



Environmental Quality Management, Inc.

Mergers & Acquisitions Services

EQ M&A Overview

EQ's comprehensive M&A services are tailored to the needs of our clients and transaction partners. In today's business and litigious climate, it is increasingly important for our clients to understand the scope and magnitude of the potential financial exposure associated with environmental risks involving business decisions. EQ is prepared to be your strategic partner in the local, national and international M&A market with a team of experts ready to assist with pre-acquisition activities for divestitures and acquisitions, as well as post-acquisition support for facility-wide environmental management. Our goal is to minimize environmental liability.

EQ understands the legal implications and value to the end user associated with providing defensible Phase I Environmental Site Assessments (ESAs) for real property transfers, environmental liability transfers, facility closures, and real property development. EQ has incorporated the newly promulgated "All Appropriate Inquiries (AAI)" codified in 40 CFR Part 312 and updated ASTM E 1527-05 standard for conducting Phase I ESAs. EQ has over 25 Environmental Professionals nationwide with an average of 15 years experience dealing with environmental liability issues and conducting Phase I ESAs.

Activities Driving M&A

EQ's numerous clients have diverse business objectives that require M&A support activities, including:

- ▶ Mergers of major corporations
- ▶ Acquisition or divestiture of properties for active manufacturing operations
- ▶ Commercial or industrial real estate development
- ▶ Plant closure and sale
- ▶ Refinancing or securitization of commercial and industrial properties
- ▶ Bankruptcy and foreclosure proceedings
- ▶ Property remediation and redevelopment
- ▶ Improvement of current management practices



Servicing Multiple Industries:

- ▶ Chemical
- ▶ Food processing
- ▶ Pharmaceuticals
- ▶ Steel and coke
- ▶ Beverage industry
- ▶ Petroleum refining
- ▶ Cement
- ▶ Automotive
- ▶ Ferro alloys
- ▶ Aerospace
- ▶ Electric power generation
- ▶ Pulp and paper
- ▶ Hazardous waste
- ▶ Mining

Solving Problems... Creating Cost-Effective, Sustainable Solutions!



Activities Driving M&A (cont.)

Many organizations turn to EQ as a member of their core team when they are considering a merger, acquisition, or divestiture. EQ believes that potential environmental liabilities may be contained and the consequences may be minimized if they are addressed in the preparation of merger or acquisition agreements. Clients know they can trust EQ to provide comprehensive and cohesive advice. We have experience in managing large portfolios of sites that require appropriate evaluation and due diligence in regard to pre-acquisition assessments, transition and integration activities, and post merger operations.



EQ continues to evaluate trends in the M&A market, specifically recent changes to the Financial Accounting Standards Board (FASB) FIN 47 – Accounting for Asset Retirement Obligation (AROs) interpretation. FIN 47 requires companies to recognize financial obligations — such as environmental remediation liabilities — related to the operation of an asset that has not been recognized while the asset was in productive use and whether there is a legal obligation to incur environmental costs at the end of a facility's economic life. EQ has experienced staff and capacity to assist with the evaluation of assets as part of the ARO requirements. EQ is committed to providing high-quality, timely, and cost-effective services with the utmost integrity and confidentiality.

Why EQ?

EQ staff have conducted a variety of M&A projects and successfully worked with stakeholders at all levels of interest. Our combination of knowledge and experience along with our use of leading edge technology have allowed us to meet our client's objectives in a cost-effective and timely manner. EQ's M&A Services include:

- ▶ Phase I - Environmental Site Assessment
- ▶ Phase II - Site Characterization Study
- ▶ Phase III - Remediation Design, Construction, and Operation and Maintenance
- ▶ Property Condition Assessments
- ▶ Audits of Tenant Operations
- ▶ Asbestos, lead paint, PCB capacitor, mold, and radon assessments
- ▶ Interviews with owners, occupants, and government officials
- ▶ Physical sampling and laboratory analysis (ambient air, indoor air, soil, water, waste)
- ▶ Exploratory soil and groundwater investigation
- ▶ Environmental Hazard and Risk Assessments
- ▶ Environmental Liability
- ▶ Cost Estimating
- ▶ Process Safety Management Evaluations
- ▶ Preparation of Environmental Disclosure Documents (Sarbanes-Oxley Act Compliance)

About EQ

EQ is a full-service environmental consulting, engineering, and remediation firm with offices throughout the U.S. In addition to our corporate office in Cincinnati, EQ has offices in Chicago, Davenport, Durham, Las Vegas, New Orleans, Pittsburgh, Portland, Roanoke, Sacramento, San Antonio, and Seattle.

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