) should be adjusted. This report relates only to the items specified above and does not extend to any financial statements of Mohasco Corporation and subsidiaries, taken as a whole.

Peat, Marwick, Mitchell & Co.

March 5, 1987

Mohasco Corporation
Year Ended December 31, 1986

This schedule reconciles the amounts contained in the Chief Financial Officer's letter (Exhibit B), furnished in response to 40 CFR 264 and 265, Subpart H, to the amounts contained in the consolidated financial statements of Mohasco Corporation for the year ended December 31, 1986.

Line number in CFO's letter	Item	Per consolidated financial statements (in thousands of dollars)	Reconciling items	Per CFO's letter
2.	Total current liabilities	\$ 94,725		
	Long-term debt, less current maturities	43,234		
	Deferred Federal income taxes	11,704		
	Other liabilities	8,573		
	Redeemable preferred stock	796		
	Total liabilities	<u>\$ 159,032</u>	-	<u>159,032</u>
3.	Net worth	226,563		
	Less: Goodwill and unamortized debt expense	979		
	Tangible net worth	<u>\$ 225,584</u>	-	<u>225,584</u>
4.	Net worth	<u>\$ 226,563</u>	-	<u>226,563</u>
5.	Current assets	<u>\$ 232,685</u>	-	<u>232,685</u>
6.	Current liabilities	<u>\$ 94,725</u>	-	<u>94,725</u>
7.	Net working capital (line 5 minus 6)	<u>\$ 137,960</u>	-	<u>137,960</u>
8.	Net income	15,835		
	Depreciation and amortization	22,339		
	Total net income, depreciation and amortization	<u>\$ 38,174</u>	-	<u>38,174</u>
9.	Total assets	385,595		
	Less assets of foreign subsidiaries	38,520		
	Total assets in U.S.	<u>\$ 347,075</u>	-	<u>347,075</u>

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211
FAX-518/841-2692



March 5, 1987

North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$16,032.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

North Carolina Department of Human Resources
 March 5, 1987
 Page 3

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$	<u>159,032,000.00</u>	
*3. Tangible net worth	\$	<u>225,584,000.00</u>	
*4. Net worth	\$	<u>226,563,000.00</u>	
*5. Current assets	\$	<u>232,685,000.00</u>	
*6. Current liabilities	\$	<u>94,725,000.00</u>	
*7. Net working capital [line 5 minus line 6]	\$	<u>137,960,000.00</u>	
*8. The sum of net income plus depreciation, depletion, and amortization	\$	<u>38,174,000.00</u>	
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$	<u>347,075,000.00</u>	
		<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?		<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?		<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?		<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.		<u>X</u>	<u> </u>
14. Is line 9 at least 6 times line 1?		<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?		<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?		<u>X</u>	<u> </u>
17. Is line 5 divided by line 6 greater than 1.5?		<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
 March 5, 1987
 Page 2

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.


The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1986.

ALTERNATIVE I

- | | |
|---|---------------------|
| 1. Sum of current closure and post-closure cost estimates [total of <u>all</u> cost estimates shown in the four paragraphs above] | \$ <u>16,032.00</u> |
|---|---------------------|

North Carolina Department of Human Resources
March 5, 1987
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name 
Robert W. Overholter

Title Vice President, Finance

Date March 5, 1987

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Mohasco's management is responsible for the fairness, integrity and objectivity of the Company's financial statements and other information presented in this Annual Report. The financial statements have been prepared in accordance with generally accepted accounting principles and include amounts based on management's best estimates and judgments.

Mohasco maintains and relies on a system of internal controls which provides reasonable assurance at an appropriate cost that the Company's assets are safeguarded, and transactions are properly executed and recorded in accordance with management's authorization. The control system includes written accounting and internal control policies and procedures; and an organizational structure that provides for segregation of responsibilities and the selection and training of qualified personnel. In addition, the Company has an internal audit function which evaluates existing controls and recommends changes and improvements deemed necessary.

The Board of Directors, through its Audit Committee of four directors who are not officers or employees of the Company, is responsible for reviewing and monitoring the financial statements and accounting practices. The Audit Committee meets regularly with senior financial management, independent public accountants and internal auditors to appraise the effectiveness of the independent public accountants and the Company's staff of internal auditors and Mohasco's management with respect to the financial statements, and the adequacy of internal financial controls. The Committee also reviews the Company's accounting policies and controls, and the Annual Report and proxy material.

Management believes that the Company's policies and procedures, as well as its internal control system and activities of the internal auditors and independent public accountants and the Audit Committee, provide shareowners with reasonable assurance as to the integrity of the financial statements.



Robert W. Overholtzer
Vice President, Finance
and Chief Financial Officer

ACCOUNTANTS' REPORT

The Shareowners and Board of Directors
Mohasco Corporation:

We have examined the consolidated balance sheets of Mohasco Corporation and subsidiaries as of December 31, 1986 and 1985 and the related consolidated statements of earnings and retained earnings, and changes in financial position for each of the years in the three-year period ended December 31, 1986. Our examinations were made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned consolidated financial statements present fairly the financial position of Mohasco Corporation and subsidiaries at December 31, 1986 and 1985 and the results of their operations and the changes in their financial position for each of the years in the three-year period ended December 31, 1986, in conformity with generally accepted accounting principles applied on a consistent basis.



Albany, New York
February 6, 1987

Mohasco Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS
December 31, 1986 and 1985

<i>(In thousands)</i>	1986	1985
Assets		
Current assets:		
Cash	\$ 1,011	4,516
Accounts and notes receivable:		
Trade	116,958	126,162
Other	6,300	4,864
	123,258	131,026
Less allowance for discounts and doubtful accounts	7,711	8,808
	115,547	122,218
Inventories (note 1)	87,959	96,667
Rental furniture, current portion	10,453	10,141
Prepaid expenses and other current assets (note 4)	17,715	15,674
Total current assets	232,685	249,216
Rental furniture, less current portion, at cost, less accumulated depreciation of \$19,500,000 in 1986 and \$16,406,000 in 1985	40,539	36,810
Property, plant and equipment, at cost:		
Land	5,470	5,571
Buildings	61,093	59,990
Buildings capitalized under long-term leases	18,465	18,465
Machinery and equipment	160,129	161,366
Leasehold improvements	14,097	13,300
Construction in progress	6,278	3,100
	265,532	261,862
Less accumulated depreciation and amortization	162,171	158,052
	103,361	103,810
Other assets (note 5)	9,010	9,010
	\$385,595	\$385,595

See accompanying notes to consolidated financial statements.

NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES

SOLID AND HAZARDOUS WASTE MANAGEMENT BRANCH

P.O. BOX 2091 RALEIGH, NORTH CAROLINA 27602-2091

306 N. WILMINGTON ST.

INSPECTION ACTIONS

STAFF ID: 46 NAME: Coble INSPECTION DATE 7 22 86

EPA ID NO. NC990883001 NAME: Chromcraft (Mohasco)

ADDRESS: _____ CITY: _____

FACILITY CONTACT: _____

SM.GEN: _____ GEN: _____ TRANS: _____ INTERIM TSDF: PERMITTED TSDF: _____

AGENCY REAP.FOR INSPECTION: STATE: _____ EPA: _____ JOINT: _____ OVERSIGHT

GWM: _____ FIN: CL/PC: _____ CMPL.SCH: _____ PT.B: _____ MANFST: _____ OTHER: _____

NEW UPDATE _____

TYPE OF INSPECTION: 3

1 = EVALUATION	6 = OTHER (COMPLAINT)
2 = SAMPLING	7 = OTHER (PART B.CALL)
3 = RECORD REVIEW	8 = OTHER (WITHDRAWAL)
4 = GROUND WATER	9 = OTHER (CLOSED FAC.)
5 = FOLLOW UP	10 = OTHER (GENERAL)
	11 = CASE DEVELOPMENT

LOCATION: _____ ON SITE: _____ FIELD OFFICE: RALEIGH OFFICE: _____ OTHER

RESULT: IN COMPLIANCE: _____ IN VIOLATION-DOCKET NO: _____

AREAS IN VIOLATION:

_____ SG .261:	_____ TSDF.264:	_____ GW. 264:	_____ CONT. 264:
_____ GEN.262:	_____ TSDF.265:	_____ GW. 265:	_____ CONT. 265:
_____ TRN.263:	_____ C/PC.264:	_____ FIN.264:	_____ MF. 264:
_____ PER.270:	_____ C/PC.265:	_____ FIN.265:	_____ MF. 265:

HANDLING METHODS:

_____ CNTR.264:	_____ INCN.264:	_____ SURF.264
_____ CNTR.265:	_____ INCN.265:	_____ SURF.265:

ENFORCEMENT ACTION

_____ (N.O.V.)WARNING LETTER	03	_____ INFORMAL	10
_____ ADMINISTRATIVE ORDER	05		
_____ COMPLIANCE COMPLIANT	04		
_____ FILED CIVIL ACTION	11		
_____ FILED CRIMINAL ACTION	12		

PENALTY ASSESSED: \$ _____

SCHEDULED REINSPECTION DATES:

1	_____	2	_____	3	_____
4	_____	5	_____	6	_____

ba

NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES
 SOLID AND HAZARDOUS WASTE MANAGEMENT BRANCH
 P.O. BOX 2091 RALEIGH, NORTH CAROLINA 27602-2091
 306 N. WILMINGTON ST.

INSPECTION ACTIONS

STAFF ID: 46 NAME: Pam Coble INSPECTION DATE 7 21 86
 EPA ID NO. NCD002591014 NAME: Scovill Inc., Schrader Bellows
 ADDRESS: _____ CITY: _____

FACILITY CONTACT: _____

SM.GEN: _____ GEN: _____ TRANS: _____ INTERIM TSDF: PERMITTED TSDF: _____

AGENCY REAP.FOR INSPECTION: STATE: _____ EPA: _____ JOINT: _____ OVERSIGHT

GWM: _____ FIN: CL/PC: _____ C/PC.SCH: _____ PT.B: _____ MANFST: _____ OTHER: _____

NEW UPDATE _____

TYPE OF INSPECTION: 3

1 = EVALUATION	6 = OTHER (COMPLAINT)
2 = SAMPLING	7 = OTHER (PART B CALL)
3 = RECORD REVIEW	8 = OTHER (WITHDRAWAL)
4 = GROUND WATER	9 = OTHER (CLOSED FAC.)
5 = FOLLOW UP	10 = OTHER (GENERAL)
	11 = CASE DEVELOPMENT

LOCATION: _____ ON SITE: _____ FIELD OFFICE: RALEIGH OFFICE: _____ OTHER

RESULT: IN COMPLIANCE: IN VIOLATION-DOCKET NO: _____

AREAS IN VIOLATION: _____ SG .261: _____ TSDF.264: _____ GW. 264: _____ CONT. 264: _____
 _____ GEN.262: _____ TSDF.265: _____ GW. 265: _____ CONT. 265: _____
 _____ TRN.263: _____ C/PC.264: _____ FIN.264: _____ MF. 264: _____
 _____ PER.270: _____ C/PC.265: _____ FIN.265: _____ MF. 265: _____

HANDLING METHODS: _____ CNTR.264: _____ INCN.264: _____ SURF.264
 _____ CNTR.265: _____ INCN.265: _____ SURF.265:

ENFORCEMENT ACTION _____ (N.O.V.)WARNING LETTER 03 _____ INFORMAL 10
 _____ ADMINISTRATIVE ORDER 05
 _____ COMPLIANCE COMPLIANT 04
 _____ FILED CIVIL ACTION 11
 _____ FILED CRIMINAL ACTION 12

PENALTY ASSESSED: \$ _____

SCHEDULED REINSPECTION DATES: 1 _____ 2 _____ 3 _____
 4 _____ 5 _____ 6 _____

COMMENTS reviewed financial test & corporate guarantee for closure

CHECKLIST FOR REVIEW OF LIABILITY INSURANCE

Name Chromcraft (Mohasco)

CODE M N O

ID# NC D99 088 3001

SEQ. NO. _____

Date reviewed 7-22-86 by: ptc

AMOUNT PER OCCURRENCE FOR SUDDEN 3,000,000
and nonsudden

STATUS interim

ANNUAL AMOUNT FOR SUDDEN 6,000,000
and nonsudden

MULTI FACILITY IND yes

~~AMOUNT PER OCCURENCE FOR NON-SUDDEN~~ _____

RESPONSIBLE AGENCY _____

~~ANNUAL AMOUNT FOR NONSUDDEN~~ _____

DATE EFFECTIVE 7-1-86

DATE EXPIRES _____

not required to demonstrate nonsudden

INSTRUMENT NO.(s)

Sudden: PLL 5648118 (Primary)

FREE FIELD 1 _____

of nonsudden _____ (Excess)

FREE FIELD 2 _____

Nonsudden: _____ (Primary)

FREE FIELD 3 _____

_____ (Excess)

FREE FIELD 4 _____

The insurer is licensed to transact the business of insurance or eligible as a provider of excess or surplus lines insurance in:

any of one or more states

in state of insured

The certificate of insurance is worded exactly as in the regulations.

_____ Minor errors

_____ Majors errors

_____ Not on required state form

Amount and type of coverate is adequate for:

- Sudden
- Non-Sudden
- ? An original signed copy is submitted - looks like a copy.

Comments: Bundy will either send duplicate original or a letter stating that we have a duplicate.

FINANCIAL PARTIES

NAME National Union Fire Ins. Co.

MAILING ADDRESS 70 Pine St.

CITY New York

STATE NY

ZIP CODE 10270

NAME

MAILING ADDRSS

CITY

STATE

ZIP CODE

Mollesco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

July 18, 1986



Ms. Pam Coble
Solid & Hazardous Waste Management Branch
Environmental Health Services
Division of Health Services
Department of Human Resources
State of North Carolina
P.O. Box 2091
Raleigh, NC 27602



Subject: Hazardous Waste Facility
Certificate of Insurance

Dear Ms. Coble:

Attached please find renewal certificate effective July 1, 1986 for non-sudden and sudden accidental occurrences with limits of liability of \$3,000,000 each occurrence and \$6,000,000 aggregate.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

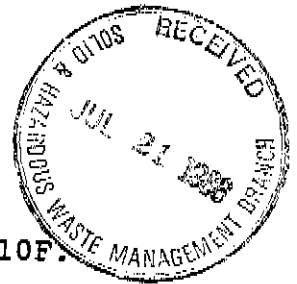
Willard L. Bundy
Director
Risk Management

WLB/gp
Attach.

cc: W. Ross
J. Jackson
R. Taylor

REQUIRED WORDING FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)



HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Co. (the "Insurer"), of 70 Pine St. New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corporation, (the "Insured"), of 57 Lyon Street, Amsterdam, NY 12010 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see below) for "Non Sudden and Sudden Accidental Occurrences". The limits of liability are \$3,000,000 "each occurrence" and \$6,000,000 "annual aggregate", exclusive of legal defense costs. The coverage is provided under policy number PLL 5648118, issued on 7/1/86. The effective date of said policy is 7/1/86.


2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.

(CONTINUED)

- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
- (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.
- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

(CONTINUED)

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

 - Secretary

Authorized Representative of Insurer (Title)

Authorized Representative of National Union Fire Insurance Co. of
Pittsburgh, PA.

New York, New York

AMP/07

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Typelo, MS 38801	MSD 002088474

NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES

SOLID AND HAZARDOUS WASTE MANAGEMENT BRANCH

P.O. BOX 2091 RALEIGH, NORTH CAROLINA 27602-2091

306 N. WILMINGTON ST.

INSPECTION ACTIONS

STAFF ID: 46 NAME: Coble INSPECTION DATE: 3 28 86

EPA ID NO. NCD99088 3001 NAME: Chromcraft/Monarch

ADDRESS: _____ CITY: _____

NEW: UP DATE: _____ FACILITY CONTACT: _____

AGENCY RESP. FOR INSPECTION: STATE: _____ EPA: _____ JOINT: _____ EPA OVERSIGHT

RCRA CLASS: _____ GEN: _____ TRANS: INTERIM TSDF: _____ PERMITTED TSDF

TYPE OF INSPECTION: 3
1 = (RCRA) EVALUATION 6 = OTHER (COMPLAINT)
2 = SAMPLING 7 = OTHER (PART B CALL)
3 = RECORD REVIEW 8 = OTHER (WITHDRAWAL)
4 = GROUND WATER 9 = OTHER (CLOSED FAC.)
5 = FOLLOW UP 10 = OTHER (GENERAL)

LOCATION: _____ ON SITE: _____ FIELD OFFICE: RALEIGH OFFICE: _____ OTHER

RESULT: _____ IN COMPLIANCE: IN VIOLATION-DOCKET NO. 00088

AREAS IN VIOLATION: _____ SG .261: _____ TSDF.264: _____ GW. 264: _____ CONT. 264:
_____ GEN.262: _____ TSDF.265: _____ GW. 265: _____ CONT. 265:
_____ TRN.263: _____ C/PC.264: _____ FIN.264: _____ MF. 264:
_____ PER.270: _____ C/PC.265: FIN.265: _____ MF. 265:

HANDLING METHODS: _____ CNTR.264: _____ INCN.264: _____ SURF.264
_____ CNTR.265: _____ INCN.265: _____ SURF.265:

ENFORCEMENT ACTION N.O.V. WARNING LETTER INFORMAL
 FILED CIVIL ACTION FILED CRIMINAL ACTION
 ADMINISTRATIVE ORDER 3008
 CONSENT ORDED _____ 3007 LETTER

PENALTY RECOMMENDED \$ _____

SCHEDULED REINSPECTION DATES: 1 _____ 2 _____ 3 _____
4 _____ 5 _____ 6 _____

COMMENTS reviewed financial test

Chromcraft/Monarch

NCD990883001

Facility

EPA I.D.

46 - Pamela Coble

financial test

3/28/86

Reviewer

Document Being Reviewed

Review Date

COST ESTIMATE

Closure (265.142)

Post-Closure (265.144)

- _____ has written estimate, in current dollars (a)
 _____ adjusted for inflation (b)
 _____ estimate revised because of closure plan change (c)
 _____ latest estimate kept at facility (d)

FINANCIAL ASSURANCE Closure (265.143)

Post-Closure (265.145)

A. Trust Fund

- _____ originally signed duplicate (a)(1)
 _____ trustee authorized and regulated (a)(1)
 _____ wording identical (a)(2)
 _____ accompanied by acknowledgement (a)(2)
 _____ Schedule A updated (a)(2)
 _____ annual payment made (a)(3)
 _____ value of fund maintained (a)(4)
 _____ first payment equals amount fund would
 _____ have contained if established initially (a)(5)

B. Surety Bond

- _____ surety company acceptable (b)(1)
 _____ wording identical (b)(2)
 _____ standby trust established (b)(3)
 _____ original duplicate standby trust submitted (b)(3)(i)
 _____ penal sum equals current cost estimate (b)(5)
 _____ penal sum increased within 60 days of
 _____ cost estimate increase (b)(7)
 _____ cancellation notice provided 120 days in advance (b)(8)

C. Letter of Credit

- _____ issuing institution authorized and regulated (c)(1)
 _____ wording identical (c)(2)
 _____ standby trust fund established (c)(3)
 _____ original duplicate of standby trust fund submitted (c)(3)
 _____ letter from owner/operator (c)(4)
 _____ cancellation notice provided 120 days in advance (c)(5)
 _____ letter of credit in amount equal to closure cost
 _____ estimate (c)(6)
 _____ letter of credit amount increased within 60 days of
 _____ closure cost estimate increase (c)(7)

D. Closure Insurance

- _____ insurer licensed or eligible (d)(1)
 _____ wording identical (d)(2)
 _____ face amount equals cost estimate (d)(3)
 _____ cancellation notice provided 120 days in advance (d)(8)
 _____ face amount increased within 60 days of closure
 _____ cost estimate increase (d)(9)
 _____ policy maintained (d)(6)

E. Financial Test and Corporate Guarantee

- _____ letter signed by CFO (e)(3)(i)
 _____ identical wording (e)(3)(i)
 _____ copy of CPA report (e)(3)(ii)
 _____ special CPA report (e)(3)(iii)
 _____ updated information timely submitted (e)(5)
 _____ ineligibility notice within 90 days of fiscal
 _____ year end (e)(6)
 _____ alternative financial assurance within 120 day
 _____ of fiscal year end (e)(6)
 _____ meets Alternative I criteria (e)(1)(i)
 _____ meets Alternative II criteria (e)(1)(i)
 _____ alternative financial assurance with-
 _____ in 30 days of branch ineligibility
 _____ notice (e)(7)
 _____ alternative financial assurance
 _____ within 30 days of notification of
 _____ disallowance (e)(8)
 _____ guarantor is parent corporation (e)(10)
 _____ guarantor meets criteria (e)(10)
 _____ identical wording (e)(10)
 _____ accompanies financial test (e)(10)
 _____ cancellation notice provided 120 days
 _____ in advance (e)(10)(ii)
 _____ alternative financial assurance within
 _____ 90 days (e)(10)(iii)

Comments

3907

NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES
SOLID AND HAZARDOUS WASTE MANAGEMENT BRANCH
P.O. BOX 2091 RALEIGH, NORTH CAROLINA 27602 -2091
306 N. WILMINGTON ST.

DATE 3 28 86

ENFORCEMENT ACTIONS

FACILITY ID. NO. NCD990883001 NAME Chromcraft/Monarch

VIOLATION NO. 60088 STAFF ID. 46 INITIAL INSPECTION DATE 3 28 86

ACTION	DATE ISSUED	
WARNING LETTER	<u>4 2 86</u>	FINAL COMPLIANCE DATE <u>4 26 86</u>
COMPLIANCE ORDER NO.1	_____	FINAL COMPLIANCE DATE _____
COMPLIANCE ORDER NO.2	_____	FINAL COMPLIANCE DATE _____
CONSENT ORDER	_____	FINAL COMPLIANCE DATE _____
INFORMAL MEETING HELD	_____	
HEARING SCHEDULED	_____	HEARING HELD DATE _____
PENALTY ASSESSED	_____	AMOUNT ASSESSED \$ _____
PENALTY COLLECTED	_____	AMOUNT COLLECTED \$ _____
CIVIL ACTION	_____	
CRIMINAL ACTION	_____	
APPEAL	_____	
STATUS _____		CLOSED DATE _____
COMMENTS _____		

Financial Assurance - Liability (265-147)

A. Sudden

- _____ required coverage (a)
- _____ properly worded certificate/endorsement (a)(1)(i)
- _____ signed duplicate original (a)(1)(i)
- _____ insurer licensed/eligible (a)(1)(ii)
- _____ continuously demonstrated (e)

B. Nonsudden

- _____ required coverage (b)
- _____ properly worded certificate/endorsement (b)(1)(i)
- _____ signed duplicate original (b)(1)(i)
- _____ insurer licensed/eligible (b)(1)(ii)
- _____ continuously demonstrated (e)

C. Liability Financial Test

- _____ letter signed by CFO (f)(3)(i)
- _____ identical wording (f)(3)(i)
- _____ copy of CPA report (f)(3)(ii)
- _____ special CPA report (f)(3)(iii)
- _____ updated information timely submitted (f)(5)
- _____ insurance within 90 days of fiscal year end (f)(6)
- _____ alternative financial assurance within 30 days of branch ineligibility notice (f)(7)
- _____ meets Alternative I criteria (f)(1)(i)
- _____ meets Alternative II criteria (f)(1)(ii)

7/10/85

Called Williard Bundy about 7/1/85 sudden cancellation. He said we should have received new certificates. He is following up on this and will call back. PTO

DEPARTMENT OF HUMAN RESOURCES _____ RUSH

TO Nell

DATE 10/1/84 TIME 4:30

M WHILE YOU WERE OUT Ann **SPECIAL**

OF _____
PHONE Re: Monarch

- TELEPHONED
- PLEASE PHONE
- WANTS TO SEE YOU
- WILL CALL AGAIN
- CAME TO SEE YOU
- RETURNED YOUR CALL

MESSAGE The original
duplicates seem
to be missing.
They were on the
Strickland copy.
I thought I said

DHR 0011 (Rev. 7-77) BY _____
That in your "intro" (sent
shortly after the meeting.

