

MIDDLETOWN WASTE DISPOSAL, INC.
13005 Middletown Industrial Blvd., Suite I
Louisville, KY 40223
(502) 618-2260 - Office

RECEIVED

FEB 26 2013

PUBLIC SERVICE
COMMISSION

February 22, 2013

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40601

Re: Middletown Waste Disposal Case Nos. 2012-00375 and 2012-00526

Dear Mr. Derouen,

Please find enclosed two executed copies of the Chase loan agreement which the Commission approved in Case No. 2012-00526, and whose interest expense has been included in the Stipulation entered into in our rate case No. 2012-00375.

Sincerely,



Jack Kaninberg
Treasurer, Middletown Waste Disposal, Inc.

Cc: Mr. Jerry Wuetcher

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FEB 26 2013

PUBLIC SERVICE
COMMISSION

PROMISSORY NOTE

Borrower:

Middletown Waste Disposal, Inc.

13005 Middletown Industrial Bl

Louisville, KY 40223

Reference Number: 20KY1840264-2

Lender:

JPMorgan Chase Bank, NA

St Matthews LPO

4111 Shelbyville Rd

Louisville, KY 40207

Principal Amount: \$35,075.00

Date of Note: 02/19/2013

PROMISE TO PAY: Middletown Waste Disposal, Inc. ("Borrower") promises to pay to JPMorgan Chase Bank, NA, its successors and assigns ("Lender") or order, in lawful money of the United States of America, the total principal amount of \$35,075.00 or so much as may be outstanding, together with interest on the unpaid outstanding principal balance from the date advanced until paid in full at the rate or rates referenced in this Note.

LOAN TYPE. This Note evidences a Business Installment Loan.

PAYMENT TERMS. Borrower will pay this loan in accordance with the following payment schedule(s):

Fifty Nine (59) payments of principal and interest, each in the amount of \$677.69, beginning on March 19, 2013, and continuing on the same calendar day monthly thereafter, and one final payment of all outstanding principal, together with all accrued unpaid interest and any other unpaid amounts due under this Note, shall be paid on February 19, 2018, the maturity date of this Note.

Payments and any other credits shall be allocated among principal, interest, late charges, collection costs, fees and other charges at the discretion of Lender, unless otherwise required by applicable law. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

INTEREST RATE.

The unpaid principal balance of this Note shall accrue interest at a fixed rate equal to 5.900 percentage points, except as otherwise provided herein.

PREFERRED RATE. Borrower acknowledges that the interest rate on this Note includes a preferred rate reduction which remains in effect as long as the Borrower or a guarantor at all times maintains any open and active business checking account with Lender ("Business Account"). If the rate reduction is based on a guarantor's Business Account, the guaranty must be in existence as of the date of this Note and at all times this Note is outstanding. If the Business Account is not maintained for any reason whatsoever, voluntary or involuntary, the interest rate on this Note will increase by 0.250% ("Discount Percentage") and the preferred rate will be permanently terminated. If this is a fixed rate Note, then the rate stated in this Note will increase by the amount of the Discount Percentage. If this is a variable rate Note, then the rate will continue to be variable and will increase to an amount equal to the Prime Rate (or other Index described in this Note) in effect from time to time, plus or minus the margin percentage as stated in the interest rate section of this Note, plus the amount of the Discount Percentage. If this Note is a term loan (including any converted line a credit), then the periodic payments of principal and interest, at the option of Lender, may be: (a) increased in amount to cover the additional accruing interest to make certain the loan will pay off by the then current final maturity date, (b) increased in number thereby extending the final maturity date, or (c) continued in the same amount with an increase in the final payment. If this Note is a line of credit, then the periodic payments of interest will be increased in amount to cover the additional accruing interest.

PREPAYMENT PREMIUM. Borrower may pay without fee all or any portion of the loan evidenced by this

PROMISSORY NOTE

Note at any time. All prepayments shall be applied in such order and manner as Lender may from time to time determine in its sole discretion.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged a late charge of 5.00% of the payment due or \$25.00, whichever is greater, up to the maximum amount of \$250.00 per late charge.

