



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

OCT 28 2016

REPLY TO THE ATTENTION OF:

LU-9J

CERTIFIED MAIL: 7014 2870 0001 9579 2411
RETURN RECEIPT REQUESTED

Mr. Eric C. Scroggins
Vice President, General Counsel and Secretary
Allison Transmission, Inc.
Post Office Box 894
Indianapolis, Indiana 46206-0894

RE: RCRA 3008(h) Administrative Order on Consent
Allison Transmission, Inc., Speedway, Indiana **RCRA-05-2017-0001**
IND 006 413 348

Dear Mr. Scroggins:

I am enclosing a fully executed copy of the 3008(h) Administrative Order on Consent covering corrective action at the subject facility. We look forward to working with your staff on this project.

In accordance with Section V of the Administrative Order on Consent, I am hereby designating Don Heller as the EPA Project Manager for this project. If you have any questions, please contact Mr. Heller at (312) 353-1248 or by e-mail at heller.donald@epa.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jose G. Cisneros", is written over a horizontal line.

Jose G. Cisneros
Chief
Remediation and Reuse Branch

Enclosure

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**



IN THE MATTER OF:)	ADMINISTRATIVE ORDER ON CONSENT
)	
)	EPA Docket No. RCRA-05-2017-0001
Allison Transmission, Inc.)	
One Allison Way)	
Speedway, Indiana)	Proceedings under Section 3008(h) of the
)	Resource Conservation and Recovery Act
EPA ID# IND 006 413 348)	as amended, 42 U.S.C; 6928(h).
RESPONDENT)	

I. JURISDICTION

1. The United States Environmental Protection Agency ("EPA") is issuing this Administrative Order on Consent ("Order") to Allison Transmission, Inc. ("Respondent") under Section 3008(h) of the Solid Waste Disposal Act, commonly referred to as the Resource Conservation and Recovery Act of 1976 (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. § 6928(h). The authority vested in the Administrator to issue orders under Section 3008(h) of RCRA, 42 U.S.C. § 6928(h), has been delegated to the Regional Administrators, and further delegated to the Director, Land and Chemicals Division, EPA Region 5.
2. Respondent owns and operates a transmission manufacturing facility at One Allison Way, Speedway, Indiana (the "Facility"). The Facility is located along the south side of 10th Street in a western suburb of Indianapolis. It produces transmissions for trucks, heavy equipment and military vehicles. The Facility also conducts research and development activities related to transmissions.
3. Respondent agrees not to contest EPA's jurisdiction to issue this Order, to enforce its terms, or to impose sanctions for violations of the Order.
4. Respondent waives any rights to request a hearing on this matter pursuant to Section 3008(b) of RCRA, 42 U.S.C. § 6928(b), and 40 C.F.R. Part 24, and consents to the issuance of this Order without a hearing under Section 3008(b) of RCRA, 42 U.S.C. § 6928(b), as a Consent Order issued pursuant to Section 3008(h) of RCRA, 42 U.S.C. § 6928(h).

II. DEFINITIONS

5. This Order incorporates the definitions in RCRA, 42 U.S.C. §§ 6901 - 6922k, and the regulations promulgated under RCRA unless otherwise specified.

III. PARTIES BOUND

6. This Order applies to and binds EPA, Respondent and its agents, successors, assigns, trustees, receivers, and all persons, including but not limited to contractors and consultants, acting on behalf of Respondent. Respondent will be responsible for and liable for any violations

of this Order, regardless of Respondent's use of employees, agents, contractors, or consultants to perform work required by this Order.

7. No change in ownership or corporate or partnership status relating to the Facility will alter Respondent's obligations under this Order. Any conveyance of title, easement, or other interest in the Facility, or a portion of the Facility, will not affect Respondent's obligations under this Order. Respondent will give written notice of this Order to any successor in interest prior to transferring ownership or operation of the Facility or a portion thereof and will notify EPA in writing within five days of the transfer. This written notice will describe how Respondent has assured that, despite the transfer, all institutional controls required now or in the future for the Facility will be implemented and maintained. This paragraph will not apply if EPA and Respondent agree that this Order has terminated as to the Facility or any relevant portion of the Facility.

IV. DETERMINATIONS

8. After consideration of the Administrative Record, the Director, Land and Chemicals Division, EPA Region 5, has made the following conclusions of law and determinations:

- a. Respondent is a "person" within the meaning of Section 1004(15) of RCRA, 42 U.S.C. § 6903(15).
- b. Respondent is the owner or operator of a Facility that has operated under interim status subject to Section 3005(e) of RCRA, 42 U.S.C. § 6925(e).
- c. Certain wastes and constituents found at the Facility are hazardous wastes and/or hazardous constituents pursuant to Sections 1004(5) and 3001 of RCRA, 42 §§ 6903(5) and 6921, and 40 C.F.R. Part 261.
- d. There is or has been a release of hazardous wastes or hazardous constituents into the environment from the Facility.
- e. The actions required by this Order are necessary to protect human health or the environment.
- f. General Motors Corporation ("GMC") owned and operated the Facility until its sale to the Respondent on August 7, 2007.
- g. On June 1, 2009, Motors Liquidation Corporation (f/k/a GMC ("MLC")) filed for bankruptcy in the United States Bankruptcy Court for the Southern District of New York under Chapter 11 of Title 11 of the United States Code, Case No. 09-50026 (REG).
- h. On July 10, 2009, GM LLC ("GM") was created as a result of termination of the MLC bankruptcy proceedings.
- i. In April 2009, GMC began operation of a system at the Facility to remove light non-aqueous phase liquid from soil and groundwater beneath the Waste

Treatment Area ("Area of Interest 19" or "AOI 19") as an interim measure at Plant 3.

- j. In 1973, GMC began operation of a recovery system at the Facility for a release of diesel fuel to groundwater downgradient of Plant 3 (AOI 40). This system was upgraded 2001, 2005 and 2009. Diesel fuel sheen is captured and removed when it appears on Big Eagle Creek. Respondent may propose that AOI-40 be remediated under a State of Indiana program.
- k. In October 2003, GMC began operation of a soil vapor extraction system at the Facility as interim measures to remove perchloroethene ("PCE") from soil and groundwater at the Former Degreaser Area (AOI 51) at Plant 12. In September 2007, GMC began operation of a groundwater extraction system as an additional interim measure to remove PCE at AOI 51.
- l. In February 2003, GMC commenced interim measures at the Facility to recover a release of transmission fluid from groundwater at the Former Transmission Test Assembly Area (AOI 53) at Plant 12. This system consists of absorbent socks which are placed in monitoring wells and are removed when necessary.
- m. In April 2013, GM completed installation and commenced operation of soil vapor extraction wells at the Facility in order to remove PCE from soil and groundwater at the Plant 14 Heat Treat Area and the Plant 14 Cyanide-Copper Plating Area (AOI 42/43).