WILLIAM G. ROSS, JR.
ATTORNEY AT LAW

BROOKS, PIERCE, McLENDON, HUMPHREY & LEONARD
1400 WACHOVIA BUILDING-P. O. DRAWER U
GREENSBORO, NORTH CAROLINA 27402
TELEPHONE (919) 373-8850

Present: ~~Adm.~~ ~~Mr. Stoddard~~, ~~Carly~~ ~~Robert~~

9/17/84
Issue of
Financial
Responsibility

Meeting w/ Phil Ross: Monarch
Questions: w/ negligence limits
recovery under Dartford

Argument: coverage was there
but they had not
demonstrated to us.

III Closure

Meeting on Wednesday w/ Region IV

→ Sledge out of lagoon, in sand dunes to be
shipping off site

→ no longer receiving water

→ gas wells sealed

→ will not be electrolyzing at this site
anymore.

? of ~~FR~~ Sledge piles / dump Sledge deterioration

Mr. S.

1. Need closure plan

2. monitoring 4 quarters

FR

Unresolved — whether there is
a limitation on
recovery — see 9/6/84
letter from Carroll.
Phil Ross: worst flight
est. track w/ us.

9/26/84
9/26/84
Notes from Mr. Ross
Mr. Strickland determined that grade
course was shown to understand the
geometry - notes dictated in
typings. ~~XXX~~ sent 9/27/84

8/8/84

Mohasco, Monarch Furniture
Willard Brundy, Director of Personnel
57 Lyon Street "and other Env. Matters"
Amsterdam
518 841-2653

Called re: the recent compliance order
trying to convince me to withdraw it.
Stated they had insurance in umbrella
policy and ^{*now} printed out that they
applied on 2/6/84 the properly worded
document for noncompliance.

* seems old
carrier
wouldn't
provide
required
limits

I refused to accept those rationales as
grounds for recommending withdrawal of

1. Sudden coverage at specific amounts
required effective Oct 1982 -
noncompliance of almost 2 years.

2. Violations appeared to be pointed out by
Mr. Dunn last Fall; even if not
they had duty to comply. We had no duty to
advise him.

3. Noncompliance is a different requirement
& does not effect ~~the~~ above requirement.

4. EPA's recent audit cited these
violations (He argued EPA said Ok.)

In addition I told him that I understood
correctly

(2)
that Monarch was planning to sell the
Joneston property and that it should be
done properly. He stated that the
sp. "Fudden" electroplating operation had closed
and the property had been on the
market. Assured me they would clean
up before selling. I told him we would
be contacting proper N.C. Monarch reps.
He mentioned Bill Ross - local lawyer -
and Mr. Fudell as appropriate.

8/22/84 Visit from William E. Rose
attorney for Monarch. He reviewed financial
file + I explained deficiencies
and basis for penalty. I also
pointed out that requirements were
effective in '81 and pointed out
previous Branch efforts to remedy
deficiencies. Allen

9/4 Call from Bill Ross 373-8850
wants to come in + discuss
insurance + other financial responsibility
requirements. Since today was
compliance date, he also asked +
was granted by Mr. Strickland,
an extension of time til Friday
9/7/84 at 3:00 to comply.
Allen



NORTH CAROLINA

DEPARTMENT OF HUMAN RESOURCES

INTER OFFICE MEMORANDUM

DATE 7/19/80

TO

File

FROM

Alle S.

Mohasco - talked with
Bernd Findele re:
2nd review. Will call
his home office & review his
records & return call to
let us know what he has.

[Handwritten signature]
7/21/80



NORTH CAROLINA
DEPARTMENT OF HUMAN RESOURCES
INTER OFFICE MEMORANDUM

DATE 7/19

TO Wells

FROM Research Furniture
454-1131

Mr. Findell called.
He can't verify that they
have insurance. Please
send him the models
again, ASAP. I have
warned him that he
will get "official"
letter which may be
a compliance order.

no state insurance

lets go ahead w/ this,
draft the model letter w/
give it in 30 days or \$250-
is due.

✓ mally 7/16/84

shall we discuss this
confusing note?
(air conditioning machine
no. 22)

RCRA FINANCIAL TEST CHECKLIST

11

Name Chromcraft/Monarch

Code F G

ID# NCD990883001

Seq. No. _____

Date reviewed 3/28/86 by ptc

AMOUNT COVERED CLOSURE 15,873

STATUS interim

AMOUNT COVERED POST CLOSURE _____

MULTI FACILITY IND no

RESPONSIBLE AGENCY _____

FREE FIELD 1 _____

FREE FIELD 2 _____

FISCAL YEAR ENDS 12-31-86

FREE FIELD 3 _____

DATE TEST EXPIRES 3-31-87

FREE FIELD 4 _____

Chief financial officer's letter

All facilities appear to be listed

Facilities are listed in correct paragraphs

Test also covers liability insurance for:

sudden non-sudden

Sum of cost estimates is correct

Chief financial officer's signature is of appropriate level

Submission includes changes in cost estimates due to either inflation or revised closure/post closure plans. (\$102.35 short)

Letter is acceptable - yes

no copy original rec'd 4-11-86

replaced by 3/27/87 submission

Alternative I:

- Test meets two of three ratios required
- Net working capital and tangible net worth each at least six times sum of cost estimates (plus liability coverage when applicable)
- Tangible net worth at least \$10 million
- Assets in U.S. equal to at least 90% of total assets or six times sum of cost estimates (plus liability when applicable)

Alternative II.

- Current bond rating is adequate; rating: _____ BY: _____
- Tangible net worth is at least six times sum of cost estimates (plus liability when applicable)
- Tangible net worth at least \$10 million
- Assets in U.S. equal to at least 90% of total assets or six times sum of cost estimates (plus liability when applicable)

INDEPENDENT AUDITOR'S REPORT, ON YEAR END FINANCIAL STATEMENTS

- Acceptable, unqualified opinions
- Unacceptable, disclaimers of opinion, adverse opinions, or other type of qualified opinion.

INDEPENDENT AUDITOR'S SPECIAL REPORT, CONFIRMING CHIEF FINANCIAL OFFICER'S LETTER.

- Acceptable, Unqualified opinions
- Disclaimers of opinion, Adverse opinions, or other type of qualified opinion.

*not submitted
rec'd 4/1/86*

Credentials of the independent certified public accountant(s) are valid

Corporate guarantee test

The wording of the written guarantee of corporate parent is identical to that required by RCRA Regulations.

Corporate guarantor qualifies as a corporate parent of the owner or operator.

Firm to be subjected to further investigation due to:

Comments: _____

FINANCIAL PARTY

NAME Mohasco Corporation
MAILING ADDRESS 57 Lyon Street
CITY Amsterdam
STATE N.Y.
ZIP CODE 12010

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

Pam

March 26, 1986



Mr. O.W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602



Dear Mr. Strickland:

Enclosed for your files and appropriate further handling, please find:

1. A letter, in the prescribed form, dated March 20, 1986, from Robert W. Overholtzer, Mohasco's Chief Financial Officer, supporting Mohasco's use of the financial test to demonstrate financial assurance.
2. Mohasco Corporation's 1985 Annual Report.
3. Peat, Marwick, Mitchell & Co's special report in confirmation of Robert W. Overholtzer's March 20, 1986 letter.

Please contact me if you have any questions about this.

Sincerely,

Willard L. Bundy
Director
Risk Management

WLB/gp
Enc.

CC: R. Overholtzer

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

March 20 1986



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265 adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost \$15,873.00
Post Closure Cost. \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033 respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1985.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] \$ 15,873.00

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4] \$ 186,740,000.00

*3. Tangible net worth \$ 211,458,000.00

*4. Net worth \$ 212,517,000.00

*5. Current assets \$ 249,216,000.00

*6. Current liabilities \$ 102,901,000.00

*7. Net working capital [line 5 minus line 6] \$ 146,315,000.00

*8. The sum of net income plus depreciation, depletion, and amortization \$ 38,214,000.00

*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.) \$ 352,381,000.00

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	---
11. Is line 3 at least 6 times line 1?	<u>X</u>	---
12. Is line 7 at least 6 times line 1?	<u>X</u>	---
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	---	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	---
15. Is line 2 divided by line 4 less than 2.0? .88	<u>X</u>	---
16. Is line 8 divided by line 2 greater than 0.1? .2	<u>X</u>	---
17. Is line 5 divided by line 6 greater than 1.5? 2.42	<u>X</u>	---

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 20 1985
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

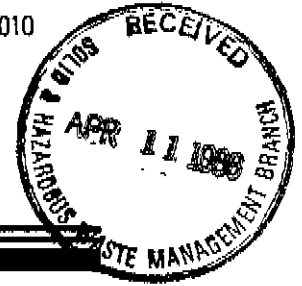
Name Robert W. Overholtzer

Title Vice President Finance

Date March 20, 1986

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



March 20 1986

North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265 adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost \$15,873.00
Post Closure Cost. \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1985.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] \$ 15,873.00



*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4] \$ 186,740,000.00

*3. Tangible net worth \$ 211,458,000.00

*4. Net worth \$ 212,517,000.00

*5. Current assets \$ 249,216,000.00

*6. Current liabilities \$ 102,901,000.00

*7. Net working capital [line 5 minus line 6] \$ 146,315,000.00

*8. The sum of net income plus depreciation, depletion, and amortization \$ 38,214,000.00


*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.) \$ 352,381,000.00

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	---
11. Is line 3 at least 6 times line 1?	<u>X</u>	---
12. Is line 7 at least 6 times line 1?	<u>X</u>	---
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	---	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	---
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	---
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u>	---
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	---

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 20 1985
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

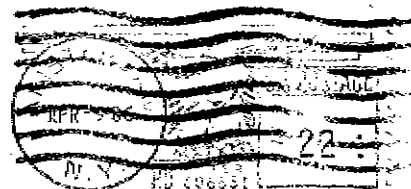
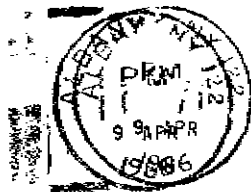
Name 
Robert W. Overholtzer

Title Vice President Finance

Date March 20, 1986

W.L. Bundy
Risk Management
Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010



MR. O.W. STRICKLAND, HEAD
SOLID & HAZARDOUS WASTE MANAGEMENT BRANCH
ENVIRONMENTAL HEALTH SECTION
DIVISION OF HEALTH SERVICES
P.O. BOX 2091
RALEIGH, NC 27602

Mohr Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



March 31, 1986

Mr. O.W. Strickland
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Dear Mr. Strickland:

We are not sure, but it appears that the attached letter from Peat Marwick, Mitchell & Co. was not enclosed with our letter of March 26.

Very truly yours,

Willard L. Bundy
Director
Risk Management

WLB/gp
Enc.



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
111 Washington Avenue
Albany, New York 12210

The Board of Directors
Mohasco Corporation:

As requested, we have applied certain agreed-upon procedures to documents which Mohasco Corporation (the Company) has prepared to demonstrate its financial responsibility under the Environmental Protection Agency's financial assurance regulations in compliance with 40 CFR 264 and 265, Subpart H. These procedures, as discussed below, were performed solely to assist the Company in complying with these regulations and, therefore, this report is not to be used for any other purpose. Our procedures and findings with respect to the attached schedule (Exhibit A) were as follows:

1. Agreed the amounts in the column "Per consolidated financial statements" with amounts contained in the Company's consolidated financial statements for the year ended December 31, 1985. No exceptions were noted.
2. Agreed the amounts in the column "Per CFO's letter" to the letter prepared in response to the regulations (Exhibit B). No exceptions were noted.
3. Agreed the amounts in the column "Reconciling items" to analyses prepared by the Company setting forth the indicated items, of which there were none.
4. Recomputed the totals. No exceptions were noted.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we express no opinion on any amounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the attached schedule (Exhibit A) should be adjusted. This report relates only to the items specified above and does not extend to any financial statements of Mohasco Corporation and subsidiaries, taken as a whole.

Peat, Marwick, Mitchell & Co.

March 20, 1986

Mohasco Corporation
Year Ended December 31, 1985

This schedule reconciles the amounts contained in the Chief Financial Officer's Letter (Exhibit B), furnished in response to 40 CFR 264 and 265, Subpart H, to the amounts contained in the consolidated financial statements of Mohasco Corporation for the year ended December 31, 1985.

Line number in CFO's letter	Item	Per consolidated financial statements	Reconciling items	Per CFO's letter
		(in thousands of dollars)		
2.	Total current liabilities	\$ 102,901		
	Long-term debt, less current maturities	61,262		
	Deferred Federal income taxes	8,376		
	Other liabilities	13,405		
	Redeemable preferred stock	796		
	Total liabilities	<u>\$ 186,740</u>	-	<u>186,740</u>
3.	Net worth	212,517		
	Less: Goodwill and unamortized debt expense	1,059		
	Tangible net worth	<u>\$ 211,458</u>	-	<u>211,458</u>
4.	Net worth	<u>\$ 212,517</u>	-	<u>212,517</u>
5.	Current assets	<u>\$ 249,216</u>	-	<u>249,216</u>
6.	Current liabilities	<u>\$ 102,901</u>	-	<u>102,901</u>
7.	Net working capital (line 5 minus 6)	<u>\$ 146,315</u>	-	<u>146,315</u>
8.	Net income	17,057		
	Depreciation and amortization	<u>21,157</u>		
	Total net income, depreciation and amortization	<u>\$ 38,214</u>	-	<u>38,214</u>
9.	Total assets	399,257		
	Less assets of foreign subsidiaries	46,876		
	Total assets in U.S.	<u>\$ 352,381</u>	-	<u>352,381</u>

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



March 20 1986

North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265 adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost \$15,873.00
Post Closure Cost. \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033 respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

North Carolina Department of Human Resources
 March 20, 1986
 Page 2

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1985.

ALTERNATIVE I

- | | |
|---|---------------------|
| 1. Sum of current closure and post-closure cost estimates [total of <u>all</u> cost estimates shown in the four paragraphs above] | \$ <u>15,873.00</u> |
|---|---------------------|

North Carolina Department of Human Resources
 March 20, 1986
 Page 3

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$	<u>186,740,000.00</u>	
*3. Tangible net worth	\$	<u>211,458,000.00</u>	
*4. Net worth	\$	<u>212,517,000.00</u>	
*5. Current assets	\$	<u>249,216,000.00</u>	
*6. Current liabilities	\$	<u>102,901,000.00</u>	
*7. Net working capital [line 5 minus line 6]	\$	<u>146,315,000.00</u>	
*8. The sum of net income plus depreciation, depletion, and amortization	\$	<u>38,214,000.00</u>	
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$	<u>352,381,000.00</u>	
		<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?		<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?		<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?		<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.		<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?		<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?		<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?		<u>X</u>	<u> </u>
17. Is line 5 divided by line 6 greater than 1.5?		<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 20 1985
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name Robert W. Overholtzer

Title Vice President Finance

Date March 20, 1986



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

August 26, 1986

Ronald H. Levine, M.D., M.P.H.
State Health Director

MEMORANDUM

TO: Owners/Operators of Hazardous Waste Management Facilities

FROM: Pamela T. Coble, Branch Paralegal *ptc*
Solid and Hazardous Waste Management Branch

SUBJECT: Financial Responsibility Rule Amendments

At its meeting on August 20, 1986, the Commission for Health Services amended certain financial responsibility requirements. These amendments will become effective October 1, 1986, and some of the amendments are summarized below. If you have any questions or if you would like a copy of the rule amendments, please call me at (919) 733-2178.

Cost estimates for closure and post-closure care. The cost estimates: (1) must be based on third-party costs, (2) may not incorporate any salvage value, and (3) may not incorporate a zero cost for hazardous wastes that might have economic value. The cost estimates must be adjusted for inflation within 60 days prior to the anniversary date of the establishment of your financial assurance instrument. For firms, using the financial test, cost estimates must be updated within 30 days of the fiscal year end. Cost estimates may be recalculated based on current costs or may be adjusted by using an inflation factor derived from the most recent Implicit Price Deflator for Gross National Product.

Trust fund. The trust fund amendments which would delete the pay-in period provision and require fully funded trust funds were tabled until the November 19-20, 1986, Commission meeting.

Financial test. An owner or operator must include the most current cost estimates of the plugging and abandonment costs of Class I underground injection control (UIC) facilities when calculating the sum of closure and post-closure cost estimates for the financial test.

Period of liability coverage. Liability coverage must be maintained until this office notifies the owner or operator in writing that he is released from this requirement.

Wording of instruments. Changes were made to the wording of surety bonds, and letters from the chief financial officer to ensure consistency with other amendments. Firms using surety bonds must change the wording of the bond within 60 days prior to the anniversary date of the establishment of the bond. For owners or operators using the financial test or corporate

Mosco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



May 21, 1986



Ms. Pamela T. Coble, Branch Paralegal
Solid & Hazardous Waste Mgmt. Branch
North Carolina Dept. of Human Resources
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602-2091

Subject: May 6, 1986 Letter
Financial Responsibility Requirement

Dear Ms. Coble:

Attached please find your letter of May 6, 1986 indicating our
1986 adjusted cost estimate.

Thank you.

Very truly yours,

A handwritten signature in cursive script that reads "Willard L. Bundy".

Willard L. Bundy
Director
Risk Management

WLB/gp
Attach.

cc: Bob Taylor



North Carolina Department of Human Resources
 Division of Health Services
 P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
 Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
 State Health Director
 919/733-3446

May 6, 1986

2178

MEMORANDUM

TO: NCD990883001
 Taylor, Bob
 Chromcraft Furn/Monarch
 PO Box 2516
 High Point NC 27261

FROM: Pamela T. Coble, Branch Paralegal

SUBJECT: Financial Responsibility Requirement
 Adjusted Closure and Post-Closure Cost Estimates

Pursuant to 40 CFR 265.142 and 265.144, codified at 10 NCAC 10F .0033(h), an owner or operator of a hazardous waste facility must adjust the closure and post-closure cost estimates for inflation annually within 30 days after May 19. The adjustment must be made using an inflation factor derived from the annual Implicit Price Deflator for Gross National Product as published by the U. S. Department of Commerce in its Survey of Current Business. The 1986 inflation factor is 1.033. Please indicate below your 1986 adjusted cost estimate(s) and return this letter to me by June 20, 1986.

If you are using a letter of credit or surety bond to demonstrate financial assurance, please note that whenever the current cost estimate(s) increases to an amount greater than the amount of your financial mechanism, within 60 days after the increase, you must increase your financial mechanism so that it at least equals your current cost estimate(s), or obtain other financial assurance.

If you have any questions, please contact me at (919) 733-2178.

1986 Closure Cost Estimate	\$	<u>15,873.00</u>
1986 Post-closure Cost Estimate	\$	<u>- 0 -</u>

bb
 3785-65

LIABILITY COVERAGE COMPLIANCE

Initial Review Checklist

TSDF Name Wohasco

ID# NCD990883001

Date of this Review 7/15/85 pte

1. Method used:

certificate

endorsement

*sudden & nonsudden
(not required to have
nonsudden)*

2. Insurer licensed or eligible to provide surplus or excess lines in any state.

Which state verified? _____

3. Wording exactly as in regulations?

4. Coverage was effective by ^{7/1/85} ~~October 1?~~

5. Coverage amount is adequate?

6. Notice of cancellation received.
Effective date. _____

Explanation of Deficiencies

In Compliance

replaced by 7-21-86 submission

Masco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



July 11, 1985

Ms. Pam Coble
Solid & Hazardous Waste Management Branch
Environmental Health Services
Division of Health Services
Department of Human Resources
State of North Carolina
P.O. Box 2091
Raleigh, NC 27602



Subject: Hazardous Waste Facility
Certificate of Insurance

Dear Ms. Coble:

Attached please find renewal certificate effective July 1, 1985 for non-sudden and sudden accidental occurrences with limits of liability of \$10,000,000 each occurrence and \$10,000,000 aggregate.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

Willard L. Bundy
Director
Risk Management

WLB/11j
Attach.

cc: W. Ross
J. Jackson
R. Taylor

REQUIRED WORDING FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Co. (the "Insurer"), of 70 Pine St. New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corporation, (the "Insured"), of 57 Lyon Street, Amsterdam, NY 12010 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see below) for "Non Sudden and Sudden Accidental Occurrences". The limits of liability are \$10,000,000 "each occurrence" and \$10,000,000 "annual aggregate", exclusive of legal defense costs. The coverage is provided under policy number PLL 1548335, issued on 7/1/85. The effective date of said policy is 7/1/85.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.

(CONTINUED)

- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
- (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.
- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

(CONTINUED)

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Mark Vuono, Manager
Authorized Representative of Insurer (Title)

MARK VUONO, MANAGER

Authorized Representative of National Union Fire Insurance Co. of
Pittsburgh, PA.

New York, New York

AMP/07

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Tupelo, MS 38801	MSD 002088474



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director
919/733-3446

May 6, 1986

MEMORANDUM

TO: NCD990883001
Taylor, Bob
Chromcraft Furn/Monarch
PO Box 2516
High Point NC 27261

FROM: Pamela T. Coble, Branch Paralegal

SUBJECT: Financial Responsibility Requirement
Adjusted Closure and Post-Closure Cost Estimates

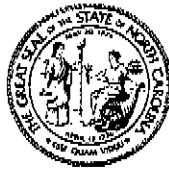
Pursuant to 40 CFR 265.142 and 265.144, codified at 10 NCAC 10F .0033(h), an owner or operator of a hazardous waste facility must adjust the closure and post-closure cost estimates for inflation annually within 30 days after May 19. The adjustment must be made using an inflation factor derived from the annual Implicit Price Deflator for Gross National Product as published by the U. S. Department of Commerce in its Survey of Current Business. The 1986 inflation factor is 1.033. Please indicate below your 1986 adjusted cost estimate(s) and return this letter to me by June 20, 1986.

If you are using a letter of credit or surety bond to demonstrate financial assurance, please note that whenever the current cost estimate(s) increases to an amount greater than the amount of your financial mechanism, within 60 days after the increase, you must increase your financial mechanism so that it at least equals your current cost estimate(s), or obtain other financial assurance.

If you have any questions, please contact me at (919) 733-2178.

1986 Closure Cost Estimate \$ _____
1986 Post-closure Cost Estimate \$ _____

bb
3785-65



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

Make & copy

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

April 1, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

WARNING LETTER
No. 00088

Willard L. Bundy
Director, Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Re: NCD990883001 - Financial Test

Dear Mr. Bundy:

Thank you for your letter of March 31, 1986 which enclosed the special report from Peat, Marwick, Mitchell & Company. Failure to provide this report was noted as a deficiency when Mohasco's financial test was reviewed on March 28, 1986. In addition, I noted that you submitted a copy of the chief financial officer's letter and that the signature is illegible.

Please submit the original of the chief financial officer's letter by April 26, 1986. If you have any questions, I can be reached at (919) 733-2178.

Sincerely,

Pamela T. Coble

Pamela T. Coble, Branch Paralegal
Solid & Hazardous Waste Mgmt. Branch
Environmental Health Section

PTC/bb4423

FINANCIAL TEST UPDATE

In Compliance

TSDF Name Mohasco (Monarch Furniture)

I.D. No. NCD 990883001

Fiscal Year End December 31

Update Due 4-1-85

Update Received 4-9-85

Date of Review 4-16-85

Reviewer Pam T.

A. COST ESTIMATES FOR 198 5

1. Closure 15,465.00

2. Post-Closure -0-

3. Both _____

last year \$14,819 x IF 1.038 = \$15,382.12

B. COST ASSURANCE UPDATE

Closure Post-Closure _____

Insurance: Sudden _____ Non-Sudden _____

(using certificate)

1. Letter signed by chief financial officer worded as specified in 264.151(f).

2. Copy of independent certified accountant's report on examination of the owner's or operator's financial statements for the latest completed fiscal year.