DEFAULT RATE. Upon the occurrence of any Event of Default, including, but not limited to, (i) any material adverse change in the business assets, affairs, prospects or financial condition of Borrower or any Guarantor, (ii) failing to provide financial statements, copies of Federal tax returns and other information relating to the financial condition, properties and affairs of any Obligor, as provided for in the Note and/or any Related Document or as Lender requests from time to time, or (iii) failure to pay upon final maturity, at Lender's option and if permitted by applicable law, Lender may (A) add any unpaid accrued interest to principal and such sum will bear interest there from until paid at the rate provided in this Note, including any increased rate, and/or (B) increase the interest rate on this Note by 3.000 percentage points (the "Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change, if any, that would have applied had there been no Event of Default.

FEE(S): In addition to all other obligations under this Note, Borrower shall pay the following fees together with all other fees described in this Note:

Origination Fee	Financed	\$75.00
	Total:	\$75.00

SECURITY AGREEMENT. Borrower hereby grants, pledges and assigns to Lender, as security for repayment of the Indebtedness, a security interest in the following property, together with any substitutions and replacements therefor, and all products and proceeds thereof:

all business assets, inventory, equipment, accounts, general intangibles, chattel paper, documents, instruments, and letter of credit rights

Such property, together with any property described in any Related Document, is referred to in this Note as the "Collateral".

FUTURE MODIFICATIONS. Lender shall have the right, from time to time, to renew, modify and/or extend this Note in its sole discretion (each a "Future Modification"), including, without limitation, the right to (a) increase the principal amount of this Note, (b) extend the Maturity Date, (c) reduce the interest rate temporarily and then increase the rate to no more than the amount provided for herein, (d) permanently reduce the interest rate, (e) modify the periodic payment terms, and/or (f) change fees and time frames for imposition of fees. Lender will inform Borrower of any such Future Modification by written notice, which may take the form of inclusion of such Future Modification in the periodic loan account statement sent to the Borrower. Any use of the principal amount or any other feature of this Note or, for any installment or term obligation, failure to pay this Note in full, after such notice shall constitute Borrower's acceptance of such Future Modification.

ADDITIONAL LOAN TERMS. Certain definitions and other additional terms and conditions of the Note, are attached to this Note and are incorporated herein by reference (the "Additional Terms"). This Note represents the final agreement between Lender and Borrower and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreement of the parties. There are no unwritten agreements between Lender and Borrower or Guarantors. Borrower agrees to be bound by all terms of this Note, including but not limited to the jury waiver provisions (where not prohibited by applicable law). Borrower agrees that Lender may record or file this Note if Lender deems it necessary to protect its interest. Borrower acknowledges receipt of the important Additional Terms which are part of this Note and the Security Agreement included in this Note. **BORROWER AGREES THIS SECURITY AGREEMENT SECURES ALL INDEBTEDNESS OF BORROWER AND IS NOT LIMITED TO A SPECIFIC LOAN.** "Indebtedness" is more fully defined in the

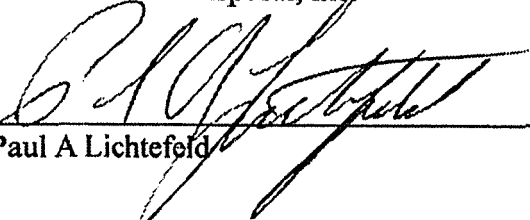
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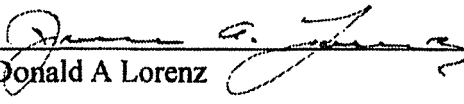
Additional Terms, is used in its most comprehensive sense to mean any and all obligations of every kind and character of Borrower, or any one or more of them, to Lender, now existing or hereinafter incurred, and includes obligations owing after payment in full of the specific term loan or line of credit described in this Note.

Borrower agrees that a facsimile of the signature(s) of the signer(s) of this Note, in any capacity, may be used to evidence the Borrower's acceptance of the terms of this Note. Any use of the principal amount or any other feature of this Note may be used as evidence of the foregoing authorizations, acceptances and agreements.