V. PROJECT MANAGER

9. Donald Heller has been designated as the EPA Project Manager. Respondent shall designate its Project Manager and notify EPA in writing of the selected Project Manager within 14 days of the effective date of this Order. If either Project Manager will no longer serve in such capacity, EPA or Respondent must designate a replacement Project Manager and notify each other in writing of the new Project Manager selected within 14 days of the change of Project Manager. Each Project Manager will be responsible for overseeing the implementation of this Project.

VI. WORK COMPLETED AND TO BE PERFORMED

10. Pursuant to Section 3008(h) of RCRA, 42 U.S.C. § 6928(h), Respondent agrees to and is hereby ordered to perform the actions specified in this section, in the manner and by the dates specified here (the "Work"). Respondent represents that it has the technical and financial ability to carry out the Work to be Performed at the Facility pursuant to this Order. The Work described in Section VI. is tailored to the Facility based on the work already performed at the Facility and represents the activities determined to be necessary to complete the Corrective Action process. Respondent must perform the Work undertaken pursuant to this Order in compliance with RCRA and other applicable federal and state laws and their implementing regulations, and consistent with all relevant EPA guidance documents as appropriate to the Facility. This guidance includes, but is not limited to, the Documentation of Environmental Indicator Determination Guidance,

relevant portions of the Model Scopes of Work for RCRA Corrective Action, and EPA's risk assessment guidance.

11. Respondent has provided to EPA its July 12, 2013, Addendum to the February 8, 2005, Current Conditions Report, that describes the locations and investigations of all releases of wastes and contaminated media above reportable quantities which have occurred at the Facility since Respondent became the owner/operator of the Facility on August 7, 2007.

12. Nothing herein shall be construed as restricting Respondent from performing an immediate or emergency response to a newly discovered release or threat of a release of hazardous waste or hazardous constituents to the environment from the Facility. Upon the discovery of such release or threat of release which requires an immediate or emergency response, Respondent must provide EPA with prompt oral notification and written notification within 7 days of discovery, summarizing the immediacy and magnitude of the potential threats to human health and the environment and the immediate or emergency response performed. The EPA Project Manager may orally authorize Respondent to act immediately prior to EPA's receipt of written notice, proposed interim measures, or EPA's written approval of proposed interim measures.

13. Respondent must timely submit for EPA review and approval any proposed interim measures necessary for releases discovered under Paragraph 12, to control human exposures to contamination and/or stabilize the migration of contaminated groundwater, at least 90 days prior to the start of construction work. The proposed interim measures must contain a work plan and a project schedule. The EPA Project Manager will determine whether any public participation activities are appropriate prior to acting on the request for approval. The EPA Project Manager will act on the proposed interim measures in accordance with Paragraph 21 of this Order.

14. GMC provided a demonstration, using an Environmental Indicators Report as a guide, that:

- a. All current human exposures to contamination at or from the Facility are under control. That is, significant or unacceptable exposures do not exist for all media known or reasonably suspected to be contaminated with hazardous wastes or hazardous constituents above risk-based levels, for which there are complete pathways between contamination and human receptors. EPA approved this demonstration on September 25, 2008. EPA may re-evaluate this approval dependent upon the results of any investigation, required under Paragraph 13, which finds any additional release(s) unknown at the time of the demonstration.
- b. Migration of contaminated groundwater at or from the Facility is stabilized. That is, the migration of all groundwater known or reasonably suspected to be contaminated with hazardous wastes or hazardous constituents above acceptable levels is stabilized to remain within any existing areas of contamination as defined by monitoring locations designated at the time of the demonstration. In addition, any discharge of groundwater to surface water is either insignificant or currently acceptable according to an appropriate interim assessment. In the future, monitoring and measurement data must be collected as necessary to verify that

migration of any contaminated groundwater is stabilized. EPA approved this demonstration on December 11, 2014. EPA may re-evaluate this approval dependent upon the results of any investigation required under Paragraph 13.

15. To comply with Paragraphs 12, 13 and 14, above, Respondent must:
 - a. Determine appropriate risk screening criteria under current use scenarios and provide the basis and justification for the use of the criteria.
 - b. Determine any current unacceptable risks to human health and the environment and describe why other identified risks are acceptable.
 - c. Control any unacceptable current human exposures that Respondent identifies. This includes performing any interim measures approved by EPA necessary to control current human exposures to contamination to within acceptable risk levels.
 - d. Stabilize the migration of contaminated groundwater. This includes implementing any interim measures approved by EPA necessary to stabilize the migration of contaminated groundwater.
 - e. Conduct groundwater monitoring to confirm that any contaminated groundwater remains within the original area of contamination.
 - f. Prepare and submit to EPA an interim measures report, by the date of demonstrations required by Paragraph 14, that describes and justifies any interim measures performed to meet the requirements of this Section, including sampling documentation, construction completion documentation and/or confirmatory sampling results.
16. Final corrective measures necessary to protect human health and the environment from all current and future unacceptable risks due to releases of hazardous waste or hazardous constituents at or from the Facility (the "Corrective Measures Proposal" or "CMP") and the Operation Maintenance and Monitoring Plan ("OMM Plan") for implementation of the final corrective measures were proposed to the EPA.
17. EPA provided the public with an opportunity to review and comment on its proposed final corrective measures and OMM Plan, including a detailed description and justification for the proposal (the "Statement of Basis"). Following the public comment period, EPA selected the final corrective measures and the plan for their operation, maintenance and monitoring, and on January 27, 2016, EPA notified the public of the decision and rationale in a "Final Decision and Response to Comments" ("Final Decision").
18. Upon the effective date of this Order, Respondent will implement the final corrective measures in accordance with the schedule and terms of the OMM Plan approved by EPA. Respondent may propose that AOI-40 be remediated under a State of Indiana program.