3. Special report from independent CPA.

4. Annual Report.

Comments:

9 days late

replaced by 3/26/86 submission

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

4/16/85 In compliance

April 1, 1985

Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602



Dear Mr. Strickland:

Enclosed for your files and appropriate further handling, please find:

1. A letter, in the prescribed form, dated March 28, 1985, from Hector D. Blair, Mohasco's Chief Financial Officer, supporting Mohasco's use of the financial test to demonstrate financial assurance.
2. Mohasco Corporation's 1984 Annual Report.
3. Peat, Marwick, Mitchell & Co.'s special report in confirmation of Hector D. Blair's March 28, 1985 letter.

Please contact me if you have any questions about this.

Sincerely,

Willard L. Bundy
Director
Risk Management

WLB/11j
Enc.

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

March 28, 1985



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$15,465.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1984.

ALTERNATIVE I

- | | |
|---|---------------------|
| 1. Sum of current closure and post-closure cost estimates [total of <u>all</u> cost estimates shown in the four paragraphs above] | \$ <u>15,465.00</u> |
|---|---------------------|

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$ <u>160,339,000.00</u>
*3. Tangible net worth	\$ <u>218,706,000.00</u>
*4. Net worth	\$ <u>219,709,000.00</u>
*5. Current assets	\$ <u>240,633,000.00</u>
*6. Current liabilities	\$ <u>84,076,000.00</u>
*7. Net working capital [line 5 minus line 6]	\$ <u>156,557,000.00</u>
*8. The sum of net income plus depreciation, depletion, and amortization	\$ <u>37,064,000.00</u>
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$ <u>327,990,000.00</u>

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?	<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?	<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u>	<u> </u>
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 28, 1985
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name *Hector D. Blair*
Hector D. Blair

Title Vice President, Finance

Date March 28, 1985



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
111 Washington Avenue
Albany, New York 12210

The Board of Directors
Mohasco Corporation:

As requested, we have applied certain agreed-upon procedures to documents which Mohasco Corporation (the Company) has prepared to demonstrate its financial responsibility under the Environmental Protection Agency's financial assurance regulations in compliance with 40 CFR 264 and 265, Subpart H. These procedures, as discussed below, were performed solely to assist the Company in complying with these regulations and, therefore, this report is not to be used for any other purpose. Our procedures and findings with respect to the attached schedule (Exhibit A) were as follows:

1. Agreed the amounts in the column "Per consolidated financial statements" with amounts contained in the Company's consolidated financial statements for the year ended December 31, 1984. No exceptions were noted.
2. Agreed the amounts in the column "Per CFO's letter" to the letter prepared in response to the regulations (Exhibit B). No exceptions were noted.
3. Agreed the amounts in the column "Reconciling items" to analyses prepared by the Company setting forth the indicated items, of which there were none.
4. Recomputed the totals. No exceptions were noted.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we express no opinion on any amounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the attached schedule (Exhibit A) should be adjusted. This report relates only to the items specified above and does not extend to any financial statements of Mohasco Corporation and subsidiaries, taken as a whole.

Peat, Marwick, Mitchell & Co.

March 28, 1985

Mohasco Corporation
Year Ended December 31, 1984

This schedule reconciles the amounts contained in the Chief Financial Officer's letter (Exhibit B), furnished in response to 40 CFR 264 and 265, Subpart H, to the amounts contained in the consolidated financial statements of Mohasco Corporation for the year ended December 31, 1984.

Line number in CFO's letter	Item	Per consolidated financial statements	Reconciling items	Per CFO's letter
		(in thousands of dollars)		
2.	Total current liabilities	\$ 84,076		
	Long-term debt, less current maturities	57,581		
	Deferred Federal income taxes	8,285		
	Other liabilities	8,835		
	Redeemable preferred stock	1,562		
	Total liabilities	<u>\$ 160,339</u>	-	<u>160,339</u>
3.	Net worth	219,709		
	Less: Goodwill	721		
	Unamortized debt expense	282		
	Tangible net worth	<u>\$ 218,706</u>	-	<u>218,706</u>
4.	Net worth	<u>\$ 219,709</u>	-	<u>219,709</u>
5.	Current assets	<u>\$ 240,633</u>	-	<u>240,633</u>
6.	Current liabilities	<u>\$ 84,076</u>	-	<u>84,076</u>
7.	Net working capital (line 5 minus 6)	<u>\$ 156,557</u>	-	<u>156,557</u>
8.	Net income	17,557		
	Depreciation and amortization	19,507		
	Total net income, depreciation and amortization	<u>\$ 37,064</u>	-	<u>37,064</u>
9.	Total assets	380,048		
	Less assets of foreign subsidiaries	52,058		
	Total assets in U.S.	<u>\$ 327,990</u>	-	<u>327,990</u>

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

March 28, 1985



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$15,465.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

North Carolina Department of Human Resources
March 28, 1985
Page 2

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

(None)

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1984.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] \$ 15,465.00

North Carolina Department of Human Resources
March 28, 1985
Page 3

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$	<u>160,339,000.00</u>
*3. Tangible net worth	\$	<u>218,706,000.00</u>
*4. Net worth	\$	<u>219,709,000.00</u>
*5. Current assets	\$	<u>240,633,000.00</u>
*6. Current liabilities	\$	<u>84,076,000.00</u>
*7. Net working capital [line 5 minus line 6]	\$	<u>156,557,000.00</u>
*8. The sum of net income plus depreciation, depletion, and amortization	\$	<u>37,064,000.00</u>
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$	<u>327,990,000.00</u>

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?	<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?	<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u>	<u> </u>
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 28, 1985
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name Hector D. Blair

Title Vice President, Finance

Date March 28, 1985

(13) FINANCIAL INFORMATION BY INDUSTRY SEGMENTS

The Company is organized into three strategic operating segments: Carpet, which sells a broad range of plush, velvet, saxminster and knitted carpet and rugs and resilient floor covering; Furniture, which sells a variety of upholstered furniture, dining and family room furniture, office and residential furniture and metal furniture components; and Rental, which revenues from leasing furniture for residential and office use and includes conventional return merchandise.

Financial information regarding the above industries as of and for the years ended December 31, 1984, 1983 and 1982 is as follows:

INDUSTRY SEGMENT INFORMATION

Industry Segment	Carpet	Furniture	Rental	Corporate	Divestiture	Consolidated
Net Sales and Other Revenues						
1984	\$310,076	\$24,032	\$21,000	\$	\$	\$355,108
1983	250,559	20,470	8,632	\$	\$	280,061
1982	270,473	25,031	2,000	\$	\$	297,504
Operating Income (Loss)						
1984	15,242	2,667	11,672	(12,555)	\$	16,926
1983	22,404	1,263	7,615	(4,155)	\$	27,127
1982	12,242	(2,200)	5,500	(7,300)	\$	8,242
Total Assets						
1984	180,069	15,268	8,366	620	11,130	215,413
1983	191,111	12,245	8,000	235	5,090	217,681
1982	172,536	12,245	7,937	277	5,526	198,521
Capital Available						
1984	1,000	2,784	14,033	20	\$	17,837
1983	1,776	2,683	10,590	50	\$	15,099
1982	1,590	2,660	11,538	50	\$	15,838
Depreciation and Amortization						
1984	3,577	1,068	3,242	67	\$	8,054
1983	2,006	1,068	3,242	100	\$	6,422
1982	2,991	1,068	3,242	30	\$	7,331

GEOGRAPHIC SEGMENT INFORMATION

(In thousands)	United States	Foreign Operations	Corporate	Consolidated
Net Sales and Other Revenue				
1984	\$674,712	\$5,138,707	—	\$5,813,419
1983	6,9483	5,130,000	—	5,798,883
1982	10,077	49,337	—	59,414
Operating Income (Loss)				
1984	2,237	6,245	(10,500)	7,982
1983	2,235	3,067	(3,467)	1,835
1982	795	5,906	(7,213)	6,688
Total Assets				
1984	\$3,358	\$2,053	\$9,406	\$14,817
1983	3,067	1,562	7,962	12,591
1982	757,386	50,586	12,572	820,544

(1) Amounts related to charges for corporate headquarters functions are stated separately to avoid possible irregular allocation to industry groups.

(2) Includes the following additions to capitalization:

1984	\$1,697
1983	7,776
1982	12,229

(3) Relates principally to operations in Mexico.

(4) Net of intersegment elimination of \$2,000,000 and \$1,020,000 in 1983.

(4) CONTINGENCIES

There were no contingent liabilities as of December 31, 1984, consisting of discounted notes receivable, purchase commitments, legal proceedings, etc. arising in the ordinary course of business, the financial risk involved in connection with all contingent liabilities is not considered material in relation to consolidated financial position.

ACCOUNTANTS' REPORT



The Shareowners and Board of Directors
Monasco Corporation

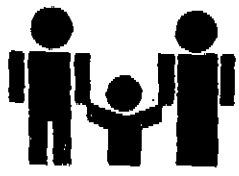
Peat Marwick Mitchell & Co.
Certified Public Accountants
1111 Washington Avenue
Albany, New York 12210

We have examined the consolidated balance sheets of Monasco Corporation and subsidiaries as of December 31, 1984 and 1983 and the related consolidated statements of earnings and retained earnings and change in financial position for each of the years in the three year period ended December 31, 1984. Our examinations were made in accordance with generally accepted auditing standards and accordingly include such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned consolidated financial statements present fairly the financial position of Monasco Corporation and subsidiaries as of December 31, 1984 and 1983 and the results of their operations and the changes in their financial position for each of the years in the three year period ended December 31, 1984, in conformity with generally accepted accounting principles applied on a consistent basis.

Peat Marwick Mitchell & Co.

file



NORTH CAROLINA
DEPARTMENT OF HUMAN RESOURCES
INTER OFFICE MEMORANDUM

DATE 2/11/86

TO Jerry

FROM Pam

I had a call from someone w/ Chromcraft in response to our letter to Devine on financial responsibility. He wanted me to confirm that it is not a land-based facility.

They said closure certification has not been approved yet.

Do you still agree w/ the attached memo you prepared in August? Anne said this was prepared before the EPA overfiling on groundwater last August.

Should I notify them of the waiver from the fin regulations?



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

February 12, 1986

Ronald H. Levine, M.D., M.P.H.
State Health Director

Willard L. Bundy
Director, Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, N. Y. 12010

Re: Chromcraft Furniture/Monarch, NCD990883001

Dear Mr. Bundy:

As we discussed on February 10, 1986, my records show that Chromcraft has demonstrated sudden and nonsudden liability coverage under National Union Fire Insurance Company policy PLL1548335, issued and effective July 1, 1985. Chromcraft is now, and was on November 8, 1985, in compliance with the financial assurance requirements.

However, I was not entirely correct when I stated Chromcraft is not a land-based unit. Chromcraft submitted certification of closure of its surface impoundment on May 29, 1985. By letter dated July 1, 1985, this office concurred that all actions called for in the approved closure plan, with the exception of groundwater monitoring, was complete. (Copy enclosed) I understand that your interim status will be terminated once groundwater testing is completed and a determination of clean closure is made.

If you have any further questions, please contact me at (919) 733-2178.

Sincerely,

Pamela T. Coble

Pamela T. Coble, Branch Paralegal
Solid & Hazardous Waste Mgmt. Branch
Environmental Health Section

PTC/bb4262-5
cc: David Ellison
EPA Region IV

Enclosure



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

February 4, 1986

Ronald H. Levine, M.D., M.P.H.
State Health Director

Bob Taylor
Chromcraft Furniture/Monarch
P. O. Box 2516
High Point, NC 27261

Re: Financial Responsibility Enforcement
Information Requested by EPA Region IV

Dear Mr. Taylor:

Enclosed is a copy of a January 15, 1986, letter from Thomas Devine, Director of Waste Management Division, EPA Region IV, requesting information on enforcement actions taken against land disposal facilities unable to certify compliance on November 8, 1985 with financial responsibility requirements. Your facility is included on the list prepared by Region IV of land disposal facilities failing to certify. A copy of our response is enclosed for your information. I am sending you only a summary of the actions against your facility. If you are interested in receiving a summary on all 16 facilities, please contact me at (919) 733-2178 and a copy will be sent to you.

Sincerely,

Pamela J. Coble

Pamela T. Coble, Branch Paralegal
Solid & Hazardous Waste Mgmt. Branch
Environmental Health Section

PTC/bb4233
Enclosure

Betty - please put a
copy in each
file listed below

NORTH CAROLINA

Land Disposal Facilities That Cannot Certify Compliance
on November 8, 1985 with Financial Responsibility

Boyle, John Company	NCDO01876549	No sudden and nonsudden insurance;
Carolina Creosoting	NCDO03184710	Inadequate assurance; no nonsudden insurance
Carolina Galvanizing	NCDO48181218	Inadequate trust fund; no nonsudden insurance
Durable Wood	NCDO03173358	Inadequate trust fund; no nonsudden insurance
Galvan Industries	NCDO03448610	Inadequate assurance; inadequate sudden; no nonsudden
General Timber	NCDO57034449	Inadequate assurance; no liability insurance
Holcomb Creosote	NCDO24900987	Sudden inadequate; no nonsudden insurance
Ilco Unican Corp.	NCDO45646924	No sudden and nonsudden insurance
LCP Chemicals	NCDO991278631	Inadequate trust funds; no sudden and nonsudden insurance
Lithium Corp. of America	NCDO00771964	No nonsudden insurance
Martin Scrap Recycling	NCDO44440303	Inadequate trust fund; no sudden and nonsudden insurance
Mineral Research	NCDO48467427	Inadequate assurance; insurance coverage inadequate
Monarch Furniture	NCDO990883001	No nonsudden insurance
Seaboard Chemical	NCDO71574164	Inadequate assurance; no sudden and nonsudden insurance
Channel Master	NCDO980844898	No documents submitted
Schrader Bellows	NCDO02591014	No documents submitted



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

February 3, 1986

Thomas W. Devine, Director
Waste Management Division
U. S. EPA, Region IV
345 Courtland Street
Atlanta, Georgia 30365

Re: Financial Responsibility Enforcement

Dear Mr. Devine:

Your January 15, 1986, letter requesting information on financial responsibility enforcement was received January 20, 1986. Enclosed is a summary of enforcement actions initiated to date against the land disposal facilities you listed as unable to certify compliance on November 8, 1985, with financial responsibility. As you will note, the State of North Carolina has continued to enforce the liability requirements, notwithstanding the good faith effort guidance issued last April by EPA.

We believe that all enforcement actions for liability violations have been timely and appropriate. In accordance with our liability enforcement strategy, owners without coverage are initially given a 45-day compliance schedule to demonstrate coverage. If they fail to comply, a compliance order with administrative penalty is then issued. The compliance order requires coverage by a date certain or closure of the facility; penalties are assessed based only on the economic benefit of noncompliance. We believe this strategy is consistent with our mandate to protect the public health and environment, while recognizing the problems facility owners may face in obtaining coverage from a constrained market.

After discussions with my staff, I believe that the most appropriate course of action is to formally transfer lead RCRA financial enforcement responsibility for the following facilities from the State of North Carolina to EPA. This decision is based upon the fact that EPA currently has lead groundwater enforcement responsibility.

John Boyle Company
Galvan Industries
Mineral Research

NCD001876549
NCD003448610
NCD048467427

Thomas W. Devine, Director
Page 2

Within 30 days, please provide me with written confirmation that you accept these facilities for federal enforcement action. Please contact me if this office may be of assistance to you.

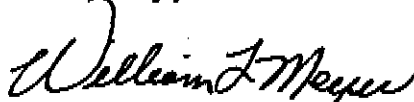
For your information, currently 13 of 76 North Carolina facilities we require to demonstrate liability coverage are unable to obtain coverage. Those are:

Buss Automation	NCDO45456134
Carolina Solvents	NCDO47285598
Durable Wood Preservers	NCDO03173358
Galvan Industries	NCDO03448610
Holcomb Creosote Co.	NCDO24900987
Ilco Unican	NCDO45646924
LCP Chemicals	NCD991278631
Martin's Scrap Recycling	NCDO44440303
Mineral Research	NCDO48467427
Morflex Chemical	NCDO71572036
Sandoz Chemicals	NCDO01810365
Seaboard Chemical	NCDO71574164
United Globe	NCDO60295417

Of those, Buss Automation, Carolina Solvents, and Morflex Chemical have requested termination of their interim treatment, storage, or disposal status solely because of their inability to obtain coverage.

If you have any questions concerning our financial responsibility enforcement actions, please contact Pamela Coble, Branch Paralegal, at (919) 733-2178.

Sincerely,



William L. Meyer, Head
Solid & Hazardous Waste Mgmt. Branch
Environmental Health Section

WLM:PTC/bb4233
Enclosure

John Boyle, NCD001876549

See attached status report prepared August 29, 1985, in response to a letter dated August 12, 1985, from John Lank.

Carolina Creosoting, NCD003184710

See attached status report prepared August 29, 1985, in response to a letter dated August 12, 1985, from John Lank.

Carolina Galvanizing, NCD048181218

October 4, 1985, Compliance Order and Notice of Administrative Penalty was issued requiring facility to comply with groundwater monitoring and closure plan requirements, or by November 8, 1985, comply with the financial requirements. The facility submitted closure certifications on November 8, 1985.

Durable Wood Preservers, NCD003173358

The following enforcement actions were issued:

1. February 15, 1985, Compliance Order requiring nonsudden coverage by March 4, 1985 or "good faith effort" by February 28, 1985. Facility was notified on March 1, 1985, that because of its good faith effort, no penalty would be assessed at that time but it must comply with enforceable closure schedule.
2. July 5, 1985, extension of compliance date in February 15, 1985 Compliance Order. Nonsudden coverage to be demonstrated by August 19 or good faith efforts by August 16, 1985.
3. October 8, 1985, Compliance Order and Notice of Administrative Penalty requiring facility to comply with groundwater monitoring requirements and to demonstrate nonsudden coverage by November 8, 1985, or on that date, submit certification of closure of the surface impoundment.
4. December 9, 1985, Compliance Order and Notice of Administrative Penalty requiring facility to submit an amended closure plan by January 20, 1986, and to implement and complete closure by March 3, 1986.
5. January 6, 1986, Compliance Order requiring trust fund to be fully funded by February 3, 1986, to equal cost estimates shown in the amended closure plan to be submitted on January 20, 1986.

The owner has appealed the October 8, and December 9, 1985, enforcement actions. Administrative hearing scheduled for March 13, 1986; however, owner expects to resolve the issues by completing closure of the unit before that date.

Galvan Industries, Inc., NCD003448610

The following enforcement actions were issued:

1. February 15, 1985, Compliance Order requiring nonsudden coverage by March 4, 1985, or "good faith effort" by February 28, 1985. Owner appealed and administrative hearing was scheduled for April 4, 1985; hearing was continued indefinitely on March 18, 1985.

2. July 1, 1985, Compliance Order requiring sudden coverage by August 16, 1985.

3. July 5, 1985, extension of compliance date in February 15, 1985 Compliance order. Nonsudden coverage to be demonstrated by August 19 or good faith efforts by August 16, 1985. Owner appealed July 1 and 5, 1985, Compliance Orders; administrative hearing scheduled for October 22, 1985; and rescheduled for December 5, 1985. Parties subsequently agreed to continue the hearing until such time facility has resolved controversy with EPA Region IV over its December 11, 1985 Complaint and Compliance Order.

4. December 10, 1985, Compliance Order with Administrative Penalty requiring owner to increase letter of credit to \$120,797.25 by January 13, 1986. Owner complied on December 23, 1985.

General Timber, NCD057034449

Closure certification approved on July 17, 1985, and financial mechanisms returned for termination.

Holcomb Creosote, NCD024900987

The following enforcement actions were issued:

1. February 15, 1985, Compliance Order requiring nonsudden coverage by March 4, 1985, or "good faith effort" by February 28, 1985. Facility was notified on March 1, 1985, that because of its good faith effort, no penalty would be assessed at that time but it must comply with enforceable closure schedule.

2. July 19, 1985, extension of compliance date in February 15, 1985 Compliance Order. Nonsudden coverage to be demonstrated by September 9, 1985 or good faith efforts by September 6, 1985.

3. August 16, 1985, Administrative Order on Consent executed requiring amendment to existing closure plan, continuation of landfarming operation, and maintenance of letter of credit and sudden coverage. (Note: variance was granted August 22, 1984, allowing facility to demonstrate sudden limits of \$500,000 per occurrence, \$1 million aggregate.)

4. October 7, 1985 Compliance Order and Notice of Administrative Penalty penalizing for nonsudden violation and requiring facility to submit groundwater quality assessment plan, closure plan, revised sampling and analysis plan, and to install additional monitoring wells. This enforcement action was appealed and an administrative hearing is scheduled for February 13, 1986.

5. December 3, 1985, Notice of Violation requiring facility to demonstrate sudden coverage by January 6, 1986.

6. January 1, 1986, Notice of Violation requiring facility to submit a letter of credit in an amount at least equal to current closure and post-closure costs of \$150,000.00 by January 31, 1986.

Ilco Unican, NCD045646924

The following enforcement actions were issued:

1. June 3, 1985 Compliance Order requiring facility to demonstrate nonsudden coverage by June 28, 1985, or "good faith efforts" by June 24, 1985.
2. September 9, 1985, Compliance Order requiring sudden coverage by October 28, 1985.
3. October 11, 1985, Compliance Order and Notice of Administrative Penalty requiring facility to submit amended groundwater assessment report, closure plan, groundwater sampling and analysis plan, and demonstrate nonsudden coverage.

The September 9 and October 11 enforcement actions have been appealed and an administrative hearing is scheduled for March 11, 1986.

LCP Chemicals, NCD991278631

The following enforcement actions were issued:

1. February 1, 1985 Administrative Order on Consent executed requiring facility to make ten monthly installments of \$8,778.83 to trust fund for 10 months. As of November 7, 1985, the trust value was \$156,011.82. On November 25, 1985, the facility submitted a revised closure plan with a closure cost estimate of \$85,600 and a post-closure estimate of \$28,500. The plan is currently being reviewed by the technical staff.
2. September 4, 1985, Compliance Order requiring sudden coverage by October 23, 1985. Coverage was not demonstrated by that date; however, we are waiting for a response from Region IV to Herman Sears', Manager of LCP, letter dated December 3, 1985, requesting withdrawal of its Part A and B applications, and a copy of your LOIS inspection report before initiating any additional actions.

Our records indicate that the facility does have nonsudden coverage through National Union Fire Insurance Company policy number PLL1548286 issued on March 16, 1985 and effective February 16, 1985.

Lithium Corp. of America, NCD000771964

On October 26, 1982, the facility was granted a variance from the nonsudden requirement for the remainder of interim status. On November 4, 1985, this office approved closure certification of the acid-base neutralization surface impoundment and interim status was terminated for that unit.

Martin's Scrap Recycling, NCD044440303

The following enforcement actions were issued:

1. February 15, 1985, Compliance Order requiring facility to demonstrate nonsudden coverage by March 4, 1985, or "good faith efforts" by February 28, 1985. Facility was notified on March 1, 1985, that no penalty would be

assessed at that time based on good faith effort, but it must comply with enforceable closure schedule.

2. May 8, 1985, Compliance Order and Notice of Administrative Penalty requiring facility to sample groundwater, submit groundwater plan, remedial action plan outline and revised closure plan, provide closure and post-closure cost estimates and demonstrate financial assurance. A compliance schedule required closure certification by December 1, 1985. July 19, 1985, extension of compliance date in February 15, 1985 Compliance Order requiring nonsudden coverage by September 9, 1985 or good faith effort by September 6, 1985.

3. September 18, 1985, Compliance Order requiring sudden coverage by November 7, 1985.

4. November 19, 1985, Compliance Order and Notice of Administrative Penalty requiring nonsudden coverage immediately or a per day penalty assessment until closure certification.

