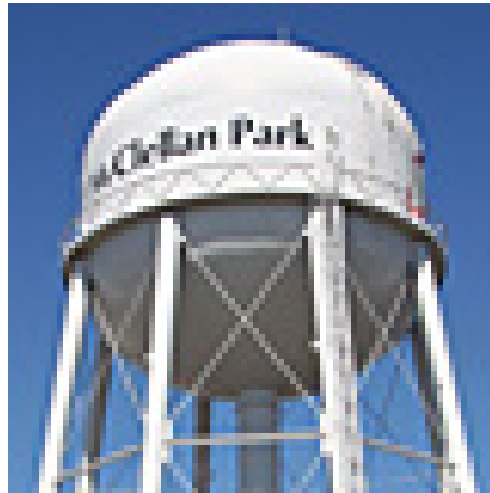


Privatization (and Early Transfer) of United States Air Force Site



Hill & Kehne has helped the Air Force with insurance-related matters since 2005. In 2007, we were asked to help with the first “privatization” (or “early transfer”) of a cleanup. The base involved was the McClellan Air Force Base. H&K was asked to help obtain environmental insurance that would protect the Air Force, the County of Sacramento, the developer (a subsidiary of the Industrial Realty Group), and the contractor (Tetra Tech). We were able to do so, enabling the transfer of 62 acres of the base in September 2007, the first such privatization.

In 2010, H&K helped with the second phase of the transfer – 560 acres – which was accomplished in July 2010.

With both transactions, the Air Force and other parties obtained protection against cost increases up to twice the expected cost of the cleanup, and a greater amount of protection against risks of unknown pollutants, third-party claims, off-site disposal risks, and more.

H&K has helped the Air Force at numerous other properties as well, including the Chanute, Kelly, Tinker, and other Air Force Bases, with cleanups totaling over \$100M, and expected job creation of over 10,000.