19. Respondent shall comply with the following requirements:
- a. Respondent must establish a publicly accessible repository for information regarding site activities and conduct public outreach and involvement activities.
 - b. Respondent must provide annual progress reports to EPA by January 15th of each calendar year. After five years, Respondent may petition EPA to submit progress reports by January 15th of every fifth year. These reports must list work performed to date, data collected, problems encountered, resolution of problems, and proposed future actions.
 - c. The parties will communicate as necessary and in good faith to assure successful completion of the requirements of this Order.
 - d. Respondent must provide Interim Measures Construction Completion Report documenting all work that it has performed if required under Paragraph 13 of this Order. The Interim Measures Construction Completion Report must provide a description of the environmental results of the interim corrective measures including, but not limited to, (1) the volume, in cubic yards, for each of the following that were treated or removed, as appropriate for the corrective measures performed: soil, sediment, vapor, aquifer formation, surface water, and materials in containers addressed or to be addressed by the response actions; and (2) an estimate of the mass of contaminants mitigated as part of those materials addressed.
 - e. If ongoing monitoring or operation and maintenance is required after construction of the interim corrective measures, Respondent must include an operations and maintenance plan in the Interim Measures Construction Completion Report. Respondent must revise and resubmit the report in response to EPA's written comments, if any, by the dates EPA specifies. Upon EPA's written approval, Respondent must implement the approved operation and maintenance plan according to the schedule and terms of the plan.
 - f. Any risk assessments Respondent conducts must estimate human health and ecological risk under reasonable maximum exposure for both current and reasonably expected future land and resource use scenarios. In conducting the risk assessments, Respondent will follow the EPA's Risk Assessment Guidance for Superfund (RAGS) or other appropriate EPA guidance. Respondent will use appropriate screening values when screening to determine whether further investigation is required. Appropriate screening values may be derived from Federal Maximum Contaminant Levels, EPA Regional Screening Levels, EPA Region 5 Ecological Screening Levels, or RAGS. Respondent may develop remedial goals utilizing site-specific information such as soil type, exposure frequency (e.g., snow-ice surface cover) or exposure scenario. Respondent may propose to use peer reviewed scientific literature where necessary information is not readily available through EPA guidance.

- g. All sampling and analysis conducted under this Order must be performed in accordance with the Region 5 RCRA Quality Assurance Project Plan Policy (April 1998) as appropriate for the site, and be sufficient to identify and characterize the nature and extent of all releases as required by this Order. EPA may audit laboratories Respondent selects or require Respondent to purchase and have analyzed any performance evaluation samples selected by EPA which are compounds of concern. Respondent must notify EPA in writing at least 14 days before beginning each separate phase of field work performed under this Order. At the request of EPA, Respondent will provide or allow EPA or its authorized representative to take split or duplicate samples of all samples Respondent collects under this Order.

20. The EPA Project Manager may extend any deadline in this Section for up to 90 days or less by written notice to the Respondent. Extensions of greater than 90 days require written approval from the Chief of the Remediation and Reuse Branch, Land and Chemicals Division.

VII. EPA APPROVAL OF DELIVERABLES

21. Respondent must submit deliverables required by Paragraphs 13, 15.f., 19.b., 19.d., and 19.e. of this Order to EPA for approval or modification pursuant to Paragraph 22. All deliverables must be received at EPA by the dates specified pursuant to this Order. EPA will make good faith efforts to act pursuant to this Section on deliverables required by Paragraphs 12, 13 and 15 within 60 days of receipt. If EPA extends the time frame to act beyond 60 days, EPA will not unreasonably withhold granting Respondent's reasonable request for an extension of any subsequent deadline that is affected.

22. After review of any deliverable that is required to be approved pursuant to this Order, EPA will: (a) approve, in whole or in part, the submission; (b) approve the submission upon specified conditions; (c) modify the submission to cure the deficiencies; (d) disapprove, in whole or in part, the submission, directing that Respondent modify the submission; or (e) any combination of the above. However, EPA will not modify a submission without first providing Respondent at least one notice of deficiency and an opportunity to cure within 21 days, except where EPA determines that to do so would cause serious disruption to the Work or where EPA has disapproved previous submission(s) due to material defects and EPA determines that the deficiencies in the submission under consideration indicate a bad faith lack of effort to submit an acceptable deliverable.

23. In the event of approval, approval upon specified conditions, or modification by EPA, pursuant to Paragraph 22(a), (b), or (c), Respondent must proceed to take any action required by the deliverable, as approved or modified by EPA subject only to Respondent's right to invoke the Dispute Resolution procedures set forth in Section XII (Dispute Resolution) with respect to the modifications or conditions made by EPA. In the event that EPA modifies the submission to cure the deficiencies pursuant to Paragraph 22(c), (d) or (e), and EPA determines the submission has a material defect, EPA retains its right to seek stipulated penalties, as provided in Section XI (Stipulated Penalties).

24. Resubmission of Deliverable. Upon receipt of a notice of disapproval, in whole or in part, pursuant to Paragraph 23(d), Respondent must, within 45 days or such longer time as specified by EPA in such notice, correct the deficiencies and resubmit the deliverable for approval. Any stipulated penalties applicable to the submission, as provided in Section XI (Stipulated Penalties), shall accrue during the 45 day opportunity to cure period or otherwise specified period but shall not be payable unless the resubmission is disapproved or modified due to a material defect as provided in Paragraphs 22 and 23.

25. Notwithstanding the receipt of a notice of disapproval pursuant to Paragraph 22(d), Respondent must proceed at the direction of EPA, to take any action required by any non-deficient portion of the submission. Implementation of any non-deficient portion of a submission shall not relieve Respondent of any liability for stipulated penalties for the deficient portion of the deliverable under Section XI (Stipulated Penalties).

26. In the event that a resubmitted deliverable, or portion thereof, is disapproved by EPA, EPA may again require Respondent to correct the deficiencies, in accordance with the preceding Paragraphs. EPA also retains the right to modify or develop the plan, report or other item. Respondent must implement any action as required in a deliverable which has been modified or developed by EPA, subject only to Respondents right to invoke the procedures set forth in Section XII (Dispute Resolution).

27. If upon resubmission, a deliverable is disapproved or modified by EPA due to a material defect, Respondent shall be deemed to have failed to submit such deliverable timely and adequately unless Respondent invokes the dispute resolution procedures set forth in Section XII (Dispute Resolution) and EPA's action to disapprove or modify a deliverable is overturned pursuant to that Section. The provisions of Section XII (Dispute Resolution) and Section XI (Stipulated Penalties) shall govern the implementation of the Work and accrual and payment of any stipulated penalties during Dispute Resolution. If EPA's disapproval or modification is upheld, stipulated penalties shall accrue for such violation from the date on which the initial submission was originally required, as provided in Section XI (Stipulated Penalties).