The May 8, September 18, and November 19, 1985, enforcement actions were appealed and an administrative hearing is scheduled for February 20, 1986.

Mineral Research, NCDO48467427

On November 26, 1985, a Notice of Violation was issued requiring facility to demonstrate nonsudden coverage by December 31, 1985. Compliance date was extended to January 31, 1986. The facility was unable to comply by that date and a further review of the insurance policy revealed additional deficiencies (limits of \$3/6 instead of \$4/8).

In December, facility increased its closure and post-closure assurance to \$921,213.00 (\$681,213 closure, 240,000 post-closure).

Monarch Furniture (Chromcraft Furniture/Monarch), NCD990883001

Our records indicate the facility has nonsudden coverage through National Union Fire Insurance Company policy number PLL1548335 issued and effective on July 1, 1985.

Seaboard Chemical, NCD071574164

The following enforcement actions were issued:

1. March 5, 1985, Compliance Order requiring facility to demonstrate sudden and nonsudden coverage by March 18, 1985 or "good faith efforts." Facility was notified on March 19, 1985 that no penalty would be assessed at that time based on good faith efforts, but it must comply with enforceable closure schedule.

2. July 5, 1985, Compliance Order requiring sudden coverage by August 16, 1985.

3. July 5, 1985, extension of compliance date in March 5, 1985 Compliance Order requiring nonsudden coverage by August 19, 1985 or good faith efforts by August 16, 1985.

FACILITY NAME: John Boyle & Co., Inc.

ID NUMBER: NCD001876549

CITED EPA VIOLATIONS:

265.91 (a) (b) (c) - Insufficient hydrogeologic data
265.92 (a) - No S/A plans
265.92 (d) - No semiannual data
265.93 (b) - No statistical comparisons
265.93 (a) - No GWQAP

FACILITY DESCRIPTION:

John Boyle utilizes two surface impoundments for treatment of D007 waste. John Boyle did not notify their lagoons as the lagoons contain exclusively trivalent chromium. A consent order was signed in Dec. 83 to allow John Boyle to operate if chromium sludge was removed, 4 wells were installed, and a closure plan prepared. A more detailed consent order was signed on February 15, 1985. A copy is attached. John Boyle has petitioned EPA stating that their waste contains only trivalent chromium and is not regulated. Meanwhile, the lagoon closure is nearly complete, with approved extension. Groundwater monitoring is continuing, and assessment requirements have not been established. The facility has the minimum number of monitoring wells and an acceptable sampling and analysis plan. As the facility was late starting the monitoring program, statistical comparisons will be made, and based on this evaluation, the GWQAP will be developed if needed. Please note that at the time of the consent order, EPA held the opinion that an accelerated monitoring program was unacceptable.

STATE ACTIONS:

Since this site did not have interim status, the State has allowed John Boyle to operate under consent orders based on interim status standards. While they had a late start, progress in groundwater monitoring is on schedule.

FUTURE STATE ACTIONS:

A 264 post-closure permit may be required if groundwater contamination is confirmed and John Boyle is subject to RCRA. The State is awaiting EPA guidance on the regulated status of the impoundments.

Both July enforcement actions were appealed and an administrative hearing was scheduled, however, the owner subsequently withdrew his appeal and the following actions were issued:

4. September 30, 1985 Notice of Violation requiring facility to increase closure and post-closure assurance to \$354,000 by October 25, 1985.
5. October 31, 1985, Compliance Order and Notice of Administrative Penalty requiring on November 8, 1985, sudden coverage, and nonsudden coverage or closure certification of surface impoundment, or alternatively, phased closure of the facility.

Closure certification of the surface impoundment was approved by this office on November 5, 1985. The owner has appealed the September 30 and October 31 actions and an administrative hearing is scheduled February 19, 1986 on the sudden coverage and closure/post-closure issues.

Channel Master, NCD980844898

See attached status report prepared November 19, 1985, in response to a October 16, 1985, letter from James Scarbrough.

Schrader Bellows, NCD002591014

An Administrative Order on Consent was executed August 16, 1985, requiring facility to pay penalty for failure to notify of hazardous waste activities, to submit and implement plans for groundwater monitoring system, closure, groundwater quality sampling and analysis, and to cease use of sand filter beds after November 8, 1985. Facility was required to demonstrate closure assurance, but was not required to comply with the liability requirements. Schrader-Bellows is complying with the Order.

A Compliance Order with penalty was issued December 4, 1985, for failure to submit a standby trust fund agreement with the letter of credit. The order was appealed and an administrative hearing is scheduled February 18, 1986. (The trust agreement was subsequently submitted on January 30, 1986.)

4208

FACILITY NAME: Carolina Creosoting

ID NUMBER: NCD003184710

CITED EPA VIOLATIONS:

Failure to respond to 3007 letter
265.91 (a) (b) (c) Insufficient hydrogeologic data to confirm adequacy of groundwater monitoring system
265.93 (e) No water elevation data
265.93 (b) (c) No sampling/analysis plan
265.93 (b) (c) No complete GW quality data; incomplete quarterly data
265.93 (d) No semiannual GW quality data
265.93 (b) (c) No statistical comparisons
265.93 (d) No GWQAP outline

FACILITY DESCRIPTION:

Carolina Creosoting operated a surface impoundment for K001 wastes. The impoundment was closed in accordance with a state approved closure plan. The sludges and contaminated soils were landfarmed. This landfarm was later determined ineffective as application rates were greatly exceeded.

STATE ACTIONS:

On October 24, 1984, this office referred to the Attorney General a civil action for injunctive relief and collection of penalties for certain financial responsibility violation and for clean up of any contamination on the facility (including groundwater contamination), following noncompliance with administrative orders with penalties issued for these violations on July 24, 1984 and August 14, 1984, respectively.

About that time, Carolina Creosoting ceased operations at the site, and later the Sheriff padlocked the property. Because of the legal structure of Carolina Creosoting, ownership and responsibility for compliance raises significant and practical legal issues and problems. Attempts at service of the summons and complaint were unsuccessful until April 4, 1985, when they were served on the Secretary of State (copy enclosed).

That broadly written, comprehensive complaint alleges violations of all of 40 CFR Sections 264, 265, and 270. The relief requested is sufficient to address all and any violations of these regulations including those alleged in the write-up from EPA. The Attorney General has also provided a copy to the attorney for North Pole, Inc., one of two shareholders in Carolina Creosoting. Mrs. Nancy S. Smith, the other shareholder, and her counsel have refused service and deny liability.

No answers have been filed to the complaint. (Also, note that the State's March 28, 1985, administrative order with a penalty for failure to submit an annual report is unanswered.)

Carolina Creosoting continued

In addition to these formal enforcement actions, the State met with Mr. Theobald, Director of North Pole, Inc., to discuss compliance at this site. Because of the immediacy of the needed action and the statements as to the financial resources available for the action, on October 8, 1984, this office made a formal referral to EPA Region IV, requesting of George Molen, Chief, Emergency Operations Section, that a CERCLA action be considered (copy enclosed). We understand that a draft CERCLA order was sent to North Pole and that clean-up is proceeding under CERCLA. The draft order indicates that the relief being sought includes the appropriate groundwater assessment and implementation at this site.

FUTURE STATE ACTIONS:

No further action proposed. The State believes that all the appropriate enforcement actions have been taken at this site in a timely manner, under the factual and legal circumstances involved. Service of another enforcement action, including an order with penalties, would be duplicative, produce no environmental results, and a waste of resources which could be used elsewhere. The State further believes that since a CERCLA action is ongoing, EPA should take the lead to take further action under RCRA, if EPA believes that such action is timely and appropriate and will produce environmental results.

FACILITY NAME: Channel Master

ID NUMBER: NCD980844898

CITED EPA VIOLATIONS:

Non-notifier

Noncompliance with 265 Subpart F and other 265 violations

FACILITY DESCRIPTION:

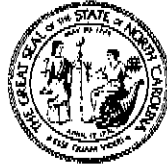
Channel Master has a surface impoundment with chrome bearing sludge. The impoundment was on site when Channel Master bought the property in 1980. The sludge does not exhibit a characteristic and, as Channel Master admits no knowledge of past operations, the State cannot establish if the waste is listed. Even though the facility does not admit to having a regulated unit, they have agreed to install groundwater monitoring wells. Five wells have been sited by Channel Master representatives and a geologist from this office.

STATE ACTIONS:

We are in contact with a prior employee of Channel Master and JFD, the prior owner/operation. He has indicated verbally that the sludge was generated from an electroplating process utilizing chromium.

FUTURE STATE ACTIONS:

The State will attempt to obtain an affidavit from the past employee to use as evidence that the sludge is a listed waste and, therefore, regulated by RCRA.



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

10

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

July 16, 1985

MEMORANDUM

TO: Anne Allen, Pam Coble
Solid & Hazardous Waste Management Branch

FROM: Jerry Rhodes *JHR*
Solid & Hazardous Waste Management Branch

SUBJECT: Financial Requirements for Chromcraft/Monarch Furniture

As stated in the attached letter to Mr. Bob Taylor, Chromcraft/Monarch has completed all actions called for in the approved site closure plan. Analysis shows that clean closure has been completed for all waste management units. Additional groundwater testing is required to show if statistically there is any contamination. Bill Meyer has agreed that financial requirements for Chromcraft should not be necessary as there is nothing remaining to pose a hazard to human health.

JR:lp



Jerry

North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

July 1, 1985

Mr. Bob Taylor
General Manager
Monarch Furniture Corporation
P.O. Box 2516
High Point, NC 27261

RE: Closure of Chromcraft Furniture/
Monarch, EPA ID #NCD990883001

Dear Mr. Taylor:

This Branch received a closure certification on February 22, 1985 from J. L. Rogers, an independent registered Professional Engineer, for the Thaden Metals/Monarch Furniture facility in Jamestown, North Carolina. This facility is listed on our records as Chromcraft Furniture, EPA ID #NCD990883001. The owner's certification of closure, signed by you, was received on May 29, 1985. Based on my site visits and a review of data in our files, I concur that all actions called for in the approved closure plan, with the exception of groundwater monitoring, is now complete.

After completion of the groundwater testing in August, we can determine if clean closure has been achieved and interim status can be terminated. Should groundwater contamination be present, EPA will have to determine if any corrective action will be required since the Hazardous and Solid Waste Amendments of 1984 have not been delegated to the states.

Sincerely,

Jerry Rhodes

Jerry Rhodes, Assistant Branch Head
Solid & Hazardous Waste Management Branch
Environmental Health Section

JR:lp

cc: Mr. Bill Ross
Mr. John Dickenson
Mr. Joe Deakins



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director
919/733-3446

June 4, 1985

Hector D. Blair
Vice President - Finance
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Re: NCD990883001, Policy # M888448

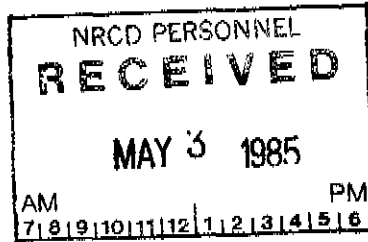
Dear Mr. Blair:

This office has received notification that your liability insurance will expire on July 1, 1985. 40 CFR 265.147(a), codified at 10 NCAC 10 F .0033(h), requires that an owner or operator of a hazardous waste treatment, storage, or disposal facility must have and maintain sudden liability coverage at all times. Please be advised that on or before July 1, 1985, a new certificate must be submitted to this office.

Sincerely,

William L. Meyer, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section

DKW/bb



S&T
Sayre & Toso, Inc.
 SPECIAL RISK UNDERWRITERS FOR OVER 75 YEARS

One Beacon Street
 Suite 3225
 Boston, Massachusetts 02108
 Telephone: (617) 973-4660

AA
 MEMBER, MISSION INSURANCE GROUP INC

April 30, 1985

Monarch Penalties?

Mohasco Corp., Etal
57 Lyons Street
Amsterdam, New York 12010

Re: Umbrella Liability Policy # M888448

Gentlemen:

This letter is to advise you that we will not be in a position to renew the above captioned policy on this expiration date of July 1, 1985.

If you have any questions regarding this matter, we suggest that you contact your placing agent.

Yours truly,

Ronald M. Bruda
Ronald M. Bruda
Resident Vice President

cc: State of North Carolina
Division of Health Services

Mr. David Lee
Department of Natural Resources

RMA/pak

Monsco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



April 30, 1985



Prentiss Anne Allen, Attorney
North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091
Raleigh, North Carolina 27602-2091

Re: Monarch Furniture: NCD990883001

Dear Ms. Allen:

Per our telephone conversation of this date, attached please find revised first sheet pertaining to our non-sudden and accidental insurance properly worded as you suggested.

I believe we answered all other questions pertaining to your letter of April 24, 1985. However, should you have any further questions, please feel free to contact me.

Very truly yours,

Willard L. Bundy
Director
Risk Management

WLB/11j
Attach.

cc: E. G. Perkins
W. Ross
M. Vuono

HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)

A certificate of liability insurance as required in 40 CFR SS 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively, must be worded as follows, except that the instructions in brackets are to be replaced with the relevant information and the brackets deleted:

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Co. (the "Insurer"), of 70 Pine Street, New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corporation, (the "Insured"), of 57 Lyon Street, Amsterdam, NY 12010 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see below) for "Non Sudden Accidental Occurrences". The limits of liability are \$20,000,000 "each occurrence" and \$20,000,000 annual aggregate", exclusive of legal defense costs. The coverage is provided under policy number PLL 1177194, issued on 12/1/84. The effective date of said policy is 12/1/84.



North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director

April 29, 1985

WARNING

Hector D. Blair
Vice President - Finance
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Re: NCD990883001

Dear Mr. Blair:

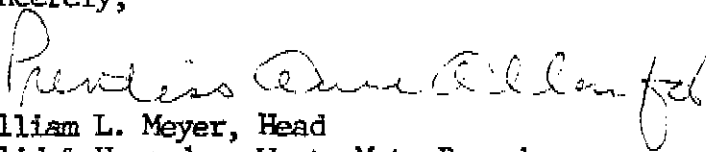
Prior to November 19, 1980, the United States Protection Agency (EPA) was notified that the above facility is a hazardous waste treatment, storage or disposal facility, which requires interim status under the Federal Resource Conservation and Recovery Act (RCRA).

As a hazardous waste treatment, storage or disposal facility, the above facility is required to comply with certain regulations known as financial requirements. Those requirements are set forth for interim status facilities in 40 CFR 265, Subpart H, adopted in North Carolina as 10 NCAC 10 F .0033(h), and for permitted facilities in 40 CFR 264, Subpart H, adopted in North Carolina as 10 NCAC 10 F .0032(h).

In order to comply with those regulations, you have chosen the financial test for closure and post-closure assurance. Under 40 CFR 265.143(e) (5), codified at 10 NCAC 10 F .0033(h), the financial test must be updated annually within 90 days of the close of the succeeding fiscal year. Your annual update, which was due April 1, 1985, was not received until April 9, 1984 in violation of 40 CFR 265.143(e) (5).

Please be advised that a penalty will be assessed against you if your future updates are not submitted in a timely fashion.

Sincerely,


William L. Meyer, Head
Solid & Hazardous Waste Mgt. Branch
Environmental Health Section

PAA/bb/2524

cc: Julian Foscue, Steve Phibbs
William G. Ross, Jr., Counsel



file

North Carolina Department of Human Resources
Division of Health Services
P.O. Box 2091 • Raleigh, North Carolina 27602-2091

James G. Martin, Governor
Phillip J. Kirk, Jr., Secretary

Ronald H. Levine, M.D., M.P.H.
State Health Director
919/733-3446

April 24, 1985

Willard L. Bundy
Director - Risk Management
Mohasco Corporation
57 Lyon Street
Amsterdam, NY 12010

Re: Monarch Furniture: NCD990883001

Dear Mr. Bundy:

This office is confused about the status of your insurance coverage at the above-referenced facility. On March 4, 1985, we received two certificates of liability insurance, both issued by National Union Fire Insurance Company on December 1, 1984. One certificate provides non-sudden coverage with a \$20,000,000 annual aggregate. However, it is not worded verbatim to the North Carolina model document and must be corrected. The other certificate provides coverage with a \$2,000,000 annual aggregate, but it does not specify whether it is for sudden or non-sudden liability. This certificate must also be corrected to indicate the type of coverage it is providing. Your cover letter makes reference only to the non-sudden coverage of \$20,000,000 in the aggregate.

Your file contains two other certificates for non-sudden coverage. We have no cancellation on either certificate. Please inform us as to the status of Policy # 120182-01, Hartford Steam Boiler Inspection and Insurance Company, and Policy # PLL1055622, National Union Fire Insurance Company.

Sincerely,

A handwritten signature in cursive script that reads "Prentiss Anne Allen".

Prentiss Anne Allen, Attorney
Solid and Hazardous Waste Mgt. Branch
Environmental Health Section

PT/bb/2481

cc: Julian Foscue
Steve Phibbs
William G. Ross, Jr., Counsel

Mohasco 5/1

Mr Buckley called
The NC form is a
duplicate for

The purpose of conforming
w/ NC Citations. It is
incompletely completed. It
will be revised & sent
forward. Note - they
send the EPA form & NC
one.

No violation if
received w/10 days

Rec'd
5/6/85
etc

SUDDEN
LIABILITY COVERAGE COMPLIANCE

Initial Review Checklist

Monarch Furniture

TSDF Name

Mohasco Corp

ID#

NC 7990583001

Date of this Review

12/84 4/4/85

1. Method used:

certificate

endorsement

2. Insurer licensed or eligible to provide surplus or excess lines in any state.

Which state verified? _____

3. Wording exactly as in regulations?

4. Coverage was effective by ~~October 12~~ 12/1/84

5. Coverage amount is adequate?

6. Notice of cancellation received.
Effective date.

7-1-85

Explanation of Deficiencies

NON SUDDEN
LIABILITY COVERAGE COMPLIANCE

Initial Review Checklist

Monarch Furniture
TSDf Name Monasco Corp.
ID# NCD990883001
Date of this Review 12/84 4/4/85
PAH

1. Method used:

- certificate
 endorsement

2. Insurer licensed or eligible to provide surplus or excess lines in any state.

Which state verified? _____

3. Wording exactly as in regulations?

4. Coverage was effective by 12/1/84 October 1?

5. Coverage amount is adequate?

6. Notice of cancellation received.
Effective date. _____

Explanation of Deficiencies



Am
Monsco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

9



March 1, 1985

Mr. O. W. Strickland
Head of Solid & Hazardous Waste Management Branch
Environmental Health Services
Division of Health Services
Department of Human Resources
State of North Carolina
P.O. Box 2091
Raleigh NC 27602

Subject: Hazardous Waste Facility
Certificate of Insurance

Dear Mr. Strickland:

Attached please find renewal certificate effective
December 1, 1984 for non-sudden accidental occurrences
with limits of liability of \$20,000,000 each occurrence
and \$20,000,000 aggregate.

Should you have any questions, please do not hesitate
to contact me.

Very truly yours,

Willard L. Bundy
Director
Risk Management

WLB/11j

cc: W. Ross
J. Findell

*replaced by
7/15/85 submission*

HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

1. Name of Insurer: National Union Fire Insurance Company
Address of Insurer: 70 Pine Street, New York, New York 10270

hereby certifies that it has issued liability insurance covering bodily injury and property damage to:

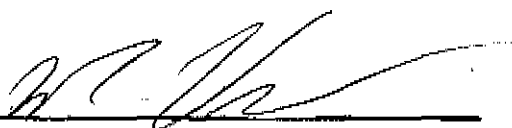
Name of Insured: Mohasco Corporation
Address of Insured: 57 Lyon Street, Amsterdam, New York 12010

in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at (See Below) for "non sudden accidental occurrences". The limits of liability are \$20,000,000 each occurrence and \$20,000,000 annual aggregate, exclusive of legal defense costs. The coverage is provided under policy number PLL 1177194 issued on 12/1/84. The effective date of said policy is 12/1/84.

2. The insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.
 - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

MARK Vuono, MANAGER
Authorized Representative & Title



Name of Insurer: National Union Fire Insurance Company

Address of insurer: 70 Pine Street, New York, New York 10270

HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Co. (the "Insurer"), of 70 Pine Street, New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corporation, (the "Insured"), of 57 Lyon Street, Amsterdam, NY 12010 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see below). The limits of liability are \$1,000,000 "each occurrence" and \$2,000,000 annual aggregate", exclusive of legal defense costs. The coverage is provided under policy number PLL 1177194, issued on 12/1/84. The effective date of said policy is 12/1/84.

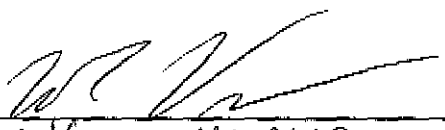
*this page
replaced 5/6/85*

(CONTINUED)

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
 - (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.
 - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

(CONTINUED)

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.



MARK VUONO, MANAGER

Authorized Representative of National Union Fire Insurance Co.
(title).

70 Pine Street, New York, NY 10270

AMP/08

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street <i>only 1 on PO</i> Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Typelo, MS 38801	MSD 002088474

REQUIRED WORDING FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)

A certificate of liability insurance as required in 40 CFR §§
264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F
.0032(h) and .0033(h), respectively, must be worded as follows,
except that the instructions in brackets are to be replaced with
the relevant information and the brackets deleted:

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. Hartford Accident & Indemnity Co., (the "Insurer"), of
Hartford Plaza, Hartford, CT 06115 hereby certifies that it
has issued liability insurance covering bodily injury and
property damage to Mohasco Corporation, (the "Insured"), of
57 Lyon Street, Amsterdam, NY 12010 in connection with the
insured's obligation to demonstrate financial responsibility
under 40 CFR 264.147 or 265.147, adopted in North Carolina
as 10 NCAC 10F .0032(h) and .0033(h), respectively. The
coverage applies at (see below) for "Sudden Accidental
Occurrences". The limits of liability are \$500,000 "each
occurrence" and \$500,000 annual aggregate", exclusive of
legal defense costs. The coverage is provided under policy
number 02 CLRP10143E, issued on 7/1/84. The effective date
of said policy is 7/1/84.

*replaced by
7/15/85 submission*

(CONTINUED)

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
 - (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.
 - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

(CONTINUED)

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn, Account Executive

Authorized Representative of Insurer (Title)

Authorized Representative of Hartford Accident & Indemnity Co.

Hartford, CT

AMP/06

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Typelo, MS 38801	MSD 002088474

REQUIRED WORDING FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F.
.0032(h)

A certificate of liability insurance as required in 40 CFR §§ 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively, must be worded as follows, except that the instructions in brackets are to be replaced with the relevant information and the brackets deleted:

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. Mission Insurance Co., (the "Insurer"), of Los Angeles, CA hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corporation, (the "Insured"), of 57 Lyon Street, Amsterdam, NY 12010 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (See Below) for "sudden accidental occurrences". The limits of liability are \$500,000 excess of \$500,000 "each occurrence" and \$1,500,000 excess of \$500,000 "annual aggregate", exclusive of legal defense costs. The coverage is provided under policy number M888446, issued on 7/1/84. The effective date of said policy is 7/1/84.

*replaced by
6/15/85 submission*

(CONTINUED)

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
- (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.
- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

(CONTINUED)

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Donald Bonito

CASUALTY MANAGER

Authorized Representative of Insurer (Title)

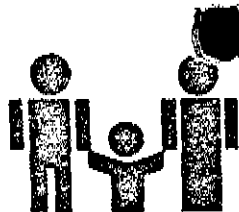
Authorized Representative of Mission Insurance Co.

