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JEFFREY NOEL

CORPORATE VICE PRESIDENT
COMMUNICATIONS AND PUBLIC AFFAIRS

January 15, 2014

Robin Gifford
Enforcement and Inspection Branch
Hazardous Waste Division, ADEQ
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317

Dear Ms. Gifford:

Whirlpool Corporation is pleased to provide the first *Annual Progress Report* to the residents of Fort Smith, Directors and staff of the City of Fort Smith, and the Arkansas Department of Environmental Quality (ADEQ).

This *Annual Progress Report* summarizes the activities related to the remediation of the TCE in the groundwater below and to the north of the former Whirlpool property in Fort Smith completed in 2013, as well as a short summary of the actions that are anticipated to occur in 2014. This report and additional background information, including all site testing data and reports submitted to ADEQ, are posted on www.whirlpoolfortsmith.com.

In summary:

First – Whirlpool reaffirmed its committed to remain in Fort Smith, working with area residents, the Directors and staff of the City of Fort Smith, the State of Arkansas and ADEQ until this situation is resolved.

Second – All 2013 monitoring activities continue to confirm there is no public health risk, no reason for public concern about vapor intrusion into any residences, and that the boundaries of the TCE plume have not expanded in eight years.

Third – Whirlpool took a series of steps under supervision from ADEQ to advance the project forward in 2013. This included semiannual groundwater monitoring in March and October, finalization of the Human Health Risk Assessment (HHRA) and the Risk Management Plan (RMP), submission of the draft Final Remedy Work Plan (Work Plan) to implement the RMP, and commenced design data acquisition for effectively implementing the remedy defined in the Remedial Action Decision Document (RADD).

Fourth – Whirlpool initiated extensive communication efforts to keep the community informed of important developments, including a new website devoted to this project, participation in two public meetings with the Fort Smith City Directors, and individual conversations with residents who contacted us directly with concerns or questions.

Finally – Whirlpool will continue to push forward in 2014 with the implementation of the RADD issued December 27, 2013 by ADEQ with the most scientifically proven, effective manner possible. At each step along the way, we will continue the efforts initiated in 2013 to keep the Fort Smith community informed.

2013 Actions and Submissions:

The complete 2013 versions of all reports and submissions are available at www.whirlpoolfortsmith.com.

Documents Prepared / Submitted:

- Human Health Risk Assessment
- Revised Risk Management Plan
- Revised Risk Management Plan Addendum 01
- 2012/2013 Annual Groundwater Monitoring Report
- Draft Final Remedy Work Plan
- Response To City of Ft Smith Directors From October 8, 2013 Presentation
- Whirlpool Comments To Draft RADD Issued By ADEQ

Semiannual Groundwater Sampling:

March – Semiannual groundwater sampling was completed in March 2013 in accordance with the May 23, 2002 Letter of Agreement between Whirlpool and ADEQ. The data and findings were addressed in the 2012/2013 Annual Groundwater Report.

October – Semiannual groundwater sampling was completed October 2013 in accordance with the Letter of Agreement. The data and findings will be addressed in the forthcoming February 2014 Quarterly Report, as required in the RADD dated December 27, 2013.

Predesign Activities:

With ADEQ concurrence and oversight, ENVIRON, working on behalf of Whirlpool, completed a portion of the pre-design activities outlined in the Draft Work Plan.

The pre-design field work took place in September and December 2013. The goal of the pre-design field work is to complement the current site understanding in the source and treatment areas.

The targeted investigative activities will provide a strong foundation for the development and implementation of a successful, full-scale system design to meet the requirements of the RADD.

Community Outreach

Whirlpool undertook a series of activities to keep the residents of Fort Smith informed of important developments in 2013. Whirlpool launched a website – www.whirlpoolfortsmith.com – to provide the public, elected officials and press with information on important developments and extensive background materials, including reports and data submitted to ADEQ related to this project. Whirlpool also participated in public meetings conducted by the City of Fort Smith in March and October of 2013, and attended the public meeting held by the ADEQ in November. Additionally, over the past year, members of the Whirlpool team met with several residents of the community and answered questions that were requested via the 1-888-923-9745 hotline.

As part of our July 2013 correspondence to ADEQ and to the City of Fort Smith, Whirlpool acknowledged its intent to communicate directly to the residents who reside over the plume in an attempt to find a manner to treat residents fairly based upon their own unique circumstance. Subsequent to this correspondence, lawsuits were filed on behalf of the residents. Whirlpool remains committed to respecting the legal process. Attorneys for Whirlpool have been communicating with attorneys representing the residents, and all remain confident that a fair and equitable resolution can be achieved by all parties.

Anticipated 2014 Activities:

Whirlpool is continuing to push forward with the implementation of the science-based remedy in the approved RADD going forward. Within 30 days of the approval of the Final RADD, Whirlpool will submit a revised Work Plan to ADEQ detailing how the remedy will be implemented and the schedule for completion. In addition, we will provide ADEQ quarterly reports on our progress that will be publicly available on our website.

We also will continue to have discussion with those who are interested in acquiring the Whirlpool property for long-term redevelopment. In light of the many attractive attributes of the property, including size, location and amenities of the 167 acre parcel,

we remain confident in completing a transaction that will result in long term and productive development on the parcel.

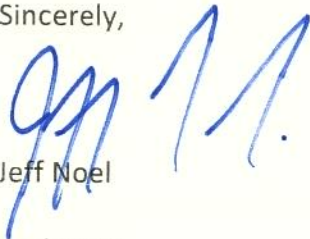
Conclusion:

In closing, the plume remains under control, it is safe for people to enjoy their neighborhood and Whirlpool continues move forward in a proven, deliberate manner to implement the plans and actions necessary to attack the TCE.

Whirlpool Corporation appreciates the leadership of ADEQ in providing the appropriate regulatory leadership to protect the environment and health and safety of the residents of Fort Smith Arkansas. We also thank elected officials and staff of the City of Fort Smith, who have continued to be a strong and clear voice on behalf of the residents of the community, the results of which made for a better RADD.

Whirlpool remains committed to staying in Fort Smith until the issue is satisfactorily resolved, and we look forward to continuing to work with all who have an interest in the successful resolution of this matter including the residents, ADEQ and the elected leadership of the City of Fort Smith.

Sincerely,



Jeff Noel

Enclosure