28. All deliverables required to be submitted to EPA under this Order, shall, upon approval or modification by EPA, be incorporated into and be enforceable under this Order. In the event EPA approves or modifies a portion of a deliverable required to be submitted to EPA under this Order, the approved or modified portion shall be enforceable under this Order.

VIII. ACCESS

29. Upon reasonable notice, and at reasonable times, EPA, its contractors, employees, and any designated EPA representatives may enter and freely move about the Facility to, among other things: interview facility personnel and contractors; review Respondent's progress in carrying out the terms of this Order; conduct tests, sampling, or monitoring as EPA deems necessary; use a camera, sound recording, or other documentary equipment; and verify the reports and data Respondent submits to EPA. Respondent will permit such persons to inspect and copy all non-privileged photographs and documents, including all sampling and monitoring data, that pertain to work undertaken under this Order and that are within the possession or under the control of Respondent or its contractors or consultants. Respondent may request split

samples, or copies of all photographs, tapes, videos or other recorded evidence created by EPA and releasable under the Freedom of Information Act.

30. If Respondent must go beyond the Facility's boundary to perform work required by this Order, Respondent must use its best efforts to obtain the necessary access agreements from the present owner(s) of such property within 30 days after Respondent knows of the need for access. Any such access agreement must provide for access by EPA and its representatives. Respondent must submit a copy of any access agreement to EPA's Project Manager. If it does not obtain agreements for access within 30 days, Respondent must notify EPA in writing within 14 additional days of both the efforts undertaken to obtain access and the failure to obtain access agreements. EPA may, at its discretion, assist Respondent in obtaining access.

31. Nothing in this Section limits or otherwise affects EPA's right of access and entry under applicable law, including RCRA and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601 - 9675.

IX. COST ESTIMATES AND ASSURANCES OF FINANCIAL RESPONSIBILITY FOR COMPLETING THE WORK

32. Estimated Cost of the Work:

- a. Respondent must submit to EPA detailed written estimates, as described in this Paragraph, in current dollars, of the cost of hiring a third party to perform the Work to Be Performed under Section VI of the Order (Cost Estimate). If EPA concurs that remediation of AOI 40 may be undertaken under a State of Indiana program, then its estimated costs would not be subject to this provision. A third party is a party who (i) is neither a parent nor a subsidiary of Respondent and (ii) does not share a common parent or subsidiary with Respondent. The Cost Estimate need not incorporate any salvage value that may be realized from the sale of wastes, facility structures or equipment, land or other assets associated with the facility.
- b. Within 30 days of the effective date of this Order, Respondent must submit to EPA for review and approval an initial Cost Estimate, adjusted for inflation, accounting for the costs of all remaining Work to Be Performed under EPA's Final Decision.
- c. Respondent must annually adjust the Cost Estimate for inflation and for changes in the scope of the Work to Be Performed under Section VI of the Order. Changes in the scope of Work to Be Performed shall include completion of any portion of the Work. By November 15 of each year, Respondent must submit the annually adjusted Cost Estimate to EPA for review and approval.
- d. EPA will review each Cost Estimate submitted by Respondent and will notify Respondent of EPA's approval, approval with modifications, or disapproval of the Cost Estimate. EPA's disapproval of any Cost Estimate must be consistent with Paragraph 32.e., below.

- e. If at any time EPA determines that a Cost Estimate provided pursuant to this Paragraph is inadequate, EPA shall notify Respondent in writing, stating the basis for its determination. If at any time Respondent becomes aware of information indicating that any Cost Estimate provided pursuant to this Section is inadequate, Respondent must notify EPA in writing of such information within ten (10) days. Within 30 days of EPA's notification, or within 30 days of Respondent becoming aware of such information, as the case may be, Respondent must submit a revised Cost Estimate to EPA for review.

33. Assurances of Financial Responsibility for Completing the Work:

- a. In order to secure the full and final completion of the Work in accordance with this Order, Respondent shall establish and maintain financial assurance for the benefit of EPA in the amount of the most recent approved Cost Estimate. Respondent has selected as initial financial assurance an irrevocable letter of credit pursuant to Paragraph 33.d. i - vi., below, in the amount of the approved initial Cost Estimate and in the form attached hereto as Exhibit A. The initial financial assurance as set forth in Exhibit A is satisfactory to EPA in form and substance. Within 45 days after EPA's approval of Respondent's initial Cost Estimate, Respondent shall execute or otherwise finalize all instruments or other documents required in order to make the selected financial assurance legally binding in a form substantially identical to the documents attached hereto as Exhibit A, and such financial assurance shall be fully effective. Respondent shall submit all executed and/or otherwise finalized instruments or other documents to EPA within 60 days EPA's approval of Respondent's initial Cost Estimate.
- b. Respondent must annually adjust the financial instrument or financial test demonstration, as necessary to reflect the most recent Cost Estimate approved by EPA. The adjustment must be performed by the end of each calendar year (other than the year in which this Order becomes effective), and utilize the most recent government published inflation data from that year. Respondent must use one or more of the financial assurance forms described in Paragraphs 33.d.i. - vi., below. If the annual adjustments is insignificant, Respondent may propose no adjustment is necessary.
- c. Any and all financial assurance documents provided pursuant to this Order must be submitted to EPA for review in draft form, without the inflation adjusted Cost Estimate amount if such information is not yet available to Respondent, at least 45 days before they are due to be filed and must be satisfactory in form and substance as determined by EPA. Respondent must maintain adequate financial assurance until EPA releases Respondent from this requirement under Paragraph 34.c. below.
- d. To fulfill any financial assurance obligation pursuant to this Order, Respondent shall select and implement one or more of the mechanisms specified in i - iv below.