Los Angeles, CA

AMP/07

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Typelo, MS 38801	MSD 002088474



Ronald H. Levine, M.D., M.P.H.
STATE HEALTH DIRECTOR

DIVISION OF HEALTH SERVICES
P.O. Box 2091
Raleigh, N.C. 27602-2091

September 27, 1984

William G. Ross, Jr.
Brooks, Pierce, McLendon, Humphrey & Leonard
Attorneys and Counsellors at Law
Suite 1400 Wachovia Building
Greensboro, North Carolina 27402

Re: NCD990883001, Monarch Furniture Division's Thaden Metals Facility:
Withdrawal of Penalty

Dear Mr. Ross:

On August 3, 1984, I issued a compliance order to the above facility for failure to demonstrate adequate liability coverage for sudden occurrences. I also assessed a penalty of \$200.00 for that violation. After re-examining the information provided by our records, by your recent submissions, including your letter of September 25, 1984, and by you in our discussions, I hereby withdraw that penalty for good cause shown.

The factors I considered included (but were not limited to): 1) the cooperative, rapid response to my order; 2) Monarch's demonstration that the insurance coverage was in place; 3) no potential risk to the health and environment was evident; and 4) the operations have ceased and Monarch has agreed, in principle, to work with State and federal officials to complete closure and/or post closure of the facility in compliance with all the applicable requirements.

Sincerely,

O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section

PAA:ns

cc: ✓ Prentiss Anne Allen
William Paige
Julian Foscue
Steve Phibbs

Om

BROOKS, PIERCE, McLENDON, HUMPHREY & LEONARD

THORNTON M. BROOKS
CLAUDE C. PIERCE
L. P. McLENDON, JR.
HUBERT HUMPHREY
EDGAR B. FISHER, JR.
JERRY W. AMOS
W. ERWIN FULLER, JR.
JAMES T. WILLIAMS, JR.
M. DANIEL MCGINN
MICHAEL D. MEEKER
JOHN L. SARRATT
WILLIAM G. McNAIRY
EDWARD C. WINSLOW III
HOWARD L. WILLIAMS
GEORGE W. HOUSE
WILLIAM P. H. CARY
REID L. PHILLIPS
ROBERT A. SINGER
JOHN H. SMALL
RANDALL A. UNDERWOOD
GERARD M. CHAPMAN
S. LEIGH BODENBOUGH II
E. MARSHALL MERRIMAN, JR.
WILLIAM G. BOSS, JR.

ATTORNEYS AND COUNSELLORS AT LAW
SUITE 1400 WACHOVIA BUILDING
GREENSBORO, NORTH CAROLINA 27402

AUBREY L. BROOKS (1872-1956)
W. H. HOLDBENESS (1904-1965)
L. P. McLENDON (1890-1968)
KENNETH M. DRIM (1898-1974)
C. T. LEONARD, JR. (1922-1983)



September 25, 1984

OF COUNSEL:
G. NEIL DANIELS

MAILING ADDRESS
P. O. DRAWER 1

TELEPHONE
873-8850
AREA CODE 919

Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
North Carolina Department of Human Resources
Post Office Box 2091
Raleigh, N.C. 27602-2091

RE: Liability Coverage for Sudden Accidental Occurrences
Thaden Metals Facility at 300 Scientific Drive, Jamestown,
North Carolina
Monarch Furniture Division, Chromcraft Corporation,
a subsidiary of Mohasco Corporation

Dear Mr. Strickland:

I appreciated the opportunity to meet with you and Anne Allen on the subject of insurance coverage for the Thaden Metals facility. When we met, I stated that since 1978 Mohasco has had liability insurance for sudden accidental occurrences at that facility. I also indicated that the limits of coverage have always exceeded the regulatory minimum of \$1 million per occurrence with an annual aggregate of \$2 million. Since 1980, Mohasco's coverage, through a base policy and an umbrella policy, has been \$5 million per occurrence with an annual aggregate of \$5 million.

At the meeting, Ms. Allen pointed out that the Geiss letter that I submitted to you raised the question of whether the Comprehensive General Liability policies limited recovery to negligence. I have reviewed the terms of coverage and spoken further

Mr. O. W. Strickland
September 25, 1984
Page 2

with Mr. Geiss. The policies do not limit recovery to negligence.

As evidence of that, I attach a highlighted copy of the pertinent parts of the base policy with the Hartford Accident and Indemnity Company (Exhibit A). The coverage is for sudden accidental occurrences. Neither the coverage statement (p. CGL-2), the non-sudden exclusion (p. CGL-2), the definition of "occurrence" (Form 8117, p. 2), nor any other part of the policy contains a negligence limitation. The umbrella policy, issued by the Mission Insurance Company, contains the same terms of coverage and likewise does not limit recovery to negligence.

In 1982, the Hartford Accident and Indemnity Company began issuing for each covered facility amendatory endorsements to the policy. The endorsements for the Thaden Metals facility state:

This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. This coverage applies at [Thaden] for sudden accidental occurrences.

The endorsement confirms that the CGL policy provides the coverage that the law requires, with recovery not limited to negligence. The 1982 and 1983 endorsements are attached as Exhibits B-1 and B-2.

Thus, the statement concerning negligence in Mr. Geiss' September 5, 1984 letter was incorrect. In all other respects, his letter was accurate.

At our meeting on September 7, 1984, I submitted to you, for the Thaden Metals facility, duplicate original certificates of liability insurance for sudden accidental occurrences. Those certificates, one from the Hartford Accident and Indemnity Company and one from the Mission Insurance Company, are worded identically to your agency's model document.

In my opinion, those certificates meet the requirements of 40 CFR §265.147, adopted in North Carolina as 10 NCAC 10F .0033 (h) and satisfy the directive on page 2 of your August 3, 1984 compliance order.

Finally, Mohasco asks that you eliminate the civil penalty assessed against Monarch. Your August 3rd letter asserted two

Mr. O. W. Strickland
September 25, 1984
Page 3

violations: the inadequacy of coverage and the failure to file a duplicate original certificate with references to North Carolina and North Carolina rules.

In Mohasco's opinion, the most serious charge in this case is the allegation of inadequate liability coverage. After all, the main purpose of RCRA's liability coverage provisions is the protection of third parties. Without adequate coverage, innocent third parties do not receive the full protections intended by Congress.

In this case, Mohasco, the parent corporation, has always maintained liability coverage for sudden accidental occurrences at the Thaden facility. Third parties have always been protected. In fact, Mohasco has maintained coverage significantly greater than the minimum required by law.

Regarding the less serious violation, Mohasco has made a good faith effort to demonstrate liability coverage to the State. Although the company properly demonstrated its non-sudden coverage, it was only partially successful in demonstrating its sudden coverage. The September filing resolved that issue.

Because the most serious asserted violation, the inadequacy of coverage, never occurred and because the defects in its demonstration of coverage have now been cured, Mohasco and Monarch respectfully request that the civil penalty be withdrawn.

To protect their rights and to keep this matter open while you consider the request for withdrawal, the companies also make a formal request for administrative hearing. Mohasco and Monarch, for the reasons stated in this letter, contend that the assessment is erroneous and that the penalty should be eliminated.

Thank you for your consideration of these facts and views.

Sincerely,


William G. Ross, Jr.

WGRjr/cdl
Enclosures
cc: Prentiss Anne Allen
William Bundy
Joseph Geiss



THE HARTFORD

CASUALTY INSURANCE POLICY

EXHIBIT A

(See next 2 pages for highlighting.)

GENERAL POLICY PROVISIONS Form 8177

- (1) "cost of hire" means the amount incurred for (a) the hire of automobiles, including the entire remuneration of each employee of the named insured engaged in the operation of such automobiles subject to an average weekly maximum remuneration of \$100, and for (b) pick-up, transportation or delivery service of property or passengers, other than such services performed by motor carriers which are subject to the security requirements of any motor carrier law or ordinance. The rates for each \$100 of "cost of hire" shall be 5% of the applicable hired automobile rates, provided the owner of such hired automobile has purchased automobile Bodily Injury Liability and Property Damage Liability insurance covering the interest of the named insured on a direct primary basis as respects such automobile and submit

The member company of THE HARTFORD INSURANCE GROUP designated on the Declarations page as the Insurer (a stock insurance company, herein called the company)

In consideration of the payment of the premium, in reliance upon the statements in the declarations made a part hereof and subject to all of the terms of this policy, agrees with the named insured as follows:

COVERAGE

Insurance is afforded by the Coverage Parts forming a part hereof, subject to such limits of liability as are stated therein and subject to all the terms of the policy having reference thereto.

SUPPLEMENTARY PAYMENTS

The company will pay, in addition to the applicable limit of liability:

- (a) all expenses incurred by the company, all costs taxed against the insured in any suit defended by the company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the company's liability thereon;
- (b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the insured because of accident or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed \$250 per bail bond, but the company shall have no obligation to apply for or furnish any such bonds;
- (c) expenses incurred by the insured for first aid to others at the time of an accident, for bodily injury to which this policy applies;
- (d) reasonable expenses incurred by the insured at the company's request in assisting the company in the investigation or defense of any claim or suit, including actual loss of earnings not to exceed \$25 per day.

DEFINITIONS

When used in this policy (including endorsements forming a part hereof):

"automobile" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include mobile equipment;

"bodily injury" means bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom;

"collapse hazard" includes "structural property damage" as defined herein and property damage to any other property at any time resulting therefrom. "Structural property damage" means the collapse of or structural injury to any building or structure due to (1) grading of land, excavating, borrowing, filling, back-filling, tunnelling, pile driving, cofferdam work or caisson work or (2) moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support thereof. The collapse hazard does not include property damage (1) arising out of operations performed for the named insured by independent contractors, or (2) included within the completed operations hazard or the underground property damage hazard, or (3) for which liability is assumed by the insured under an incidental contract;

"completed operations hazard" includes bodily injury and property damage arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the bodily injury or property damage occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the named insured. "Operations" include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

- (1) when all operations to be performed by or on behalf of the named insured under the contract have been completed,
- (2) when all operations to be performed by or on behalf of the named insured at the site of the operations have been completed, or
- (3) when the portion of the work out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The completed operations hazard does not include bodily injury or property damage arising out of:

- (a) operations in connection with the transportation of property, unless the bodily injury or property damage arises out of a condition in or on a vehicle created by the loading or unloading thereof;

3) designated in the declaration as the named insured. The amount shall be computed for such period and upon notice thereof to the named insured, shall become due and payable. If the total premium for the policy period is less than the premium previously paid, the company shall return to the named insured the unearned portion paid by the named insured. The named insured shall maintain records of such information as necessary for premium computation, and shall send copies of such records to the company at the end of the policy period and at such intervals during the policy period as the company may direct.

Inspection and Audit The company shall be permitted but not required to:

- (b) the existence of tools, uninstalled equipment or abandoned or unused materials, or
- (c) operations for which the classification stated in the policy or in the company's manual specifies "including completed operations";

"elevator" means any hoisting or lowering device to connect floors or landings, whether or not in service, and all appliances thereof including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery; but does not include an automobile servicing hoist, or a hoist without a platform outside a building if without mechanical power or if not attached to building walls, or a hoist or material hoist used in alteration, construction or demolition operations, or an inclined conveyor used exclusively for carrying property or a dumbwaiter used exclusively for carrying property and having a compartment height not exceeding four feet;

"explosion hazard" includes property damage arising out of blasting or explosion. The explosion hazard does not include property damage (1) arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or (2) arising out of operations performed for the named insured by independent contractors, or (3) included within the completed operations hazard or the underground property damage hazard, or (4) for which liability is assumed by the insured under an incidental contract;

"incidental contract" means any written (1) lease of premises, (2) easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad, (3) undertaking to indemnify a municipality required by municipal ordinance, except in connection with work for the municipality, (4) sidetrack agreement, or (5) elevator maintenance agreement;

"insured" means any person or organization qualifying as an insured in the "Persons Insured" provision of the applicable insurance coverage. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability;

"mobile equipment" means a land vehicle (including any machinery or apparatus attached thereto), whether or not self-propelled, (1) not subject to motor vehicle registration, or (2) maintained for use exclusively on premises owned by or rented to the

named insured, including the ways immediately adjoining, or (3) designed or used primarily off public roads, or (4) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle: power cranes, shovels, loaders, diggers and drills; concrete mixers (other than the mix-in-transit type); graders, scrapers, rollers and other road construction or repair equipment; air-compressors, pumps and generators, including spraying, welding and building cleaning equipment; and geophysical exploration and well servicing equipment;

"named insured" means the person or organization named in Item 1. of the declarations of this policy;

"named insured's products" means goods or products manufactured, sold, handled or distributed by the named insured or by others trading under his name, including any container thereof (other than a vehicle), but "named insured's products" shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold;

"occurrence" means an accident, including continuous or repeated exposure to conditions, which results in bodily injury or property damage neither expected nor intended from the standpoint of the insured;

"policy territory" means:

- (1) the United States of America, its territories or possessions, or Canada, or
- (2) international waters or air space, provided the bodily injury or property damage does not occur in the course of travel or transportation to or from any other country, state or nation, or
- (3) anywhere in the world with respect to damages because of bodily injury or property damage arising out of a product which was sold for use or consumption within the territory described in paragraph (1) above, provided the original suit for such damages is brought within such territory;

"products hazard" includes bodily injury and property damage arising out of the named insured's products or reliance upon a representation or warranty made at any time with respect thereto, but only if the bodily injury or property damage occurs away from premises owned by or rented to the named insured and after physical possession of such products has been relinquished to others;

"property damage" means (1) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom, or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an occurrence during the policy period;

"underground property damage hazard" includes underground property damage as defined herein and property damage to any other property at any time resulting therefrom. "Underground property damage" means property damage to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus in connection therewith, beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, borrowing, filling, back-filling or pile driving. The underground property damage hazard does not include property damage (1) arising out of operations performed for the named insured by independent contractors, or (2) included within the completed operations hazard, or (3) for which liability is assumed by the insured under an incidental contract.

definition of "occurrence"

DESCRIPTION OF TERMS USED AS PREMIUM BASES

When used as a premium basis for:

- (a) Comprehensive General Liability Insurance or Owners', Landlords' and Tenants' Liability Insurance, "admissions" means the total number of persons, other than employees of the named insured, admitted to the event covered by the insurance or to events conducted on the premises whether on paid admission tickets, complimentary tickets or passes;
- (b) Comprehensive General Liability Insurance; Manufacturers' and Contractors' Liability Insurance; Owners', Landlords' and Tenants' Liability Insurance; Owners', Landlords' and Contractors' Protective Liability Insurance, "cost" means the total cost to the named insured with respect to operations performed for the named insured during the policy period by independent contractors of all work let or sub-let in connection with each specific project, including the cost of all labor, materials and equipment furnished, used or delivered for use in the execution of such work, whether furnished by the owner, contractor or subcontractor, including all fees, allowances, bonuses or commissions made, paid or due;

- (c) Comprehensive General Liability Insurance; Manufacturers' and Contractors' Liability Insurance; Owners', Landlords' and Tenants' Liability Insurance or Completed Operations and Products Liability Insurance, "receipts" means the gross amount of money charged by the named insured for such operations by the named insured or by others during the policy period as are rated on a receipts basis other than receipts from telecasting, broadcasting or motion pictures, and includes taxes, other than taxes which the named insured collects as a separate item and remits directly to a governmental division;
- (d) Comprehensive General Liability Insurance; Manufacturers' and Contractors' Liability Insurance or Owners', Landlords' and Tenants' Liability Insurance which includes coverage for structural alterations, new construction and demolition operations, "remuneration" means the entire remuneration earned during the policy period by proprietors and by all employees of the named insured, other than chauffeurs (except operators of mobile equipment) and aircraft pilots and co-pilots, subject to any overtime earnings or limitation of remuneration rule applicable in accordance with the manuals in use by the Company;

Comprehensive General Liability Insurance Coverage Part (Continued)

I. COVERAGE A - BODILY INJURY LIABILITY

COVERAGE B - PROPERTY DAMAGE LIABILITY

The company will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of

Coverage A - bodily injury or

Coverage B - property damage

to which this insurance applies, caused by an occurrence, and the company shall have the right and duty to defend any suit against the insured seeking damages on account of such bodily injury or property damage, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the company's liability has been exhausted by payment of judgments or settlements.

Exclusions

This insurance does not apply:

(a) to liability assumed by the insured under any contract or agreement except an incidental contract; but this exclusion does not apply to a warranty of fitness or quality of the named insured's products or a warranty that work performed by or on behalf of the named insured will be done in a workmanlike manner;

(b) to bodily injury or property damage arising out of the ownership, maintenance, operation, use, loading or unloading of (1) any automobile or aircraft owned or operated by or rented or loaned to any insured, or (2) any other automobile or aircraft operated by any person in the course of his employment by any insured;

but this exclusion does not apply to the parking of an automobile on premises owned by, rented to or controlled by the named insured or the ways immediately adjoining, if such automobile is not owned by or rented or loaned to any insured;

(c) to bodily injury or property damage arising out of (1) the ownership, maintenance, operation, use, loading or unloading of any mobile equipment while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity or (2) the operation or use of any snowmobile or trailer designed for use therewith;

(d) to bodily injury or property damage arising out of and in the course of the transportation of mobile equipment by an automobile owned or operated by or rented or loaned to any insured;

(e) to bodily injury or property damage arising out of the ownership, maintenance, operation, use, loading or unloading of (1) any watercraft owned or operated by or rented or loaned to any insured, or (2) any other watercraft operated by any person in the course of his employment by any insured;

but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the named insured;

(f) to bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental;

(g) to bodily injury or property damage due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing, with respect to

(1) liability assumed by the insured under an incidental contract, or

(2) expenses for first aid under the Supplementary Payments provision;

(h) to bodily injury or property damage for which the insured or his indemnitee may be held liable

(1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages, or

(2) if not so engaged, as an owner or lessor of premises used for such purposes,

if such liability is imposed

(i) by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage, or

(ii) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or which causes or contributes to the intoxication of any person;

but part (ii) of this exclusion does not apply with respect to liability of the insured or his indemnitee as an owner or lessor described in (2) above;

(i) to any obligation for which the insured or any carrier as his insurer may be held liable under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

(j) to bodily injury to any employee of the insured arising out of and in the course of his employment by the insured or to any obligation of the insured to indemnify another because of damages arising out of such injury; but this exclusion does not apply to liability assumed by the insured under an incidental contract;

(k) to property damage to

(1) property owned or occupied by or rented to the insured,

(2) property used by the insured, or

(3) property in the care, custody or control of the insured or as to which the insured is for any purpose exercising physical control;

but parts (2) and (3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part (3) of this exclusion does not apply with respect to property damage (other than to elevators) arising out of the use of an elevator at premises owned by, rented to or controlled by the named insured;

(l) to property damage to premises alienated by the named insured arising out of such premises or any part thereof;

(m) to loss of use of tangible property which has not been physically injured or destroyed resulting from

(1) a delay in or lack of performance by or on behalf of the named insured of any contract or agreement, or

(2) the failure of the named insured's products or work performed by or on behalf of the named insured to meet the level of performance, quality, fitness or durability warranted or represented by the named insured;

but this exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the named insured's products or work performed by or on behalf of the named insured after such products or work have been put to use by any person or organization other than an insured;

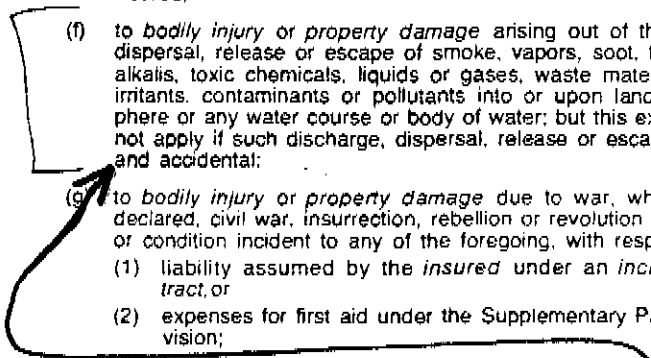
(n) to property damage to the named insured's products arising out of such products or any part of such products;

(o) to property damage to work performed by or on behalf of the named insured arising out of the work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith;

(p) to damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of the named insured's products or work completed by or for the named insured or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein;

(q) to property damage included within:

(1) the explosion hazard in connection with operations identified in this policy by a classification code number which includes the symbol "x";



non-sudden exclusion



Comprehensive General Liability Insurance Coverage Part (Continued)

- (2) the *collapse hazard* in connection with operations identified in this policy by a classification code number which includes the symbol "c".
- (3) the *underground property damage hazard* in connection with operations identified in this policy by a classification code number which includes the symbol "u".

II. PERSONS INSURED

Each of the following is an *insured* under this insurance to the extent set forth below:

- (a) if the *named insured* is designated in the declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor, and the spouse of the *named insured* with respect to the conduct of such a business;
- (b) if the *named insured* is designated in the declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;
- (c) if the *named insured* is designated in the declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;
- (d) any person (other than an employee of the *named insured*) or organization while acting as real estate manager for the *named insured*; and
- (e) with respect to the operation, for the purpose of locomotion upon a public highway, of *mobile equipment* registered under any motor vehicle registration law,
 - (i) an employee of the *named insured* while operating any such equipment in the course of his employment, and
 - (ii) any other person while operating with the permission of the *named insured* any such equipment registered in the name of the *named insured* and any person or organization legally responsible for such operation, but only if there is no other valid and collectible insurance available, either on a primary or excess basis, to such person or organization;

provided that no person or organization shall be an *insured* under this paragraph (e) with respect to:

- (1) *bodily injury* to any fellow employee of such person injured in the course of his employment, or
- (2) *property damage* to property owned by, rented to, in charge of or occupied by the *named insured* or the employer of any person described in subparagraph (ii).

This insurance does not apply to *bodily injury* or *property damage* arising out of the conduct of any partnership or joint venture of which the *insured* is a partner or member and which is not designated in this policy as a *named insured*.

III. LIMITS OF LIABILITY

Regardless of the number of (1) *insureds* under this policy, (2) persons or organizations who sustain *bodily injury* or *property damage*, or (3) claims made or suits brought on account of *bodily injury* or *property damage*, the company's liability is limited as follows:

Coverage A — The total liability of the company for all damages, including damages for care and loss of services, because of *bodily injury* sustained by one or more persons as the result of any one *occurrence* shall not exceed the limit of *bodily injury* liability stated in the schedule as applicable to "each *occurrence*".

Subject to the above provision respecting "each *occurrence*", the total liability of the company for all damages because of (1) all *bodily injury* included within the *completed operations hazard* and (2) all *bodily injury* included within the *products hazard* shall not exceed the limit of *bodily injury* liability stated in the schedule as "aggregate".

Coverage B — The total liability of the company for all damages because of all *property damage* sustained by one or more persons or organizations as the result of any one *occurrence* shall not exceed the limit of *property damage* liability stated in the schedule as applicable to "each *occurrence*".

Subject to the above provision respecting "each *occurrence*", the total liability of the company for all damages because of all *property damage* to which this coverage applies and described in any of the numbered subparagraphs below shall not exceed the limit of *property damage* liability stated in the schedule as "aggregate":

- (1) all *property damage* arising out of premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, including *property damage* for which liability is assumed under any *incidental contract* relating to such premises or operations, but excluding *property damage* included in subparagraph (2) below;
- (2) all *property damage* arising out of and occurring in the course of operations performed for the *named insured* by independent contractors and general supervision thereof by the *named insured*, including any such *property damage* for which liability is assumed under any *incidental contract* relating to such operations, but this subparagraph (2) does not include *property damage* arising out of maintenance or repairs at premises owned by or rented to the *named insured* or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;
- (3) all *property damage* included within the *products hazard* and all *property damage* included within the *completed operations hazard*.

Such aggregate limit shall apply separately to the *property damage* described in subparagraphs (1), (2) and (3) above, and under subparagraphs (1) and (2), separately with respect to each project away from premises owned by or rented to the *named insured*.

Coverages A and B — For the purpose of determining the limit of the company's liability, all *bodily injury* and *property damage* arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one *occurrence*.