CONDITIONS FOR FUNDING. IN ADDITION TO THE OTHER REMEDIES UNDER THIS NOTE, WITHOUT THE CONSENT OF BORROWER OR NOTICE TO ANYONE, LENDER HAS NO OBLIGATION TO MAKE THE INITIAL ADVANCE OR ANY ADVANCE UNDER THIS NOTE IF LENDER DETERMINES, IN ITS SOLE DISCRETION, THAT (A) BORROWER'S NAME ON THIS NOTE OR ANY GUARANTOR'S NAME ON THE GUARANTY IS INCORRECT OR INCOMPLETE; (B) LENDER'S LIEN ON THE COLLATERAL WILL NOT BE THE FIRST LIEN, FREE AND CLEAR OF ALL OTHER LIENS, SECURITY INTERESTS OR ENCUMBRANCES; OR (C) ANY OTHER EVENT OF DEFAULT PROVIDED FOR IN THIS NOTE HAS OCCURRED. ADVANCING FUNDS ON THIS LOAN DOES NOT WAIVE ANY OF LENDER'S RIGHTS AND REMEDIES UNDER THIS NOTE.

Middletown Waste Disposal, Inc.

By:  _____ Date: 2-22-13
Paul A Lichtefeld _____ Print Title: PRESIDENT

By:  _____ Date: 2-22-13
Donald A Lorenz _____ Print Title: DIRECTOR

CONTINUING UNLIMITED GUARANTY

Borrower:

Middletown Waste Disposal, Inc.
13005 Middletown Industrial Bl
Louisville, KY 40223
Reference Number: 20KY1840264-2

Lender:

JPMorgan Chase Bank, NA
St Matthews LPO
4111 Shelbyville Rd
Louisville, KY 40207

Guarantor:

Paul A Lichtefeld and Donald A Lorenz

Guaranty. To induce Lender, at its option, to make financial accommodation, make or acquire loans, extend or continue credit or some other benefit, present or future, direct or indirect, and whether several, joint or joint and several, and in the State of Louisiana, solidary, to Borrower, whether one or more, and because the undersigned (each a "Guarantor") has determined that executing this guarantee of the Indebtedness (the "Guaranty") is in the interest of Guarantor, and to the financial benefit of Guarantor, Guarantor, as primary obligor and not merely as surety, absolutely and unconditionally guarantees to the Lender the performance of and full and prompt payment of the Indebtedness when due, whether at stated maturity, by acceleration or otherwise. The Guarantor will also reimburse Lender for any Collection Amounts, including, without limitation, reasonable attorney fees, costs and other Collection Amounts, Lender may pay in collecting from Borrower or Guarantor, and for liquidating any Collateral, both before and after judgment.

Certain definitions and other additional terms and conditions of this Guaranty are attached hereto and are incorporated herein by reference (the "Additional Terms"). Guarantor acknowledges receipt of the important Additional Terms which are part of this Guaranty.

GUARANTOR AGREES THIS IS A CONTINUING GUARANTY OF PAYMENT OF ALL INDEBTEDNESS OF BORROWER AND IS NOT LIMITED TO A SPECIFIC LOAN. "Indebtedness" is more fully defined in the Additional Terms, is used in its most comprehensive sense to mean any and all obligations of every kind and character of Borrower, or any one or more of them, to Lender, now existing or hereinafter incurred, and includes obligations owing after payment in full of the specific term loan or line of credit referenced in the Additional Terms.

Guarantor grants to Lender a security interest in all of Guarantor's accounts (whether checking, saving or some other account, other than tax deferred accounts) now or hereafter maintained with Lender or any JPMorgan Chase & Co. affiliate as security for repayment of the Indebtedness.

Guarantor agrees that (1) Lender may proceed against one or more Guarantor without proceeding against Borrower, any other Guarantor, any other obligor owing any portion of the Indebtedness, or any Collateral; (2) the terms of any agreement evidencing the Indebtedness, including the Note describing the specific term loan or line of credit referenced in the Additional Terms, along with any renewal, amendment or modification thereof, will be provided only to Borrower and it shall be the responsibility of Guarantor to obtain a copy of any such documents; (3) the Note describing the specific term loan or line of credit referenced in the Additional Terms is the binding obligation of Borrower, and if Borrower is an entity, is duly authorized by Borrower and is executed by a person authorized to sign on behalf of Borrower; (4) if Guarantor is an entity, this Guaranty is duly authorized by Guarantor and is executed by a person authorized to sign on behalf of Guarantor; (5) a facsimile of the signature of Guarantor, in any capacity, may be used to evidence Guarantor's acceptance of the terms of this Guaranty; (6) Lender may obtain credit bureau reports regarding Guarantor and Borrower; and (7) the terms