- i. A trust fund established for the benefit of EPA, administered by a trustee who has the authority to act as a trustee under Federal or State law and whose trust operations are regulated and examined by a Federal or State agency, and that is acceptable in all respects to the EPA. The trust agreement must provide that the trustee must make payments from the fund as the Director, Land and Chemicals Division, EPA Region 5, shall direct in writing to (1) reimburse Respondent from the fund for expenditures made by Respondent for work performed under Section VI of the Order, or (2) to pay any other person whom the Director, Land and Chemicals Division, EPA Region 5, determines has performed or will perform the work under Section VI of the Order. The trust agreement must further provide that the trustee must not refund to the grantor any amounts from the fund unless and until EPA has advised the trustee that the work under the Order has been successfully completed.
- ii. A surety bond unconditionally guaranteeing performance of the Work to Be Performed Under Section VI of this Order, or guaranteeing payment at the direction of EPA into a standby trust fund that meets the requirements of the trust fund in Paragraph 33.d.i, above. The surety company issuing the bond must, at a minimum, be among those listed as acceptable sureties on Federal Bonds as set forth in Circular 570 of the U.S. Department of Treasury.
- iii. An irrevocable letter of credit, payable at the direction of the Director, Land and Chemicals Division, EPA Region 5, into a standby trust fund that meets the requirements of the trust fund in Paragraph 33.d.i, above. The letter of credit must be issued by a financial institution (i) that has the authority to issue letters of credit, and (ii) whose letter-of-credit operations are regulated and examined by a Federal State agency.
- iv. An insurance policy that (i) provides EPA with rights as a beneficiary which are acceptable to EPA; and (ii) is issued by an insurance carrier that (a) has the authority to issue insurance policies in the applicable jurisdiction, and (b) whose insurance operations are regulated and examined by a Federal or State agency. The insurance policy must be issued for a face amount at least equal to the Cost Estimate, except where costs not covered by the insurance policy are covered by another financial assurance instrument, as permitted in Paragraph 33.h. The policy must provide that the insurer shall make payments as the Director, Land and Chemicals Division, EPA Region 5 shall direct in writing (i) to reimburse Respondent for expenditures made by Respondent for work performed in accordance with this Order, or (ii) to pay any other person whom the Director, Land and Chemicals Division, EPA Region 5, determines has performed or will perform the work in accordance with this Order, up to an amount equal to the face amount of the policy. The policy must also provide that it may not be canceled, terminated or non-renewed and the policy shall remain in full force and effect in the event that (i) the

Respondent is named as a debtor in a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code; or (ii) EPA notifies the insurer of Respondent's failure to perform, under Paragraph 36 of this section.

- v. A corporate guarantee, executed in favor of the EPA by one or more of the following: (1) a direct or indirect parent company, or (2) a company that has a "substantial business relationship" with Respondent (as defined in 40 C.F.R. § 264.141(h)), to perform the Work to Be Performed under Section VI of this Order or to establish a trust fund as permitted by Paragraph 33.d.i., above; provided, however, that any company providing such a guarantee must demonstrate to the satisfaction of the EPA that it satisfies the financial test requirements of 40 C.F.R. § 264.143(f) with respect to the portion of the Cost Estimate that it proposes to guarantee.
- vi. A demonstration by Respondent that it meets the financial test criteria of 40 C.F.R. § 264.143(f) with respect to the Cost Estimate, provided that all other requirements of 40 C.F.R. § 264.143(f) are satisfied.
- e. Respondent must submit all original executed and/or otherwise finalized instruments to EPA's Regional Comptroller (MF-10J), 77 W. Jackson Blvd., Chicago, IL 60604-3590, within 30 days after date of execution or finalization as required to make the documents legally binding. A transmittal letter stating the name and RCRA ID number of the Facility, Respondent's name and address, and the EPA docket number of this Order must accompany the instruments. Respondent must also provide copies to the EPA Project Manager.
- f. If at any time Respondent provides financial assurance for completion of the Work by means of a corporate guarantee or financial test, Respondent must also comply with the other relevant requirements of 40 C.F.R. § 264.143(f), 40 C.F.R. § 264.151(f), and 40 C.F.R. § 264.151(h)(1) relating to these methods, and will promptly provide any additional information requested by EPA from Respondent or corporate guarantor at any time.
- g. For purposes of the corporate guarantee or the financial test described above, references in 40 C.F.R. § 264.143(f) to "the sum of current closure and post-closure costs and the current plugging and abandonment cost estimates" shall mean "the sum of all environmental remediation obligations" [including obligations under CERCLA, RCRA, Underground Injection Control (UIC), the Toxic Substances Control Act (TSCA) and any other state or tribal environmental obligation] guaranteed by such company or for which such company is otherwise financially obligated in addition to the Cost Estimate.
- h. Respondent may combine more than one mechanism to demonstrate financial assurance for the Work to Be Performed under Section VI of this Order.
- i. Respondent may satisfy its obligation to provide financial assurance for the Work by providing a third party who assumes full responsibility for the Work and

otherwise satisfies the obligations of the financial assurance requirements of this Order; however, Respondent shall remain responsible for providing financial assurance in the event such third party fails to do so and any financial assurance from a third party must be in one of the forms provided in Paragraphs 33.d.i. - iv., above.

- j. If at any time EPA determines that a financial assurance mechanism provided pursuant to this Section is inadequate, EPA shall notify Respondent in writing. If at any time Respondent becomes aware of information indicating that any financial assurance mechanism(s) provided pursuant to this Section is inadequate, Respondent must notify EPA in writing of such information within ten (10) days. Within 90 days of receipt of notice of EPA's determination, or within 90 days of Respondent's becoming aware of such information, Respondent must establish and maintain adequate financial assurance for the benefit of the EPA which satisfies all requirements set forth in this Section. Any and all financial assurance documents provided pursuant to this Order must be submitted to EPA for review in draft form at least 45 days before they are due to be filed and must be satisfactory in form and substance as determined by EPA.
- k. Respondent's inability or failure to establish or maintain financial assurance for completion of the Work shall in no way excuse performance of any other requirements of this Order.

34. Modification of Amount and/or Form of Performance Guarantee:

- a. Reduction of Amount of Financial Assurance. If, at any time other than when the annual adjustment is due, Respondent believes that the Cost Estimate has diminished below the amount covered by the existing financial assurance provided under this Order and it is not expected to increase prior to the next annual adjustment, Respondent may submit a written proposal to EPA for approval to reduce the amount of the financial assurance to equal the proposed new Cost Estimate.
- b. Change of Form of Financial Assurance. If at any time other than when the annual adjustment is due, Respondent desires to change the form or terms of financial assurance, Respondent may submit a written proposal to EPA for approval to change the form of financial assurance. The written proposal must specify all proposed instruments or other documents required in order to make the proposed financial assurance legally binding and must satisfy all requirements set forth in this Section. The proposed form of financial assurance shall comply with 40 C.F.R. § 265.145. EPA will endeavor to accept or reject the proposal within 30 days. If EPA rejects the proposal, Respondent must, within 45 days of notice of such rejection, either return to the previously approved form and terms of financial assurance, or propose another form and terms which comply with 40 C.F.R. § 265.145. Upon EPA acceptance Respondent must execute and/or otherwise finalize all instruments or other documents required in order to make the selected financial assurance legally binding. Respondent must submit all

executed and/or otherwise finalized instruments or other documents required in order to make the selected financial assurance legally binding to the EPA Comptroller's Office, with a copy to EPA's Project Manager, with a transmittal letter, as provided in Paragraph 33, above.