IV. POLICY TERRITORY

This insurance applies only to *bodily injury* or *property damage* which occurs within the *policy territory*.



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:
COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SME LIABILITY INSURANCE

Policy Number: This Endorsement is INCL. IN _____
COMPOSITE RATE

Part I: Separate Limits of Liability Endorsement (Hazardous Waste Facility)

We agree that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part I apply separately to such insurance as is afforded by the policy in connection with the insured's obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in full and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each occurrence" limit applies to all bodily injury and all property damage arising out of a single occurrence.
4. The annual "aggregate" limit applies to all damages because of all bodily injury and all property damage which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all bodily injury and property damage arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all bodily injury and property damage arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single occurrence.
6. Part of this endorsement shall be canceled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II: Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at EPA Identification Number NCD 990883001.
Name CHROMCRAFT CORPORATION MONARCH FURNITURE DIVISION
Address 300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, N.C. 27282
for sudden and accidental occurrences. The limits of liability are \$ 500,000.- "each occurrence" and \$ 500,000.- annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such occurrences is subject to all of the terms and conditions of the policy, provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of the Paragraph 2 are hereby amended to conform with subsections (a) through (e):
(a) Bankruptcy or insolvency of the insured shall not relieve the insurer of its obligations under the policy to which this endorsement is attached.
(b) The insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
(c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
(d) Cancellation of this endorsement, whether by the insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facilities are located.
(e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of ninety (90) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10130E
issued by HARTFORD ACCIDENT & INDEMNITY, herein called the insurer.

(Name of Insurer)
HARTFORD PLAZA, HARTFORD, CT. is CHROMCRAFT CORPORATION, MONARCH FURNITURE DIVISION
(Address of Insurer) (Name of Insured)
300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, N.C. 27282
(Address of Insured)

the 20TH day of SEPTEMBER, 19 82. The effective date of said policy is
1ST day of JULY, 19 82.

This copy certifies that the wording of this endorsement is identical to the wording specified in 40 CFR 264.147(b) as such regulation was promulgated on the date first above written, and that the insurer is licensed to transact the business of insurance and to provide insurance as an excess or surplus lines insurer in one or more States.

Joseph M. Quinn
Signature of Authorized Representative of Insurer
JOSEPH M. QUINN

ACCOUNT SUPERVISOR Authorized Representative of THE HARTFORD INSURANCE GROUP

Attached to and forming part of Policy No. 02 CLR P10130E
issued by HARTFORD ACCIDENT & INDEMNITY, herein called the Insurer
(Name of Insurer)

HARTFORD PLAZA, HARTFORD, CT. to CHROMCRAFT CORPORATION, MONARCH FURNITURE
(Address of Insurer) (Name of Insured)

300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, N.C. 27282
(Address of Insured)

This 20TH day of SEPTEMBER 19 82 The effective date of said policy is
1ST day of JULY 19 82

I hereby certify that the wording of this endorsement is identical to the wording specified in 43 CFR 254.10-11, as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, and to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)
JOSEPH M. QUINN

ACCOUNT SUPERVISOR

Authorized Representative of THE HARTFORD INSURANCE GROUP



THE HARTFORD

EXHIBIT B-2,
1983 FORM

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE

Premium for This Endorsement \$ INCL IN
COMPOSITE RATE

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NC9 990883001
Name: CHROMCRAFT CORPORATION MONARCH FURNITURE DIVISION
Address: 300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, NC 27282
for sudden accidental **occurrences**. The limits of liability are \$ 500,000, "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10135E
issued by HARTFORD ACCIDENT & INDEMNITY CO., herein called the Insurer,
(Name of Insurer)

of HARTFORD PLAZA, HARTFORD, CT to CHROMCRAFT CORPORATION, MONARCH FURNITURE DIV
(Address of Insurer) (Name of Insured)

of 300 SCIENTIFIC STREET, P.O. BOX 578, JAMESTOWN, NC 27282
(Address of Insured)

this 1ST day of JULY, 19 83. The effective date of said policy is
1ST day of JULY, 19 83.

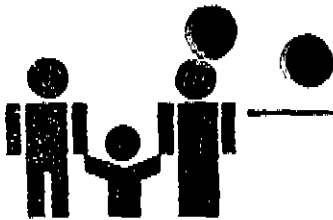
I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

(Signature of Authorized Representative of Insurer)

JOSEPH M. QUINN
(Type Name)

ACCOUNT SUPERVISOR Authorized Representative of THE HARTFORD INSURANCE GROUP
(Title) (Name of Insurer)

P.O. BOX 8300, EAST HARTFORD, CT 06108
(Address of Representative)



Ronald H. Levine, M.D., M.P.H.
STATE HEALTH DIRECTOR

DIVISION OF HEALTH SERVICES
P.O. Box 2091
Raleigh, N.C. 27602-2091

September 18, 1984

William Ross, Esquire
Brooks, Pierce, McLendon, Humphrey & Leonard
1400 Wachovia Building
Greensboro, NC 27402

Re: Mohasco Corporation Liability Insurance for
Compliance with North Carolina Solid Waste Management Act

Dear Mr. ^{Prentiss} Ross:

On September 7, 1984, we met to discuss the compliance order and notice of administrative penalty issued to Monarch Furniture for violations of the insurance requirements of 40 CFR 265.147(a), codified at 10 NCAC 10F .0033(h).

At that time, you presented a letter from Mr. Joseph Geiss, representing Johnson & Higgins, insurance carriers for Mohasco, for the purpose of showing that Mohasco had adequate coverage. However, that letter raised the question of whether the Comprehensive General Liability polich limited recovery to negligence. Have you been able to clarify the terms of coverage?

Please note that the penalty is due on October 7, 1984. Any information you desire to furnish to Mr. Strickland to support your request for withdrawal of the penalty should be submitted at least a week before that date.

Sincerely,

Prentiss Anne Allen, Attorney
Solid & Hazardous Waste Management Branch
Environmental Health Section

PAA:ns



Ronald H. Levine, M.D., M.P.H.
STATE HEALTH DIRECTOR

DIVISION OF HEALTH SERVICES
P.O. Box 2091
Raleigh, N.C. 27602-2091

September 4, 1984

Mr. William G. Ross, Esquire
Brooks, Pierce, McLendon, Humphrey,
and Leonard
1400 Wachovia Building
P. O. Drawer U
Greensboro, NC 27402

Re: Monarch Furniture
NCD990883001

Dear Mr. Ross:

Per your 9/4/84 oral request to Miss Allen, of my staff,
I hereby grant Monarch an extension of time to comply with
the financial responsibility requirements set forth in my
August 3, 1984 Order.

That compliance date of 9/4/84 is now extended to 9/7/84 when
we meet at 3:00 p.m.

If you have any further questions, please advise.

Sincerely,

O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section


PAA:ns

cc: William Paige
Prentiss Anne Allen
Julian Foscue
Steve Phibbs

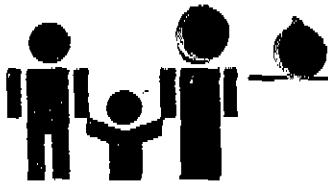
P 452 730 8
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL.

208300 (See Reverse)

Sent to <i>Miranda Furniture</i>	
Street and No. <i>P.O. Box 363</i>	
P.O., State and ZIP Code <i>Jamesburg NC 27582</i>	
Postage	\$
Certified Fee	<i>.25</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	<i>.60</i>
Return Receipt Showing to whom, Date, and Address of Delivery	<i>71</i>
TOTAL Postage and Fees	\$
Postmark or Date 	

PS Form 3800, Feb. 1982



Ronald H. Levine, M.D., M.P.H.
STATE HEALTH DIRECTOR

DIVISION OF HEALTH SERVICES
P.O. Box 2091
Raleigh, N.C. 27602-2091

August 3, 1984

COMPLIANCE ORDER AND NOTICE OF
ADMINISTRATIVE PENALTY

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Gerald Findell
Monarch Furniture Corp.
P. O. Box 363
Jamestown, NC 27282

Dear Mr. Findell:

Prior to November 19, 1980, the United States Environmental Protection Agency (EPA) was notified that the above facility is a hazardous waste treatment, storage or disposal facility which requires interim status under the Federal Resource Conservation and Recovery Act (RCRA).

As a hazardous waste treatment, storage or disposal facility, the above facility is required to comply with certain regulations known as financial requirements. Those requirements are set forth for interim status facilities in 40 CFR Part 265, Subpart H, adopted in North Carolina as 10 NCAC 10F .0033(h), and for permitted facilities in 40 CFR Part 264, Subpart H, adopted in North Carolina as 10 NCAC 10F .0032(h).

On November 1, 1982, Monarch submitted a photocopy of an insurance certification for sudden liability coverage for \$500,000 each occurrence and \$500,000 annual aggregate. The certificate referred to U.S. Environmental Protection Agency and federal rules instead of North Carolina and North Carolina rules. Mohasco (Monarch) is in violation of the following rules:

- (1) 40 CFR 265.147(a), codified at 10 NCAC 10F .0033(h), which requires liability insurance for sudden accidental occurrences of \$1 million per occurrence with an annual aggregate of \$2 million; and
- (2) 40 CFR 265.147(a)(1), codified at 10 NCAC 10F .0033(h), which requires that a duplicate original of the sudden insurance policy worded identically to the model document be submitted to this office.

Monarch Furniture Corp.
Page 2
August 3, 1984

Compliance Schedule and Penalty Assessment

Monarch Furniture Corp. is hereby ordered to:

- (1) Submit by September 4, 1984, a certificate of insurance or other assurance for sudden liability in the amount of \$1 million each occurrence and \$2 million annual aggregate.
- (2) The certificate must be a duplicate original, worded identically to the enclosed model document.

Pursuant to N.C.G.S. 130A-22(a) and 10 NCAC 10G .0701-.0707, an administrative penalty of two hundred dollars (\$200.00) is hereby assessed against Monarch Furniture Corp. The penalty is payable by check to the Division of Health Services and mailed to Mr. O. W. Strickland, Head, Solid and Hazardous Waste Management Branch, Division of Health Services, P. O. Box 2091, Raleigh, NC 27602.

Please be advised that pursuant to N.C.G.S. 130A-22(a), each day that a violation continues constitutes a separate violation for which an additional penalty of up to \$10,000.00 per day may be assessed. Moreover, please be advised that failure to comply with the financial responsibility requirements may constitute grounds for termination of interim status pursuant to 40 CFR 270.73 and 10 NCAC 10F .0034(g)(4).

You may appeal this administrative order and penalty assessment within thirty (30) days after you receive this notification by requesting an administrative hearing concerning this matter. The request must be submitted in writing to Mr. O. W. Strickland at the above address, and must state the legal and factual issues in dispute, including any reasons why you contend that the penalty assessment is erroneous or the amount should be reduced, or both. When a hearing is requested, it shall be in accordance with the rules contained in 10 NCAC 1B .0200, a copy of which is enclosed. Payment of the penalty may be tendered in conjunction with a hearing request, conditional upon the final disposition of the assessment.

If you do not request an administrative hearing, and are not in compliance as ordered, payment of the penalty becomes due within 60 days after receipt of this notice. If payment is not received within that period, the Secretary of Human Resources shall request the Attorney General to commence an action to recover the amount of the assessment and may also request that an injunctive action be commenced to achieve compliance.

Monarch Furniture Corp.
Page 3
August 3, 1984

If you have any questions concerning this compliance order/administrative penalty assessment, please contact Anne Allen, Branch Attorney, at (919) 733-2178.

Sincerely,

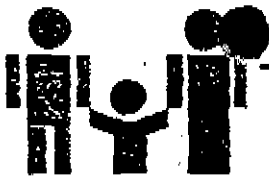


O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section

PAA:ns/1157A

Enclosures

cc: Prentiss Anne Allen
William Paige
Julian Foscue
Steve Phibbs



Ronald H. Levine, M.D., M.P.H.
STATE HEALTH DIRECTOR

DIVISION OF HEALTH SERVICES
P.O. Box 2091
Raleigh, N.C. 27602-2091

September 12, 1984

Date	<u>August 10, 1984</u>
EPA ID Number	<u>NCD 990883001</u>
Company Name	<u>Chromcraft Furn./Monarch</u>

Dear Mr. Findell:

We have processed and accept at the state level your request for RCRA change identified below:

<u>EXISTING</u>	<u>CHANGE TO</u>
Company Name <u>Monarch Furniture Corp.</u>	<u>Chromcraft Furn./Monarch</u>
Ownership _____	<u>Mohasco Corp.</u>
Facility Contact <u>Gerald Findell</u>	_____
Facility Phone Number <u>(919) 454-1131</u>	_____
Facility Mailing Address <u>300 Scientific Street Jamestown, NC 27282</u>	<u>600 Scientific Street P.O. Box 2516 High Point, NC 27260</u>

Cordially yours,

U. W. Strickland, Head
Solid and Hazardous Waste Management Br
Environmental Health Section

OWS/EB: tl

Enclosure

cc: Doug McCurry
EPA Region IV

Department of Human Resources
Division of Health Services
Solid and Hazardous Waste Management Branch

APPLICATION FOR CHANGE IN COMPANY NAME, OWNERSHIP, FACILITY CONTACT, PHONE NUMBER, OR MAILING ADDRESS

Date: August 10, 1984
EPA ID Number: NCD 990883001

Mr. D. W. Strickland, Head
Solid and Hazardous Waste Management Branch
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Dear Mr. Strickland:

Our company requests the following change under RCRA:

<u>EXISTING</u>	<u>CHANGE TO</u>
COMPANY NAME <u>Monarch Furniture Corp.</u>	<u>CHROMCRAFT FURN./MONARCH</u>
OWNERSHIP _____	<u>MOHASCO CORP.</u>
FACILITY CONTACT <u>Gerald Findell</u>	<u>same</u>
FACILITY PHONE NUMBER <u>(919) 454-1131</u>	<u>same</u>
FACILITY MAILING ADDRESS <u>300 Scientific Street Jamestown, NC 27282</u>	<u>600 Scientific St., P.O. 2516 High Point, NC 27260</u>

I certify that this information is accurate and correct to the best of my knowledge. I am authorized to make this request on behalf of my company at the location given.

Signature: Gerald Findell

Company Title: ENGINEERING MGR.

B. DESCRIPTION OF HAZARDOUS WASTES (continued from front)

HAZARDOUS WASTES FROM NON-SPECIFIC SOURCES. Enter the four-digit number from 40 CFR Part 261.31 for each listed hazardous waste from non-specific sources your installation handles. Use additional sheets if necessary.

1	2	3	4	5	6
7	8	9	10	11	12

HAZARDOUS WASTES FROM SPECIFIC SOURCES. Enter the four-digit number from 40 CFR Part 261.32 for each listed hazardous waste from specific industrial sources your installation handles. Use additional sheets if necessary.

13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30

C. COMMERCIAL CHEMICAL PRODUCT HAZARDOUS WASTES. Enter the four-digit number from 40 CFR Part 261.33 for each chemical substance your installation handles which may be a hazardous waste. Use additional sheets if necessary.

31	32	33	34	35	36
37	38	39	40	41	42
43	44	45	46	47	48

D. LISTED INFECTIOUS WASTES. Enter the four-digit number from 40 CFR Part 261.34 for each listed hazardous waste from hospitals, veterinary hospitals, medical and research laboratories your installation handles. Use additional sheets if necessary.

49	50	51	52	53	54
----	----	----	----	----	----

E. CHARACTERISTICS OF NON-LISTED HAZARDOUS WASTES. Mark "X" in the boxes corresponding to the characteristics of non-listed hazardous wastes your installation handles. (See 40 CFR Parts 261.21 - 261.24.)

1. IGNITABLE (D001)
 2. CORROSIVE (D002)
 3. REACTIVE (D003)
 4. TOXIC (D000)

X. CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

SIGNATURE 	NAME & OFFICIAL TITLE (Type or print) BOBBY TAYLOR, GEN. MGR.	DATE SIGNED 9/6/84
---	---	------------------------------

X

ATTACH A

ATTACH B

ROUTING AND TRANSMITTAL SLIP

Date

9/11/84

TO: (Name, office symbol, room number, building, Agency/Post)

Initials

Date

1. *Anne Allen-NC*

2.

3.

4.

5.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS



DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

M. Hartnett

Room No.—Bldg.

Phone No.

*Replaced
4/1/85*

HARTFORD SPECIALTY



1 Riverview Square
P. O. Box 8300
East Hartford, Connecticut 06108
Telephone (203) 528-4881

August 21, 1984

Regional Administrator
U.S. Environmental Protection Agency - Region 4
345 Courtland Street, N.E.
Atlanta, Georgia 30308

ATTN: RCRA Financial Requirements

RE: MOHASCO CORPORATION

Dear Sir:

The following list of companies are subsidiaries of Mohasco Corporation. We have been asked by our insured to file with your office the enclosed certificates of insurance. We are of the understanding that these are valid until cancelled by The Hartford. If by any chance these require annual update, please let me know.

Chromcraft Corporation	Hwy 421 Bowman Street Liberty, North Carolina
Chromcraft Corporation	1 Quality Lane Senatobia, MS.
Chromcraft Corporation	600 Scientific Street High Point, NC.
Chromcraft Corporation Monarch Furniture Div.	300 Scientific Street Jamestown, NC
Trend Line Furniture Corp.	Industrial Park Hwy 321 Lincolnton, NC
Trend Line Furniture Corp.	W Holly Street Maiden, NC
Trend Line Furniture Corp.	4th St. Place SW Conover, NC
Futorian Corporation	Route 15 Pontotoc, MS

*NC citations
on certificates
with memo
from Johnson
Higgins
9/5/85*

Regional Administrator
RCRA Financial Requirements

-2-

August 21, 1984

Futurian Corporation

Warren Avenue
Okalona, MS


Futorian Corporation

Highway 78 West
New Albany, MS

Super Sagless Corp.

South Green Street
Tupelo, MS.

Very truly yours,


Joe Quinn
Account Executive
HSC

**AMENDATORY ENDORSEMENT
POLLUTION LIABILITY**



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

Premium for This Endorsement \$ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD 003213568
Name: Chromcraft Corporation
Address: HWY 421 Bowman Street Liberty, NC.
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer,

(Name of Insurer)

of Hartford Plaza, Hartford, Conn. to Chromcraft Corporation
(Address of Insurer) (Name of Insured)

of HWY 421 Bowman St., Liberty, NC.
(Address of Insured)

this 1st day of July, 19 84. The effective date of said policy is
1st day of July, 19 84

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

Joseph M. Quinn

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group

(Title) P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108
(Name of Insurer)

(Address of Representative)

**AMENDATORY ENDORSEMENT
POLLUTION LIABILITY**



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

Premium for This Endorsement \$ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD 049843980
Name: Chromcraft Corporation
Address: 600 Scientific Street, High Point, North Carolina 27261
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer,

(Name of Insurer)

of Hartford Plaza, Hartford, Conn. to Chromcraft Corporation
(Address of Insurer) (Name of Insured)

of 600 Scientific Street High Point, North Carolina 27261
(Address of Insured)

this 1st day of July, 19 84. The effective date of said policy is
1st day of July, 19 84

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group
(Title) (Name of Insurer)

P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108
(Address of Representative)

**AMENDATORY ENDORSEMENT
POLLUTION LIABILITY**



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

Premium for This Endorsement \$ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD 990883001
Name: Chromcraft Corporation Monarch Furniture Division
Address: 300 Scientific Street, P.O. Box 578 Jamestown, NC 27282
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer,
(Name of Insurer)
of Hartford Plaza, Hartford, Conn. to Chromcraft Corporation, Monarch Furniture Div.
(Address of Insurer) (Name of Insured)
of 300 Scientific Street, P.O. Box 578, Jamestown, NC 27282
(Address of Insured)
this 1st day of July, 1984. The effective date of said policy is
1st day of July, 1984.

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

Joseph M. Quinn

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group

(Title) P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108
(Name of Insurer)

(Address of Representative)

**AMENDATORY ENDORSEMENT
POLLUTION LIABILITY**



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

Premium for This Endorsement \$ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD. 074530368
Name: Trend Line Furniture Corporation
Address: Industrial Park Hwy 321, Lincolnton, NC
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR PIU143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer,

(Name of Insurer)

of Hartford Plaza, Hartford, Conn. to Trend Line Furniture Corporation

(Address of Insurer)

(Name of Insured)

of Industrial Park Hwy 321, Lincolnton, N.C.

(Address of Insured)

this 1st day of July, 19 84. The effective date of said policy is

1st day of July, 19 84.

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn

(Signature of Authorized Representative of Insurer)

Joseph M. Quinn

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group

(Title) P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108

(Address of Representative)



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE

Premium for This Endorsement \$ _____ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD000 648436
Name: Trend Line Furniture Corporation
Address: W. Holly St., Maiden, N.C. 28650
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer,
(Name of Insurer)
of Hartford Plaza, Hartford, Conn. to Trend Line Furniture Corporation
(Address of Insurer) (Name of Insured)
of W. Holly St., Maiden, N.C. 28650
(Address of Insured)

this 1st day of July, 1984. The effective date of said policy is
1st day of July, 1984.

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

Joseph M. Quinn

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group

(Title) P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108
(Name of Insurer)

(Address of Representative)

**AMENDATORY ENDORSEMENT
POLLUTION LIABILITY**



THE HARTFORD

NC Janet

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

Premium for This Endorsement \$ incl. in
Composite Rate

Part I Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part II apply separately to such insurance as is afforded by the policy in connection with the **insured's** obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each **occurrence**" limit applies to all **bodily injury** and all **property damage** arising out of a single **occurrence**.
4. The annual "aggregate" limit applies to all damages because of all **bodily injury** and all **property damage** which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all **bodily injury** and **property damage** arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single **occurrence**.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering **bodily injury** and **property damage** in connection with the **insured's** obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number: NCD081332991
Name: Trend Line Furniture Corporation
Address: 4th St. Place SW Conover, N.C.
for sudden accidental **occurrences**. The limits of liability are \$ 500,000 "each **occurrence**" and \$ 500,000 annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such **occurrences** is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):
 - (a) Bankruptcy or insolvency of the **insured** shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the **insured** for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the **insured**, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10143E
issued by Hartford Accident and Indemnity Company, herein called the Insurer.

(Name of Insurer)
of Hartford Plaza, Hartford, Conn. to Trend Line Furniture Corporation
(Address of Insurer) (Name of Insured)
of 4th St. Place SW Conover, N.C.
(Address of Insured)

this 1st day of July, 1984. The effective date of said policy is
1st day of July, 1984

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

Joseph M. Quinn

(Type Name)

Account Executive Authorized Representative of The Hartford Insurance Group

(Title) P.O. Box 8300, One Riverview Square, East Hartford, Ct. 06108
(Name of Insurer)

(Address of Representative)

Atlanta
 Birmingham
 Boston
 Charlotte
 Chicago
 Cleveland
 Dallas
 Denver
 Detroit
 Hartford
 Honolulu
 Houston
 Los Angeles
 Miami
 Minneapolis
 New Orleans
 New York
 Philadelphia
 Phoenix
 Pittsburgh
 Portland
 Richmond
 St. Louis
 San Diego
 San Francisco
 Seattle
 Wilmington
 Calgary
 Edmonton
 Montreal
 Quebec
 Toronto
 Vancouver
 Winnipeg

JOHNSON & HIGGINS

OF CONNECTICUT, INC.