- c. Release of Financial Assurance. Respondent may submit a written request to the Director, Land and Chemicals Division, EPA Region 5, that EPA release Respondent from the requirement to maintain financial assurance under this Section once EPA and Respondent have both executed an "Acknowledgment of Termination and Agreement to Record Preservation and Reservation of Right" pursuant to Section XX (Termination and Satisfaction) of the Order. The Director, Land and Chemicals Division, EPA Region 5, shall notify both Respondent and the provider(s) of the financial assurance within 30 days of determining that Respondent is released from all financial assurance obligations under this Order.
- d. Return of Letter of Credit. EPA shall coordinate with the Respondent for the prompt return of any original letter of credit for the OMM Plan Work, submitted in compliance with Paragraph 33.e., in EPA's possession that is substituted by other financial assurances as approved by EPA consistent with Section IX (Cost Estimates and Assurances of Financial Responsibility for Completing the Work).

35. Performance Failure:

- a. If EPA determines that Respondent (i) has ceased implementing any portion of the OMM Plan Work, (ii) is significantly or repeatedly deficient or late in its performance of the OMM Plan Work, or (iii) is implementing the Work in a manner that may cause an endangerment to human health or the environment and that is inconsistent with the OMM Plan, EPA may issue a written notice ("Performance Failure Notice") to the Respondent of Respondent's failure to perform. The notice issued by EPA will specify the grounds upon which such a notice was issued and will provide Respondent with a period of 30 days, or longer if EPA agrees in writing (Remedy Period), within which to remedy the circumstances giving to the issuance of such notice. If the circumstances giving rise to the issuance of such notice are not remedied within the Remedy Period, EPA may then issue written notice to the financial assurance provider of Respondent's failure to perform.
- b. Failure by Respondent to remedy the relevant Performance Failure to EPA's satisfaction before the expiration of the Remedy Period specified in Paragraph 35.a. shall trigger EPA's right to have immediate access to and benefit of the financial assurance provided pursuant to Paragraphs 33.d.i-vi. If EPA is unable after reasonable efforts to secure payment of funds or performance of work from the financial assurance provider, then upon written notice from EPA, Respondent must within 30 days deposit into a trust fund approved by EPA, a cash amount equal to the most recent Cost Estimate approved by EPA.

X. RECORD PRESERVATION

Respondent must retain, during the pendency of this Order and for at least six years after the Order terminates, all data and all final documents now in its possession or control or which come into its possession or control which relate to this Order. Respondent must notify EPA in writing 90 days before destroying any such records, and give EPA the opportunity to take possession of any non-privileged documents. Respondent's notice will refer to the effective date, caption, and docket number of this Order and will be addressed to:

Director
Land and Chemicals Division
EPA, Region 5
77 W. Jackson Blvd.
Chicago, IL 60604-3590

Respondent will also promptly provide EPA's Project Manager a copy of the notice.

36. Within 30 days of retaining or employing any agent, consultant, or contractor ("agents") to carry out the terms of this Order, Respondent will enter into an agreement with the agents to give Respondent a copy of all data and final non-privileged documents produced under this Order.

37. Respondent will not assert any privilege claim concerning any data gathered during any investigations or other actions required by this Order.

XI. STIPULATED PENALTIES

39. Respondent must, at EPA's sole discretion, pay the following stipulated penalties to the United States for violations of this Order:

- a. For failure to comply with Paragraph 15 to demonstrate (if required by EPA pursuant to Paragraph 14.a.) that all current human exposures to contamination at or from the Facility are under control by the applicable due date: \$3,000 per day.
- b. For failure to comply with Paragraph 15 to demonstrate (if required by EPA pursuant to Paragraph 14.b) that migration of contaminated groundwater at or from the Facility is stabilized by the applicable due date: \$3,000 per day.
- c. For failure to implement, as set forth in the Final Decision, the selected final corrective measures as described in Paragraphs 18 and 19: \$3,000 per day for the first 14 days and \$6,000 per day thereafter.
- d. For failure to submit progress reports by the dates scheduled in Paragraph 19.b., above: \$1,000 per day for the first 14 days and \$2,000 per day thereafter.
- e. For failure to timely submit the Cost Estimate or establish or maintain the Assurances of Financial Responsibility for Completing the Work as required

under Section IX of the Order: \$1,000 per day for the first 14 days and \$2,000 per day thereafter.

40. Whether or not Respondent has received notice of a violation, stipulated penalties will begin to accrue on the day a violation occurs, and will continue to accrue until Respondent complies. Separate stipulated penalties for separate violations of this Order will accrue simultaneously.

41. Respondent must pay any stipulated penalties owed to the United States under this Section within 30 days of receiving EPA's written demand to pay the penalties, unless Respondent invokes the dispute resolution procedures under Section XII: Dispute Resolution. A written demand for stipulated penalties will describe the violation and will indicate the amount of penalties due.

42. Interest will begin to accrue on any unpaid stipulated penalty balance beginning 31 days after Respondent receives EPA's demand letter. Interest will accrue at the current value of funds rate established by the Secretary of the Treasury. Under 31 U.S.C. § 3717, Respondent must pay an additional penalty at a rate of six percent per year on any unpaid stipulated penalty balance more than 90 days overdue.

43. Respondent must pay all penalties by certified or cashier's check payable to the United States of America, or by wire transfer, and will send the check to:

Via U.S. Postal Service mail:

U.S. EPA Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Via other mode of transmittal:

U.S. Bank – U.S. EPA Fines and Penalties
Government Lockbox 979077
1005 Convention Plaza
Mail Station SL-MO-C2-GL
St. Louis, MO 63101

A transmittal letter stating the name of the Facility, Respondent's name and address, and the EPA docket number of this action must accompany the payment. Respondent will simultaneously send a copy of the check and transmittal letters to the EPA Project Manager.

44. Respondent may dispute EPA's assessment of stipulated penalties by invoking the dispute resolution procedures under Section XII: Dispute Resolution. Except as provided for in Paragraph 52, the stipulated penalties in dispute will continue to accrue, but need not be paid, during the dispute resolution period. Respondent must pay stipulated penalties and interest, if any, according to the dispute resolution decision or agreement. Respondent must submit such

payment to EPA within 30 days after receiving the resolution according to the payment instructions of this Section.

45. Neither invoking dispute resolution nor paying penalties will affect Respondent's obligation to comply with the terms of this Order not directly in dispute.

46. The stipulated penalties set forth in this Section do not preclude EPA from pursuing any other remedies or sanctions which may be available to EPA for Respondent's violation of any terms of this Order. However, EPA will not seek both a stipulated penalty under this Section and a statutory penalty for the same violation.

XII. DISPUTE RESOLUTION

47. The parties will use their best efforts to informally and in good faith resolve all disputes or differences of opinion.

48. If either party disagrees, in whole or in part, with any decision made or action taken under this Order, that party will notify the other party's Project Manager of the dispute. The Project Managers will attempt to resolve the dispute informally. Either party may propose the use of nonbinding mediation to facilitate informal dispute resolution. Both parties must agree in writing to the selection of a neutral mediator and to the initiation of mediation. The mediator selected by the parties must not have any past, present, or future business relationship with the parties, other than for mediation activities; must be provided with a copy of this Order, and must agree to the terms and conditions for mediation contained in this Order. Either party may terminate mediation at any time. The parties agree that they will share equitably the costs of mediation, subject to the availability of EPA funds authorized for this purpose as determined by EPA in its sole discretion. The parties agree that participants in mediated discussion, including the mediator, shall execute a confidentiality agreement.

49. If the Project Managers cannot resolve the dispute informally, either party may pursue the matter formally by placing its objections in writing. A written objection must state the specific points in dispute, the basis for that party's position, and any matters which it considers necessary for determination.

50. EPA and Respondent will in good faith attempt to resolve the dispute through formal negotiations within 21 days, or a longer period if agreed in writing by the parties (the "Negotiation Period"). During the Negotiation Period, either party may request a conference with appropriate senior management to discuss the dispute.

51. If the parties are unable to reach an agreement during the Negotiation Period, within 14 business days after completion of the Negotiation Period end, Respondent and EPA's Project Manager may submit additional written information to the Director of the Land and Chemicals Division, EPA Region 5. EPA will maintain a record of the dispute, which will contain all statements of position and any other documentation submitted pursuant to this Section. EPA will allow timely submission of relevant supplemental statements of position by the parties to the dispute. Based on the record, EPA will respond to Respondent's arguments and evidence and provide a detailed written decision on the dispute signed by the Director of the Land and Chemicals Division, EPA Region 5 ("EPA Dispute Decision").

52. Disputes over final corrective measures. If Respondent disputes EPA's selection of final corrective measures, relating to EPA's Final Decision, penalties will not accrue or be assessed on matters directly in dispute for 6 months following EPA's selection of these final corrective measures. Respondent agrees not to contest any action or decision by EPA pursuant to this Order prior to EPA's initiation of a judicial action to enforce this Order, including an action for penalties or an action to compel Respondent's compliance with the terms and conditions of this Order.

53. If, at the conclusion of the Dispute Resolution process, Respondent notifies EPA that it refuses to implement EPA's selected final corrective measures, EPA will endeavor to pursue the action(s) it deems necessary, if any, within a reasonable period of time.

XIII. FORCE MAJEURE AND EXCUSABLE DELAY

54. Force majeure, for purposes of this Order, is any event arising from causes not foreseen and beyond Respondent's control that delays or prevents the timely performance of any obligation under this Order despite Respondent's best efforts.

55. If any event occurs or has occurred that may delay the performance of any obligation under this Order, whether or not caused by a force majeure event, Respondent must notify EPA within two business days after learning that the event may cause a delay. If Respondent wishes to claim a force majeure event, within 15 business days thereafter Respondent must provide to EPA in writing all relevant information relating to the claim, including a proposed revised schedule.

56. If EPA determines that a delay or anticipated delay is attributable to a force majeure event, EPA will extend in writing the time to perform the obligation affected by the force majeure event for such time as EPA determines is necessary to complete the obligation or obligations.

57. If EPA disagrees with Respondent's assertion of a force majeure, then Respondent may invoke the Dispute Resolution provision and shall follow the procedures set forth in Section XII. In any such proceeding, Respondent shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a force majeure, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that Respondent employed reasonable to avoid and mitigate the effects of the delay, and that Respondent complied with the requirements of this section. If Respondent satisfies this burden, then EPA shall extend the time for performance as EPA determines is necessary.

XIV. MODIFICATION

58. This Order may be modified only by mutual agreement of EPA and Respondent, except as provided in Section VI - Work Completed and To Be Performed. Any agreed modifications will be in writing, will be signed by both parties, will be effective on the date of signature by EPA, and will be incorporated into this Order.

XV. RESERVATION OF RIGHTS

59. Nothing in this Order restricts EPA's authority to seek Respondent's compliance with the Order and applicable laws and regulations. For violations of this Order, EPA reserves its rights to bring an action to enforce the Order, to assess penalties under Section 3008(h)(2) of RCRA, 42 U.S.C. § 6928(h)(2), and to issue an administrative order to perform corrective actions or other response measures. In any later proceeding, Respondent shall not assert or maintain any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon a contention that the claims raised by the United States in the later proceeding were or should have been raised here. This Order is not a covenant not to sue, release, waiver, or limitation of any rights, remedies, powers, or authorities of EPA.

60. EPA reserves all of its rights to perform any portion of the work consented to here or any additional site characterization, feasibility study, and remedial work as it deems necessary to protect human health or the environment.

61. If EPA determines that Respondent's actions related to this Order have caused or may cause a release of hazardous waste or hazardous constituent(s), or a threat to human health or the environment, or that Respondent cannot perform any of the work ordered, EPA may order Respondent to stop implementing this Order for the time EPA determines may be needed to abate the release or threat and to take any action that EPA determines is necessary to abate the release or threat.

62. Respondent does not admit any of EPA's factual or legal determinations. Except for the specific waivers in this Order, Respondent reserves all of its rights, remedies and defenses, including all rights and defenses it may have: (a) to challenge EPA's performance of work; (b) to challenge EPA's stop work orders; (c) regarding liability or responsibility for conditions at the Facility, except for its right to contest EPA's jurisdiction to issue or enforce this Order; and (d) arising from any order of the United States Bankruptcy Court issued in the matter of *In re General Motors Corp. et al.*, Chapter 11 Case No. 09-50026 (REG). Respondent has entered into this Order in good faith without trial or adjudication of any issue of fact or law. Respondent reserves its right to seek judicial review of EPA actions taken under this Order, including a proceeding brought by the United States to enforce the Order or to collect penalties for violations of the Order.