Business Established New York 1845

**INSURANCE BROKERS-AVERAGE ADJUSTERS
 ACTUARIES-EMPLOYEE BENEFIT PLAN CONSULTANTS**

Buenos Aires
 Adelaide
 Brisbane
 Hobart
 Melbourne
 Perth
 Sydney
 Belem-Para
 Belo Horizonte
 Campinas
 Curitiba
 Porto Alegre
 Rio de Janeiro
 Salvador
 Sao Paulo
 Santiago
 Bogota
 Cali
 London
 Paris
 Tehran
 Milan
 Rome
 Padua
 Tokyo
 Auckland
 Christchurch
 Wellington
 Lima
 Hong Kong
 Singapore
 Taipei
 Caracas
 Maracaibo
 Puerto La Cruz

Replaced 4/1/85
North Carolina
Certificates
enclosed
in file
main

ONE CORPORATE CENTER, HARTFORD, CONNECTICUT 06103
 TEL. 522-3141 AREA CODE 203

CABLE ADDRESS "KERODEN"

September 5, 1984

97

Mr. William Ross
 Brooks, Pierce, McLendon, Humphrey & Leonard
 1400 Wachovia Building
 Greensboro, NC 27402

Dear Bill:

Mohasco Corporation
 North Carolina Environmental
Hazard Compliance

As requested, this letter will serve to outline the history of Mohasco's Sudden and Accidental as well as Non Sudden and Accidental Pollution Liability insurance over the years.

Mohasco has had Comprehensive General Liability (CGL) insurance for many, many years. Since the mid 1960's the standard CGL policy form has provided coverage for sudden, accidental, and fortuitous acts arising out of the negligence of the corporation and its employees. There has not been an exclusion on that policy for "pollution" liability as long as the occurrence meets the policy requirements of being sudden, accidental and not expected or intended. Mohasco's CGL coverage, since 1978 has continuously been provided, up to \$500,000 per occurrence, by the Hartford Insurance Company. Umbrella liability for more than \$5,000,000 over and above the Hartford policy was continuously, since 1980, provided by the Mission Insurance Company. (Prior umbrella coverage with similar terms was provided by various carriers.)

Mr. William Ross
Brooks, Pierce, McLendon,
Humphrey and Leonard

-2-

September 5, 1984


For the period of December 1, 1982 to December 1, 1983 Mohasco Corporation had insurance coverage for Non Sudden and accidental pollution liability occurrences through the Hartford Steam Boiler Inspection and Insurance Company (Policy #HT 5700007-00). Also included within this policy was coverage for Sudden and Accidental Pollution liability which technically was a duplication of the sudden and accidental Pollution liability coverage afforded under the Hartford Insurance Company CGL policy and the Mission Umbrella Liability policy mentioned above. The Limits under the Hartford Steam Boiler policy were \$20,000,000 per claim and \$40,000,000 annual aggregate.

For the period December 1, 1983 to December 1, 1984 Mohasco switched their Non sudden and accidental Pollution Liability coverage to National Union Fire Insurance Company. Sudden and accidental coverage, as of 12/1/83 was provided solely by the existing Hartford Insurance Company CGL and Mission Insurance Company Umbrella Liability policies, since Mohasco opted not to insure the "sudden and accidental" exposure through the National Union Fire Insurance Company.

As can be seen, at least during the last 7 years Mohasco has never been without adequate coverage for Sudden and Accidental pollution Liability exposures and during the past two years has been in compliance with Federal and State requirements for non sudden and accidental pollution liability.

I hope this is an adequate chronology of the insurance compliance status of Mohasco for the purpose you intend. If not please let me know.

Sincerely,



Joseph W. Geiss, CPCU
Assistant Vice President

cc: Mr. Willard L. Bundy
Mr. Edward G. Perkins
1/17/ED

Johnson & Higgins

OF CONNECTICUT, INC.
One Corporate Center
Hartford, CT 06103

**Suddege &
non-Suddege**

READ & REPLY

Phone (203) 522-3141

Solid + Hazardous Waste Mgmt Branch
Div. of Health Services, Dept of Human Resources
PO Box 2091
Raleigh, N.C. 27602

DATE	9/9/83	
SUBJECT	Mohasco Corp	
PRIORITY	<input type="checkbox"/> URGENT	<input type="checkbox"/> SOON AS POSSIBLE
	<input checked="" type="checkbox"/> NO REPLY NECESSARY	

Attn: RCRA Financial Assurance

As requested, attached is Hazardous Waste Facility Certificate of Liability Insurance as issued by Hartford Steam Boiler Inspection and Ins. Co as respects Mohasco Corp and as related to the itemized locations.



Joseph W. Geiss

SIGNED

REPLY

SIGNED

DATE

... approved to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.

- (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.

REQUIRED WORDING*FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE
40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F .0032(h)

A certificate of liability insurance as required on 40 CFR §§ 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively, must be worded as follows, except that the instructions in brackets are to be replaced with the relevant information and the brackets deleted:

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. Hartford Steam Boiler Inspection and Insurance Company, (the "Insurer"), of One State Street, Hartford, Connecticut hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corp., (the "Insured"), of 57 Lyon Street, Amsterdam, New York in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see attached addendum) for "nonsudden accidental occurrences." The limits of liability are \$3 million "each occurrence" and \$6 million "annual aggregate" exclusive of legal defense costs. The coverage is provided under binder number 120182-01, issued on 12-8-82. The effective date of said binder is 12-1-82.
2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
 - (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.

- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.



Jan Edelstein
Manager, ERCS, Authorized Representative of The Hartford Steam Boiler
Inspection and Insurance Company
One State Street
Hartford, CT 06102

Addendum

<u>Location</u>	<u>EPA Identification Number</u>
Chromcraft - Liberty, NC (Liberty Furniture)	NCD 00 3213568
Chromcraft - High Point, NC (Monarch Furniture)	NCD 0498 43980
Chromcraft - Jamestown, NC (Monarch Furniture)	NCD 99088 3001
Trend Line Conover, NC	NCD 081 332991
Trend Line Lincolnton, NC	NCD 081 332991
Trend Line Maiden, NC	NCD 000 648436

FINANCIAL TEST UPDATE

TSDF Name Monarch Furniture Corp. (Mohasco Corp)
I.D. No. NCD 990883001
Fiscal Year End December 31
Update Due April 1, 1984 Update Received April 3 *
Date of Review 7/19/84 Reviewer _____

A. COST ESTIMATES FOR 198 _____

- 1. Closure 14,819.00
- 2. Post-Closure _____
- 3. Both _____

B. COST ASSURANCE UPDATE

Closure Post-Closure _____

Insurance: Sudden _____ Non-Sudden _____

- 1. Letter signed by chief financial officer worded as specified in 264.151(f).
- 2. Copy of independent certified accountant's report on examination of the owner's or operator's financial statements for the latest completed fiscal year.
- 3. Special report from independent CPA.
- 4. Current annual report.

Comments:
* 2 days late
Update OK

Liability Coverage Compliance

SECOND REVIEW

TSD Name Monarch Furniture Corp
I.D. # NCD990883001
Date of this Review 6-11-84

9/26/84
Penalty withdrawn

Comment on Corrections from Initial Review:

Sudden:

Deficiencies have ~~not~~ been corrected,
3. Certificate refers to EPA
5. Amount of coverage is only \$500,000,
must be increased to \$11,000,000 per
incident and \$2,000,000 annual aggregate.

— INS NOT ORIGINALS (ONLY photocopies)
(only 5 copies signed duplicates)

THIRD REVIEW

TSD Name Monarch
I.D. # NCD990883001
Date of this Review 9/26/84

Comment on Corrections from Second Review:

Duplicate originals
Coverage demonstrated,

In compliance.
[Signature]

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

April 3, 1984

Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Dear Mr. Strickland:

Enclosed for your files and appropriate further handling please find:

1. A letter, in the prescribed form, dated March 30, 1984, from Hector D. Blair, Mohasco's Chief Financial Officer, supporting Mohasco's use of the financial test to demonstrate financial assurance.
2. Mohasco Corporation's 1983 annual report.
3. Peat, Marwick, Mitchell & Co.'s special report in confirmation of Hector D. Blair's March 30, 1984 letter.

Please contact me if you have any questions about this.

Sincerely,

A handwritten signature in cursive script that reads "Howard S. Harris".

Howard S. Harris
Corporate Attorney

pm

enclosures



March 30, 1984

North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$14,819.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

EPA ID No. MSD 006294771
Chromcraft Corporation
#1 Quality Lane
P.O. Box 126
Senatobia, MS 38668

Closure Cost: \$44,289.00
Post Closure Cost: \$0

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1983.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] \$ 59,108.00

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$	<u>164,847,000.00</u>
*3. Tangible net worth	\$	<u>203,400,000.00</u>
*4. Net worth	\$	<u>204,418,000.00</u>
*5. Current assets	\$	<u>228,206,000.00</u>
*6. Current liabilities	\$	<u>88,742,000.00</u>
*7. Net working capital [line 5 minus line 6]	\$	<u>139,464,000.00</u>
*8. The sum of net income plus depreciation, depletion, and amortization	\$	<u>31,722,000.00</u>
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$	<u>315,641,000.00</u>

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?	<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?	<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u>	<u> </u>
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources

March 30, 1984

Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name

Hector D. Blair
Hector D. Blair

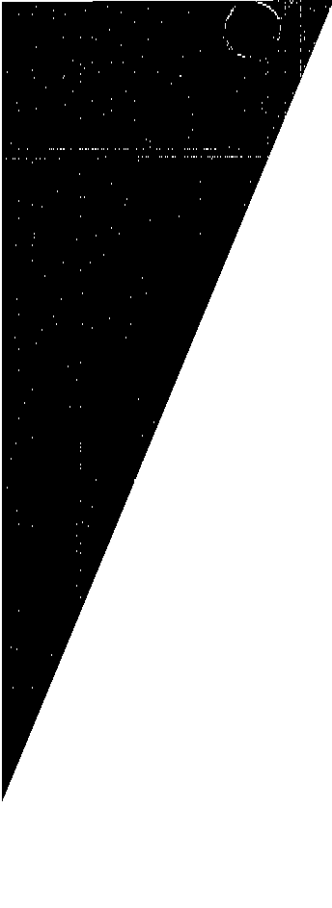
Title

Vice President, Finance

Date

March 30, 1984







Peat, Marwick, Mitchell & Co.
Certified Public Accountants
111 Washington Avenue
Albany, New York 12210

The Board of Directors
Mohasco Corporation:

As requested, we have applied certain agreed-upon procedures to documents which Mohasco Corporation (the Company) has prepared to demonstrate its financial responsibility under the Environmental Protection Agency's financial assurance regulations in compliance with 40 CFR 264 and 265, Subpart H. These procedures, as discussed below, were performed solely to assist the Company in complying with these regulations and, therefore, this report is not to be used for any other purpose. Our procedures and findings with respect to the attached schedule (Exhibit A) were as follows:

1. Agreed the amounts in the column "Per consolidated financial statements" with amounts contained in the Company's consolidated financial statements for the year ended December 31, 1983. No exceptions were noted.
2. Agreed the amounts in the column "Per CFO's letter" to the letter prepared in response to the regulations (Exhibit B). No exceptions were noted.
3. Agreed the amounts in the column "Reconciling items" to analyses prepared by the Company setting forth the indicated items, of which there were none.
4. Recomputed the totals. No exceptions were noted.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we express no opinion on any amounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the attached schedule (Exhibit A) should be adjusted. This report relates only to the items specified above and does not extend to any financial statements of Mohasco Corporation and subsidiaries, taken as a whole.

Peat, Marwick, Mitchell & Co.

March 30, 1984

Mohasco Corporation
Year Ended December 31, 1983

This schedule reconciles the amounts contained in the Chief Financial Officer's letter (Exhibit B), furnished in response to 40 CFR 264 and 265, Subpart H, to the amounts contained in the consolidated financial statements of Mohasco Corporation for the year ended December 31, 1983.

Line number in CFO's letter	Item	Per consolidated financial statements	Reconciling items	Per CFO's letter
		(in thousands of dollars)		
2.	Total current liabilities	\$ 88,742		
	Long-term debt, less current maturities	58,744		
	Deferred Federal income taxes	6,662		
	Other liabilities	8,916		
	Redeemable preferred stock	1,783		
	Total liabilities	<u>\$ 164,847</u>	-	<u>164,847</u>
3.	Net worth	204,418		
	Less: Goodwill	747		
	Unamortized debt expense	271		
	Tangible net worth	<u>\$ 203,400</u>	-	<u>203,400</u>
4.	Net worth	<u>\$ 204,418</u>	-	<u>204,418</u>
5.	Current assets	<u>\$ 228,206</u>	-	<u>228,206</u>
6.	Current liabilities	<u>\$ 88,742</u>	-	<u>88,742</u>
7.	Net working capital (line 5 minus 6)	<u>\$ 139,464</u>	-	<u>139,464</u>
8.	Net income	13,096		
	Depreciation and amortization	<u>18,626</u>		
	Total net income, depreciation and amortization	<u>\$ 31,722</u>	-	<u>31,722</u>
9.	Total assets	369,265		
	Less assets of foreign subsidiaries	<u>53,624</u>		
	Total assets in U.S.	<u>\$ 315,641</u>	-	<u>315,641</u>

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

EXHIBIT B



March 30, 1984

North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the Chief Financial Officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$14,819.00
Post Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

North Carolina Department of Human Resources
March 30, 1984
Page 2

3. In States outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility.

EPA ID No. MSD 006294771
Chromcraft Corporation
#1 Quality Lane
P.O. Box 126
Senatobia, MS 38668

Closure Cost: \$44,289.00
Post Closure Cost: \$0

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1983.

ALTERNATIVE I

- | | |
|--|---------------------|
| 1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the four paragraphs above] | \$ <u>59,108.00</u> |
|--|---------------------|

North Carolina Department of Human Resources
March 30, 1984
Page 3

*2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4]	\$ <u>164,847,000.00</u>
*3. Tangible net worth	\$ <u>203,400,000.00</u>
*4. Net worth	\$ <u>204,418,000.00</u>
*5. Current assets	\$ <u>228,206,000.00</u>
*6. Current liabilities	\$ <u>88,742,000.00</u>
*7. Net working capital [line 5 minus line 6]	\$ <u>139,464,000.00</u>
*8. The sum of net income plus depreciation, depletion, and amortization	\$ <u>31,722,000.00</u>
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$ <u>315,641,000.00</u>

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	_____
11. Is line 3 at least 6 times line 1?	<u>X</u>	_____
12. Is line 7 at least 6 times line 1?	<u>X</u>	_____
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	_____	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	_____
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	_____
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u>	_____
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	_____

*Denotes figures derived from financial statements.

North Carolina Department of Human Resources
March 30, 1984
Page 4

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name *Hector D. Blair*
Hector D. Blair

Title Vice President, Finance

Date March 30, 1984

Di...

*Full
Conventions*

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

Direct: 841-2682



February 6, 1984

Mr. O. W. Strickland
Head of Solid & Hazardous Waste
Management Branch
Environmental Health Services
Division of Health Services
Department of Human Resources
State of North Carolina
P.O. Box 2091
Raleigh, NC 27602-2091



5

Re: Insurance Coverage - Non-Sudden Accidental Occurrences

Chromcraft Corporation
Monarch Furniture Division
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282
[EPA ID #NCD990883001]

Dear Mr. Strickland:

Enclosed please find a Certificate of Liability Insurance certifying that the above-described facility has non-sudden accidental occurrence insurance with liability limits of \$10 million for each occurrence and \$20 million annual aggregate.

Although the named insured is Mohasco Corporation, the insurance coverage is provided for Mohasco and all of its wholly-owned subsidiaries, including the particular facility identified above (see the schedule attached to the Certificate of Insurance).

Please feel free to contact me if you have any questions about this.
Sincerely,

Howard S. Harris
Howard S. Harris
Corporate Attorney

pm

enc.

cc: Messrs: G. W. House, Esq.
W. L. Bundy, Corp.Ins.
J. Tate, Monarch

HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE

1. Name of Insurer: National Union Fire Insurance Company of Pittsburgh, PA.
Address of Insurer: 70 Pine Street, New York, NY 10270

hereby certifies that it has issued liability insurance covering bodily injury and property damage to:

Name of Insured: Mohasco Corporation
Address of Insured: 57 Lyon Street, Amsterdam, New York 12010

in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at (See Below) for "non-sudden accidental occurrences". The limits of liability are \$10,000,000 each occurrence and \$20,000,000 annual aggregate, exclusive of legal defense costs. The coverage is provided under policy number PLL 1055622 issued on December 1, 1983. The effective date of said policy is December 1, 1983.

2. The insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.
 - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.

SCHEDULE

<u>Name of Facility</u>	<u>Address or Location</u>	<u>EPA Identification Number</u>
Chromcraft	Highway 421 Liberty, N.C. 27298	NCD 003213568
Chromcraft	600 Scientific Street High Point, N.C. 27261	NCD 049843980
Chromcraft	300 Scientific Street Jamestown, N.C. 27282	NCD 990883001
Trend Line	Fourth Street Place S.W. Conover, N.C. 28613	NCD 081332991
Trend Line	Industrial Pkwy Hwy 321 Lincolnton, N.C.	NCD 074503368
Trend Line	West Holly Street Maiden, N.C. 28650	NCD 000648436
Futorian Corporation	Highway 78 West New Albany, MS 38652	MSD 002085918
Futorian Corporation	Okolona, MS	MSD 038000023
Futorian Corporation	Pontotoc, MS	MSD 230000003
Chromcraft Corporation	1 Quality Lane Senatobia, MS 38668	MSD 006294771
Super Sagless	South Green Street Typelo, MS 38801	MSD 002088474

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Mark Vuono - Manager
Authorized Representative & Title



Name of Insurer: National Union Fire Insurance Company of Pittsburgh, PA

Address of Insurer: 70 Pine Street, New York, NY 10270

ROUTING AND TRANSMITTAL SLIP

Date

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. <i>Glean Dunn-NC</i>		
2.		
3.		
4.		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS



DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post) <i>M. Harbrett</i>	Room No.—Bldg. Phone No. <i>3067</i>
--	--

5041-102

* GPO : 1983 O - 381-529 (308)

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206



December 6, 1983

Mr. Charles Jeter, Regional Administrator
United States Environmental Protection Agency
345 Courtland Street
Atlanta, Georgia 30365

Dear Mr. Jeter;

RE: MOHASCO CORPORATION AND MOHASCO CARPET CORPORATION
POLICY NUMBER HT-5700007-00 REPLACING BINDER NUMBER 12018201

The Hartford Steam Boiler Inspection and Insurance Company heretofore issued certificate of liability insurance pursuant to 40 CFR 26.147 or 265.147 for the locations shown on the attached list.

Please be advised that the policy in question expired December 1, 1983 at 12:01 a.m. This policy will not be renewed by Hartford Steam Boiler Inspection and Insurance Company.

Very truly yours,

Jan M. Edelstein

Jan M. Edelstein
Manager
Environmental Risk Control Services

JME/USE/1210/11

cc: Mr. Joe Geiss
Johnson & Higgins of Connecticut
One Corporate Center
Hartford, Connecticut 06103

Note:

*This cancellation is for
non-sudden coverage, which
Monarch is not required
to have.*

Phone

Gerald Fintell

919 454-1131

Sudden

The Hartford Steam Boiler
Inspection and Insurance Co.
One State Street
Hartford, Connecticut 06102
(203) 722-1866 Telex: 99354

Locations

Chromcraft - Liberty, NC
(Liberty Furniture)

Chromcraft - High Point, NC
(Monarch Furniture)

Chromcraft - Jamestown, NC
(Monarch Furniture)

Trend Line
Conover, NC

Trend Line
Lincolnton, NC

Trend Line
Maiden, NC

Futorian Corporation
New Albany, MS

Futorian Corporation
Okolona, MS

Futorian Corporation
Pontotoc, MS

Chromcraft Corporation
Senatobia, MS

Super Sagless Corporation
Tupelo, MS

Johnson Higgins

OF CONNECTICUT, INC.
One Corporate Center
Hartford, CT 06103

Wilson
READ & REPLY

Phone (203) 522-3141

TO:

Solid + Hazardous Waste Mgmt Branch
Div. of Health Services, Dept. of Human Resources
P.O. Box 2091
Raleigh N.C. 27602
Attn: RCRA Financial Assurance

DATE	9/9/83
SUBJECT	Mohasco Corp.
PRIORITY	<input type="checkbox"/> URGENT <input type="checkbox"/> SOON AS POSSIBLE <input checked="" type="checkbox"/> NO REPLY NECESSARY

As requested, attached is Hazardous Waste Facility Certificate of Liability Insurance as issued by Hartford Steam Boiler Inspection and Ins. Co as respects Mohasco Corp and as related to the itemized locations



Joseph W. Geiss

SIGNED

REPLY

SIGNED

DATE

REQUIRED WORDING FOR HAZARDOUS WASTE FACILITY
CERTIFICATE OF LIABILITY INSURANCE
40 CFR 264.151(j), ADOPTED IN NORTH CAROLINA AS 10 NCAC 10F .0032(h)

A certificate of liability insurance as required on 40 CFR §§ 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively, must be worded as follows, except that the instructions in brackets are to be replaced with the relevant information and the brackets deleted:

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. Hartford Steam Boiler Inspection and Insurance Company, (the "Insurer"), of One State Street, Hartford, Connecticut hereby certifies that it has issued liability insurance covering bodily injury and property damage to Mohasco Corp., (the "Insured"), of 57 Lyon Street, Amsterdam, New York in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147, adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively. The coverage applies at (see attached addendum) for "nonsudden accidental occurrences." The limits of liability are ~~\$3~~ million "each occurrence" and \$6 million "annual aggregate" exclusive of legal defense costs. The coverage is provided under binder number 120182-01, issued on 12-8-82. The effective date of said binder is 12-1-82.
2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f), adopted in North Carolina as 10 NCAC 10F .0032(h) and .0033(h), respectively.
 - (c) Whenever requested by the North Carolina Department of Human Resources, the Insurer agrees to furnish to the Department of Human Resources a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Department of Human Resources.

*Cancelled
12-1-83*

- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Department of Human Resources.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j), adopted in North Carolina as 10 NCAC 10F .0032(h), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.



Jan Edelstein
Manager, ERCS, Authorized Representative of The Hartford Steam Boiler
Inspection and Insurance Company
One State Street
Hartford, CT 06102

Addendum

<u>Location</u>	<u>EPA Identification Number</u>
Chromcraft - Liberty, NC (Liberty Furniture)	NCD 00 3213568
Chromcraft - High Point, NC (Monarch Furniture)	NCD 0498 43980
Chromcraft - Jamestown, NC (Monarch Furniture)	NCD 99088 3001
Trend Line Conover, NC	NCD 081 332991
Trend Line Lincolnton, NC	NCD 081 332991
Trend Line Maiden, NC	NCD 000 648436

* LIABILITY COVERAGE COMPLIANCE

Initial Review Checklist

TSDP Name Monarch Furniture Corp.

ID# NCD990883001

Date of this Review September 13, 1983

* Sudden liability

1. Method used:

certificate

endorsement

2. Insurer licensed or eligible to provide surplus or excess lines in any state.

Which state verified?

North Carolina

3. Wording exactly as in regulations?

4. Coverage was effective by October 1? 1982

5. Coverage amount is adequate?

6. Notice of cancellation received.

Effective date. _____

Explanation of Deficiencies

3. The certificate refers to the U.S. Environmental Protection Agency and federal regulations rather than to the N.C. Department of Human Resources and the N.C. regulations. The certificate must be reworded to follow verbatim the model document adapted for use in North Carolina (copy enclosed).

5. Amount of coverage must be increased to \$1,000,000 per incident and \$2,000,000 annual aggregate.

LIABILITY COVERAGE COMPLIANCE

Initial Review Checklist

TSDF Name Monarch Furniture Corp.

ID# NCD990883001

Date of this Review September 13, 1983

1. Method used:

certificate

endorsement

2. Insurer licensed or eligible to provide surplus or excess lines in any state.

Which state verified?

North Carolina

3. Wording exactly as in regulations?

4. Coverage was effective by October 1? 1982

5. Coverage amount is adequate?

6. Notice of cancellation received.
Effective date.

Explanation of Deficiencies

None

FINANCIAL TEST

Initial Review Checklist

TSDF Name Monarch Furniture Corp.