XVI. OTHER CLAIMS

63. Respondent waives any claims of demands for compensation or payment under Section 106(b), 111, and 112 of CERCLA only against the United States or the Hazardous Substance Superfund established by 26 U.S.C. § 9507 for, or arising out of, any activity performed or expense incurred under this Order. Additionally, this Order is not a decision on preauthorization of funds under Section 111(a)(2) of CERCLA.

XVII. INDEMNIFICATION OF THE UNITED STATES GOVERNMENT

64. Respondent indemnifies, saves and holds harmless the United States, its agencies, departments, agents, and employees, from all claims or causes of action arising from or on

account of acts or omissions of Respondent or its officers, employees, agents, independent contractors, receivers, trustees, and assigns in carrying out activities required by this Order. This indemnification will not affect or limit the rights or obligations of Respondent or the United States under their various contracts. This indemnification will not create any obligation on the part of Respondent to indemnify the United States from claims arising from the acts or omissions of the United States.

XVIII. SEVERABILITY

65. If any judicial or administrative authority holds any provision of this Order to be invalid, the remaining provisions will remain in force and will not be affected.

XIX. TERMINATION AND SATISFACTION

66. Respondent may request that EPA issue a determination that Respondent has met the requirements of the Order for all or a portion of the Facility. Respondent may also request that EPA issue a "corrective action complete" or "corrective action complete with controls" determination for all or a portion of the Facility as described at 67 Fed. Reg. 9176 dated February 27, 2002.

67. The provisions of the Order will be satisfied upon Respondent's and EPA's execution of an "Acknowledgment of Termination and Agreement on Record Preservation and Reservation of Rights", consistent with EPA's Model Scope of Work.

68. Respondent's execution of the Acknowledgment will affirm its continuing obligation to preserve all records as required by Section X to maintain any necessary institutional controls or other long terms measures, and to recognize EPA's reservation of rights as set forth in Section XV.

XX. EFFECTIVE DATE

69. This Order is effective on the date that EPA signs the Order.

70. The signature page follows.

**IN THE MATTER OF: ALLISON TRANSMISSION, INC.
ADMINISTRATIVE ORDER ON CONSENT**

IT IS SO AGREED:

DATE: Sept. 29, 2016

BY: Michael A. Dick
Michael A. Dick, Senior Vice President
Operations and Purchasing
Allison Transmission, Incorporated

IT IS SO ORDERED:

DATE: 10/18/2016

BY: Margaret M. Guerriero
Margaret M. Guerriero, Director
Land and Chemicals Division
U.S. Environmental Protection Agency,
Region 5

EXHIBIT

A

IRREVOCABLE STANDBY LETTER OF CREDIT

REGIONAL ADMINISTRATOR(S)

REGION(S) _____

U.S. ENVIRONMENTAL PROTECTION AGENCY

DEAR SIR OR MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. ____ IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF [OWNER'S OR OPERATOR'S NAME AND ADDRESS] UP TO THE AGGREGATE AMOUNT OF [IN WORDS] U.S. DOLLARS \$____, AVAILABLE UPON PRESENTATION [INSERT, IF MORE THAN ONE REGIONAL ADMINISTRATOR IS A BENEFICIARY, "BY ANY ONE OF YOU"] OF

- (1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. ____, AND
- (2) YOUR SIGNED STATEMENT READING AS FOLLOWS: "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO REGULATIONS ISSUED UNDER AUTHORITY OF THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976 AS AMENDED."

THIS LETTER OF CREDIT IS EFFECTIVE AS OF [DATE] AND SHALL EXPIRE ON [DATE AT LEAST 1 YEAR LATER], BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF [AT LEAST 1 YEAR] ON [DATE] AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST 120 DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND [OWNER'S OR OPERATOR'S NAME] BY CERTIFIED MAIL THAT WE HAVE DECIDED NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE CURRENT EXPIRATION DATE. IN THE EVENT YOU ARE SO NOTIFIED, ANY UNUSED PORTION OF THE CREDIT SHALL BE AVAILABLE UPON PRESENTATION OF YOUR SIGHT DRAFT FOR 120 DAYS AFTER THE DATE OF RECEIPT BY BOTH YOU AND [OWNER'S OR OPERATOR'S NAME], AS SHOWN ON THE SIGNED RETURN RECEIPTS.

WHENEVER THIS LETTER OF CREDIT IS DRAWN ON UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT, WE SHALL DULY HONOR SUCH DRAFT UPON PRESENTATION TO US, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT DIRECTLY INTO THE STANDBY TRUST FUND OF [OWNER'S OR OPERATOR'S NAME] IN ACCORDANCE WITH YOUR INSTRUCTIONS.

WE CERTIFY THAT THE WORDING OF THIS LETTER OF CREDIT IS IDENTICAL TO THE WORDING SPECIFIED IN 40 CFR 264.151(D) AS SUCH REGULATIONS WERE CONSTITUTED ON THE DATE SHOWN IMMEDIATELY BELOW.

THIS CREDIT IS SUBJECT TO THE MOST RECENT EDITION OF THE UNIFORM CUSTOMS AND
PRACTICE FOR DOCUMENTARY CREDITS, PUBLISHED AND COPYRIGHTED BY THE
INTERNATIONAL CHAMBER OF COMMERCE.

[SIGNATURE(S) AND TITLE(S) OF OFFICIAL(S) OF ISSUING INSTITUTION] [DATE]

In the matter of Allison Transmission, Inc.

Docket Number: **RCRA-05-2017-0001**

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of the foregoing, Administrative Order on Consent, which was filed on October 28, 2016, this day in the following manner to the addressees:

Copy by certified mail

Return receipt requested:

Eric C. Scroggins
Vice President, general Counsel and Secretary
Allison Transmission, Inc.
Post Office Box 894
Indianapolis, Indiana 46206-0894

Copy by e-mail to

Attorney for Complainant:

Andre Daugavietis
daugavietis.andre@epa.gov

Copy by e-mail to

Regional Judicial Officer

Ann Coyle
coyle.ann@epa.gov

Dated: 10-28-16



Donald A. Heller
Corrective Action Project Manager
Remediation and Reuse Branch
U.S. Environmental Protection Agency, Region 5