ID# NCD990883001

Fiscal year ends December 31

Update due April 1, 1984

Date of this Review September 13, 1983

1. Test used to assure:
 - liability coverage
 - closure (and post-closure)
2. Letter from the chief financial officer is complete and accurate.
3. Signatory of the letter is the chief financial officer.
4. All relevant facilities of the owner or operator as included in the chief financial officer's letter.
5. Opinion concerning year-end report and special report concerning chief financial officer both submitted.
6. Independent CPA responsible for preparing the opinion and special report is certified by an officially recognized accreditation organization. Make a running list of CPAs.
7. Note type of opinion concerning year-end report given by the accountant. Unqualified
8. Auditor reviewed the data specified in the chief financial officer's letter and was able to trace the data back to amounts found in the owner's or operator's independently audited, year-end financial statements for the latest fiscal year. See auditor's confirmation or special report.
9. Corporation qualifies as a parent corporation. To qualify, parent must own at least 50% of the voting stock of the subsidiary.
10. Written guarantee form complete and accurate.

Explanation of Deficiencies

NONE

Handwritten signature

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

4

March 25, 1983



Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602



Dear Mr. Strickland:

Enclosed for your files and appropriate further handling please find:

1. A letter, in the prescribed form, dated March 24, 1983, from Albert F. Smith, Mohasco's Chief Financial Officer, supporting Mohasco's use of the financial test to demonstrate financial assurance.
2. Mohasco Corporation's 1982 annual report.
3. Peat, Marwick, Mitchell & Co.'s special report in confirmation of Albert F. Smith's March 24, 1983 letter.

Please contact me if you have any questions about this.

Sincerely,

Howard S. Harris

Howard S. Harris
Corporate Attorney

pm

enclosures

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

March 24, 1983



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the chief financial officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$14,357.00
Post-Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In states outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility:

EPA ID No. MSD006294771
Chromcraft Corporation
#1 Quality Lane
P.O. Box 126
Senatobia, MS 38668

Closure Cost: \$42,907.00
Post-Closure Cost: \$0

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

This fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1982.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates (total of <u>all</u> cost estimates shown in the four paragraphs above)	\$ <u>57,264.00</u>
*2. Total liabilities (if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4)	\$ <u>146,823,000.00</u>
*3. Tangible net worth	\$ <u>189,665,000.00</u>
*4. Net worth	\$ <u>190,765,000.00</u>

*Denotes figures derived from financial statements.

*5. Current assets \$ 191,384,000.00
*6. Current liabilities \$ 66,956,000.00
*7. Net working capital (line 5 minus line 6) \$ 124,428,000.00
*8. The sum of income plus depreciation, depletion, and amortization \$ 10,583,000.00
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.) \$ 280,952,000.00

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?	<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?	<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?	<u> </u>	<u>X</u>
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name Albert F. Smith
Albert F. Smith

Title Treasurer

Date March 24, 1983

ACCOUNTANTS' REPORT



Peat, Marwick, Mitchell & Co.
 Certified Public Accountants
 111 Washington Avenue
 Albany, New York 12210

The Shareowners and Board of Directors
 Mohasco Corporation:

We have examined the consolidated balance sheets of Mohasco Corporation and subsidiaries at December 31, 1982 and 1981 and the related consolidated statements of earnings and retained earnings and changes in financial position for each of the years in the three year period ended December 31, 1982. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned consolidated financial statements present fairly the financial position of Mohasco Corporation and subsidiaries at December 31, 1982 and 1981 and the results of their operations and the changes in their financial position for each of the years in the three year period ended December 31, 1982, in conformity with generally accepted accounting principles applied on a consistent basis.

Peat, Marwick, Mitchell + Co.

February 11, 1983

Comparative Mohasco Common Stock Information

Quarter	Market Price Range Common Shares		Dividends Paid Per Share		Earnings/(Loss) Per Share	
	1982	1981	1982	1981	1982	1981
First	\$10 - \$12¾	\$10 - \$12¾	—	—	\$ (.40)	\$.03
Second	10¼ - 11½	10½ - 14¾	—	—	.16	.73
Third	9¾ - 12¼	10 - 14½	—	—	.27	.56
Fourth	10 - 16¾	10½ - 14¾	—	—	(1.20)	.98
			—	—	\$(1.17)	\$2.30

At year end 1982 and 1981, there were respectively 6,253 and 7,335 shareowners listed on the Mohasco Corporate records.

CORPORATE DIRECTORY

Board of Directors

Herbert J. Broner
President and Chief
Operating Officer of
the Corporation

Charlie W. Jones
President, Man-Made
Fiber Producers Association, Inc.

Cullen Kehoe, Jr.
President, Kehoe
Chevrolet, Inc.

Stanley I. Landgraf
Chairman and Chief
Executive Officer of
the Corporation

Robert G. Loewy
Institute Professor,
Rensselaer Polytechnic
Institute

Andrew M. McBurney
Senior Advisor, Paper
Boise Cascade Corporation

Philip H. Milner
Retired, former Executive
Vice President, Metropolitan
Division, Manufacturers Hanover
Trust Company

Everett C. Reed
Chairman, Albany International
Corporation

Hester Turner
Attorney/Consultant

Anthony E. Wallace
Retired, former Executive
Vice President, Northeast
Utilities Service Company

Stuart D. Watson
Consultant and Former Chairman,
Heublein, Inc.

Officers

Stanley I. Landgraf
Chairman and Chief
Executive Officer

Herbert J. Broner
President and Chief
Operating Officer

Charles M. Egan
Group Vice President
Rental Operations

Joseph P. Lamb
Vice President
Human Resources

Albert F. Smith
Treasurer

William T. Brazell
Secretary and Assistant
to the President

Committees of the Board

Audit Committee
Charlie W. Jones
Cullen Kehoe
Robert G. Loewy
Philip H. Milner
Hester Turner
Anthony E. Wallace, Chairman

Executive Committee
Herbert J. Broner
Stanley I. Landgraf
Andrew M. McBurney
Everett C. Reed, Chairman
Anthony E. Wallace
Stuart D. Watson

Finance Committee
Cullen Kehoe
Andrew M. McBurney
Philip H. Milner, Chairman
Everett C. Reed
Stuart D. Watson

Salary Committee
Charlie W. Jones
Robert G. Loewy
Everett C. Reed
Hester Turner
Anthony E. Wallace
Stuart D. Watson, Chairman



Peat, Marwick, Mitchell & Co.

Certified Public Accountants

111 Washington Avenue
Albany, New York 12210

The Board of Directors
Mohasco Corporation:

As requested, we have applied certain agreed-upon procedures to documents which Mohasco Corporation (the Company) has prepared to demonstrate its financial responsibility under the Environmental Protection Agency's financial assurance regulations in compliance with 40 CFR 264 and 265, Subpart H. These procedures, as discussed below, were performed solely to assist the Company in complying with these regulations; and therefore, this report is not to be used for any other purpose. Our procedures and findings with respect to the attached schedule (Exhibit A) were as follows:

1. Agreed the amounts in the column "Per financial statements" with amounts contained in the Company's financial statements for the year ended December 31, 1982. No exceptions were noted.
2. Agreed the amounts in the column "Per Chief Financial Officer's letter" to the letter prepared in response to the regulations (Exhibit B). No exceptions were noted.
3. Agreed the amounts in the column "Reconciling items" to analyses prepared by the Company setting forth the indicated items, of which there were none.
4. Recomputed the totals. No exceptions were noted.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we express no opinion on any amounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the attached schedule (Exhibit A) should be adjusted. This report relates only to the items specified above and does not extend to any financial statements of Mohasco Corporation and subsidiaries, taken as a whole.

March 24, 1983

Peat, Marwick, Mitchell & Co.

Mohasco Corporation
Year Ended December 31, 1982

This schedule reconciles the amounts contained in the Chief Financial Officer's letter (Exhibit B), furnished in response to 40 CFR 264 and 265, Subpart H, to the amounts contained in the consolidated financial statements for the year ended December 31, 1982.

Line number in CFO's letter	Item	Per financial statements	Reconciling items	Per CFO's letter
		(in thousands of dollars)		
2	Total current liabilities	\$ 66,956		
	Long-term debt, less current maturities	65,427		
	Deferred Federal income taxes	4,737		
	Other liabilities	7,906		
	Redeemable preferred stock	1,797		
	Total liabilities	\$ <u>146,823</u>	-	<u>146,823</u>
3	Net worth	190,765		
	Less: Goodwill	772		
	Unamortized debt expense	328		
	Tangible net worth	\$ <u>189,665</u>	-	<u>189,665</u>
4	Net worth	\$ <u>190,765</u>	-	<u>190,765</u>
5	Current assets	\$ <u>191,384</u>	-	<u>191,384</u>
6	Current liabilities	\$ <u>66,956</u>	-	<u>66,956</u>
7	Net working capital (line 5 minus 6)	\$ <u>124,428</u>	-	<u>124,428</u>
8	Net (loss)	(7,612)		
	Depreciation and amortization	18,195		
	Total net (loss), depreciation and amortization	\$ <u>10,583</u>	-	<u>10,583</u>
9	Total assets	337,588		
	Less assets of foreign subsidiaries	56,636		
	Total assets in U. S.	\$ <u>280,952</u>	-	<u>280,952</u>

March 24, 1983



North Carolina Department of Human Resources
Solid and Hazardous Waste Management Branch
Post Office Box 2091
Raleigh, N.C. 27602

Dear Sir or Madam:

I am the chief financial officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265, adopted by reference in North Carolina as 10NCAC10F .0032(g) and .0033(h), respectively.

1. This firm is the owner or operator of the following facilities which are in the State of North Carolina for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

EPA ID No. NC D990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282

Closure Cost: \$14,357.00
Post-Closure Cost: \$0

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, adopted in North Carolina as 10NCAC10F .0032 and .0033, respectively, the closure or post-closure care of the following facilities which are located in the State of North Carolina owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In states outside of North Carolina where EPA or some designated authority is administering the financial requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the financial test and/or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test equivalent or substantially equivalent to it. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility:

EPA ID No. MSD006294771
Chromcraft Corporation
#1 Quality Lane
P.O. Box 126
Senatobia, MS 38668

Closure Cost: \$42,907.00
Post-Closure Cost: \$0

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

This fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1982.

ALTERNATIVE I

1. Sum of current closure and post-closure cost estimates (total of <u>all</u> cost estimates shown in the four paragraphs above)	\$ <u>57,264.00</u>
*2. Total liabilities (if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4)	\$ <u>146,823,000.00</u>
*3. Tangible net worth	\$ <u>189,665,000.00</u>
*4. Net worth	\$ <u>190,765,000.00</u>

*Denotes figures derived from financial statements.

*5. Current assets	\$191,384,000.00
*6. Current liabilities	\$ 66,956,000.00
*7. Net working capital (line 5 minus line 6)	\$124,428,000.00
*8. The sum of income plus depreciation, depletion, and amortization	\$ 10,583,000.00
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$280,952,000.00

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u>	<u> </u>
11. Is line 3 at least 6 times line 1?	<u>X</u>	<u> </u>
12. Is line 7 at least 6 times line 1?	<u>X</u>	<u> </u>
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	<u> </u>	<u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u>	<u> </u>
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	<u> </u>
16. Is line 8 divided by line 2 greater than 0.1?	<u> </u>	<u>X</u>
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	<u> </u>

*Denotes figures derived from financial statements.

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f), adopted in North Carolina as 10NCAC10F .0032(g), as such regulations were constituted on the date shown immediately below.

Name Albert F. Smith
Albert F. Smith

Title Treasurer

Date March 24, 1983



Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

December 13, 1982



③

Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Dear Mr. Strickland:

Guarantee made this 13th day of December, 1982, by Mohasco Corporation, a business corporation organized under the laws of the State of New York, herein referred to as guarantor, to the North Carolina Solid & Hazardous Waste Management Branch, obligee, on behalf of our subsidiary, Monarch Furniture, Division of Chromcraft Corporation, 300 Scientific Street, P.O. Box 578, Jamestown, N.C. 27282.

Recitals

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in 40 CFR 264.143(f), 264.145(f), 265.143(e), and 265.145(e).
2. Chromcraft Corporation owns or operates the following hazardous waste management facility covered by this guarantee:

EPA ID No. NCD 990883001
Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, N.C. 27282

This guarantee is for closure costs.

3. "Closure plans" and "post-closure plans" as used below refer to the plans maintained as required by Subpart G of 40 CFR Parts 264 and 265 for the closure and post-closure care of facilities as identified above.

4. For value received from Monarch Furniture, guarantor guarantees to the Solid & Hazardous Waste Management Branch that in the event that Monarch Furniture fails to perform closure of the above facility in accordance with the closure or post-closure plans and other permit or interim status requirements whenever required to do so, the guarantor shall do so or establish a trust fund as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, in the name of Monarch Furniture in the amount of the current closure or post-closure cost estimates as specified in Subpart H of 40 CFR Parts 264 and 265.
5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within 90 days, by certified mail, notice to the Solid & Hazardous Waste Management Branch and to Monarch Furniture that he intends to provide alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, in the name of Monarch Furniture. Within 120 days after the end of such fiscal year, the guarantor shall establish such financial assurance unless Monarch Furniture has done so.
6. The guarantor agrees to notify the Solid & Hazardous Waste Management Branch by certified mail, of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.
7. Guarantor agrees that within 30 days after being notified by the Solid & Hazardous Waste Management Branch of a determination that guarantor no longer meets the financial test criteria or that he is disallowed from continuing as a guarantor of closure or post-closure care, he shall establish alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, in the name of Monarch Furniture unless Monarch Furniture has done so.
8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the closure or post-closure plan, amendment of modification of the permit, the extension or reduction of the time of performance of closure or post-closure, or any other modification or alteration of an obligation of the owner or operator pursuant to 40 CFR Parts 264 or 265.
9. Guarantor agrees to remain bound under this guarantee for so long as Monarch Furniture must comply with the applicable financial assurance requirements of Subpart H of 40 CFR Parts 264 and 265 for the above-listed facilities, except that guarantor may cancel this guarantee by sending

notice by certified mail to the Solid & Hazardous Waste Management Branch and to Monarch Furniture, such cancellation to become effective no earlier than 120 days after receipt of such notice by both the Solid & Hazardous Waste Management Branch and Monarch Furniture, as evidenced by the return receipts.

10. Guarantor agrees that if Monarch Furniture fails to provide alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, and obtain written approval of such assurance from the Solid & Hazardous Waste Management Branch within 90 days after a notice of cancellation by the guarantor is received by the Solid & Hazardous Waste Management Branch from guarantor, guarantor shall provide such alternate financial assurance in the name of Monarch Furniture.
11. Guarantor expressly waives notice of acceptance of this guarantee by the Solid & Hazardous Waste Management Branch or by Monarch Furniture. Guarantor also expressly waives notice of amendments or modifications of the closure and/or post-closure plan and of amendments or modifications of the facility permit(s).

I hereby certify that the wording of this guarantee is identical to the wording specified in 40 CFR 264.151(h) as such regulations were constituted on the date first above written.

Effective Date December 13, 1982

MOHASCO CORPORATION

By Albert F. Smith
Albert F. Smith, Assistant Treasurer

STATE OF NEW YORK)
 : ss.:
COUNTY OF MONTGOMERY)

Sworn to before me this 15 th day of December, 1982

Howard S. Harris
Notary Public

HOWARD S. HARRIS
Notary Public, State of New York
Qualified in Schoharie County
My Commission Expires March 30, 1983

Mohasco Corporation

57 Lyon Street
Amsterdam, New York 12010
518/841-2211

December 13, 1982



(2)

Mr. O. W. Strickland, Head
Solid & Hazardous Waste Management Branch
Environmental Health Section
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Dear Mr. Strickland:

I am the chief financial officer of Mohasco Corporation, 57 Lyon Street, Amsterdam, N.Y. 12010. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265.

1. This firm is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

(None)

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure or post-closure care of the following facilities owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

(None)

3. In States where EPA is not administering the financial requirements of Subpart H of 40 CFR Parts 264 and 265, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

Chromcraft Corporation
#1 Quality Lane
P.O. Box 126
Senatobia, Mississippi 38668
EPA ID No. MS D006294771

Closure Cost: \$ 39,364.00
Post Closure Cost: \$0.

Monarch Furniture
Division of Chromcraft Corporation
300 Scientific Street
P.O. Box 578
Jamestown, N.C. 27282
EPA ID No. NCD 990883001

Closure Cost: \$ 13,172.00
Post Closure Cost: \$0

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

(None)

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

This fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 1981.

- | | |
|--|--------------------------|
| 1. Sum of current closure and post-closure cost estimates [total of <u>all</u> cost estimates shown in the four paragraphs above] | \$ <u>52,536.00</u> |
| *2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4] | \$ <u>154,067,000.00</u> |
| *3. Tangible net worth | \$ <u>198,001,000.00</u> |

*Denotes figures derived from financial statements.

*4. Net worth	\$198,301,000.00
*5. Current assets	\$205,030,000.00
*6. Current liabilities	\$ 70,600,000.00
*7. Net working capital [line 5 minus line 6]	\$134,430,000.00
*8. The sum of net income plus depreciation, depletion, and amortization	\$ 32,869,000.00
*9. Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	\$280,434,000.00
	<u>Yes</u> <u>No</u>
10. Is line 3 at least \$10 million?	<u>X</u> _____
11. Is line 3 at least 6 times line 1?	<u>X</u> _____
12. Is line 7 at least 6 times line 1?	<u>X</u> _____
13. Are at least 90 percent of firm's assets located in the U.S.? If not, complete line 14.	_____ <u>X</u>
14. Is line 9 at least 6 times line 1?	<u>X</u> _____
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u> _____
16. Is line 8 divided by line 2 greater than 0.1?	<u>X</u> _____
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u> _____

*Denotes figures derived from financial statements.

I hereby certify that the wording of this letter is identical to the wording specified in Subpart H of 40 CFR 264.151(f) as such regulations were constituted on the date shown immediately below.

Name Albert F. Smith
Albert F. Smith
Title Assistant Treasurer
Date December 13, 1982



Mosco Corporation

57 Lyon Street
Amsterdam, NY 12010
(518) 841-2211

November 1, 1982



①

Glenn Dunn, Esq.
State of North Carolina
Solid & Hazardous Waste Mgt. Branch
Division of Health Services
P.O. Box 2091
Raleigh, NC 27602

Re: Submission of Verification of Sudden Liability
Coverage

Dear Mr. Dunn:

Pursuant to your letter of October 21, 1982, please
find enclosed copies of amendatory endorsement pollution
liability forms for the following facilities:

Chromcraft Corporation
Monarch Furniture Division
300 Scientific Street
P.O. Box 578
Jamestown, NC 27282
EPA ID #NCD 990883001

Chromcraft Corporation
Monarch Furniture Division
600 Scientific Street
P.O. Box 2516
High Point, NC 27261
EPA ID #NCD 049843980

If you have any questions concerning these forms, please
call me.

Sincerely,

Howard S. Harris
Corporate Attorney

pm

enclosures

AMENDATORY ENDORSEMENT POLLUTION LIABILITY



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE

Premium for This Endorsement is INCL. IN
COMPOSITE RATE

Part I - Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part I apply separately to such insurance as is afforded by the policy in connection with the insured's obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each), and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each occurrence" limit applies to all bodily injury and all property damage arising out of a single occurrence.
4. The annual "aggregate" limit applies to all damages because of all bodily injury and all property damage which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all bodily injury and property damage arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all bodily injury and property damage arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single occurrence.
6. Part of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II - Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number NCD_049843980
Name CHROMCRAFT CORPORATION, MONARCH FURNITURE DIVISION
Address 600 SCIENTIFIC STREET, P.O. BOX 2516 HIGH POINT, N.C. 27261
for sudden accidental occurrences. The limits of liability are \$ 500,000.- "each occurrence" and \$ 500,000.- annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such occurrences is subject to all of the terms and conditions of the policy provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of the Paragraph 2 are hereby amended to conform with subsections (a) through (e).
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10130E
issued by HARTFORD ACCIDENT & INDEMNITY CO herein called the Insurer

(Name of Insurer)
HARTFORD PLAZA, HARTFORD, CT. CHROMCRAFT CORPORATION, MONARCH FURNITURE DIV.
(Address of Insurer) (Name of Insured)

600 SCIENTIFIC STREET, P.O. BOX 2516 HIGH POINT, N.C.
(Address of Insured)

this 20TH day of SEPTEMBER, 19 82. The effective date of said policy is
1ST day of JULY, 19 82.

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 254.111, as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance and to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

JOSEPH M. QUINN
(Type Name)

ACCOUNT SUPERVISOR Authorized Representative of THE HARTFORD INSURANCE GROUP
(Title) (Name of Insurer)

P.O. BOX 8300, EAST HARTFORD, CT 06108
(Address of Representative)

AMENDATORY ENDORSEMENT POLLUTION LIABILITY



THE HARTFORD

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPREHENSIVE — PLUS SPECIAL GENERAL LIABILITY INSURANCE
SMP LIABILITY INSURANCE

Premium for This Endorsement \$ INCL. IN _____
COMPOSITE RATE

Part I: Separate Limits of Liability Endorsement (Hazardous Waste Facility)

It is agreed that:

1. The limits of liability stated in the Hazardous Waste Facility Pollution Liability Endorsement in Part I apply separately to such insurance as is afforded by the policy in connection with the insured's obligation to demonstrate financial responsibility at the facilities described therein.
2. Such limits of liability apply collectively to all such facilities (and not separately to each) and are in lieu of and not in addition to any other limits of liability stated elsewhere in the policy.
3. The "each occurrence" limit applies to all bodily injury and all property damage arising out of a single occurrence.
4. The annual "aggregate" limit applies to all damages because of all bodily injury and all property damage which occurs during the policy period.
5. For the purpose of determining the limit of the company's liability, all bodily injury and property damage arising out of a sudden and accidental discharge, dispersal, release or escape of irritants, contaminants or pollutants, including all bodily injury and property damage arising out of all subsequent exposure of persons or property to such substances, shall be considered as arising out of a single occurrence.
6. Part I of this endorsement shall be cancelled automatically by cancellation of the Hazardous Waste Facility Pollution Liability Endorsement in Part II.

Part II: Hazardous Waste Facility Pollution Liability Endorsement

1. This endorsement certifies that the policy to which the endorsement is attached provides pollution liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at: EPA Identification Number NCD 990883001
Name CHROMCRAFT CORPORATION MONARCH FURNITURE DIVISION
Address 300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, N.C. 27282
for sudden, accidental occurrences. The limits of liability are \$ 500,000.- "each occurrence" and \$ 500,000.- annual aggregate, exclusive of legal defense costs.
2. The insurance afforded with respect to such occurrences is subject to all of the terms and conditions of the policy provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of the Paragraph 2 are hereby amended to conform with subsections (a) through (e).
 - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.
 - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
 - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
 - (d) Cancellation of this endorsement, whether by the insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facilities are located.
 - (e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

Attached to and forming part of Policy No. 02 CLR P10130E
issued by HARTFORD ACCIDENT & INDEMNITY, herein called the Insurer.

(Name of Insurer)

HARTFORD PLAZA, HARTFORD, CT. to CHROMCRAFT CORPORATION, MONARCH FURNITURE DIV.
(Address of Insurer) (Name of Insured)

300 SCIENTIFIC STREET, P.O. BOX 578 JAMESTOWN, N.C. 27282
(Address of Insured)

this 20TH day of SEPTEMBER 19 82 The effective date of said policy is
1ST day of JULY 19 82

We hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.15(a) as such regulation was consulted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Joseph M. Quinn
(Signature of Authorized Representative of Insurer)

JOSEPH M. QUINN

(Type Name)

ACCOUNT SUPERVISOR

Authorized Representative of THE HARTFORD INSURANCE GROUP

(Title)

P.O. BOX 8300 EAST HARTFORD, CT. 06108

(Name of Insurer)

(Address of Representative)