UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE:

TRONOX INCORPORATED, *et al.*,

Debtors.

Case No. 09-10156 (ALG)

(Jointly Administered)

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CONSENT DECREE AND ENVIRONMENTAL SETTLEMENT AGREEMENT

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I. RECITALS

WHEREAS, on January 12, 2009, Tronox Incorporated and 14 of its affiliates (collectively, "Debtors")[1] filed petitions with the Court under chapter 11 of the Bankruptcy Code (the "Bankruptcy Cases");

WHEREAS, the Sites set forth and defined in Attachments A-1 and A-2 hereto which are owned by Debtors, and for which funding has been specifically allocated as set forth herein, are referred to herein as the Owned Funded Sites;

WHEREAS, the Sites set forth and defined in Attachment A-3 hereto which are owned by Debtors, and for which funding has not been specifically allocated herein, other than as set forth in Paragraph 126, are referred to herein as the Owned Non-Funded Sites;

WHEREAS, the Sites set forth and defined in Attachment B hereto are not owned by Debtors, but includes Sites that (i) have known or potential environmental contamination, or (ii) are the subject of current and ongoing clean-up obligations under federal, tribal, or state Environmental Laws, and are referred to herein as the Non-Owned Sites;

WHEREAS, the United States, on behalf of the United States Environmental Protection Agency ("US EPA"), the United States Department of Agriculture, acting through the United States Forest Service (the "Forest Service"), the United States Department of the Interior ("DOI"), acting through the Fish and Wildlife Service and the

[1] The debtors in these chapter 11 cases include: Tronox Luxembourg S.ar.L; Tronox Incorporated; Cimarron Corporation; Southwestern Refining Company, Inc.; Transworld Drilling Company; Triangle Refineries, Inc.; Triple S, Inc.; Triple S Environmental Management Corporation; Triple S Minerals Resources Corporation; Triple S Refining Corporation; Tronox LLC; Tronox Finance Corp.; Tronox Holdings, Inc.; Tronox Pigments (Savannah) Inc.; and Tronox Worldwide LLC.

Bureau of Land Management ("BLM"), the United States Department of Commerce, acting through the National Oceanic and Atmospheric Administration ("NOAA"), the United States Department of Defense, including the United States Army, the Army Corps of Engineers, the Department of the Navy, and the United States Air Force ("DOD"), and the Nuclear Regulatory Commission ("NRC"); the Navajo Nation; the States of Alabama, Florida, Georgia,[2] Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Massachusetts,[3] Mississippi,[4] Missouri, Nevada,[5] New Jersey, New York, North Carolina,[6] Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, and Wisconsin (collectively, the "States"); the City of Warrenville, Illinois, the City of West Chicago, Illinois, the Forest Preserve District of DuPage County, Illinois, the West Chicago Park District, DuPage County, Illinois, the City of Chicago, and the Chicago Park District (collectively, the "Local Governments"; the Local Governments and the United States, the States, and the Navajo Nation, collectively, the "Governments"), assert that Debtors are potentially responsible

[2] All references to "Georgia" or the "State of Georgia" are limited to the Georgia Department of Natural Resources, Environmental Protection Division.

[3] All references to "Massachusetts" or the "Commonwealth of Massachusetts" are limited to the Massachusetts Department of Environmental Protection and, as to claims for natural resource damages only, the Executive Office of Energy and Environmental Affairs.

[4] All references to "Mississippi" or the "State of Mississippi" are limited to the Mississippi Commission on Environmental Quality.

[5] All references to "Nevada" or the "State of Nevada" are limited to the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection.

[6] All references to "North Carolina" or the "State of North Carolina" are limited to the North Carolina Division of Waste Management and, as to claims for natural resources only, the Trustee for Natural Resources for North Carolina, along with any successors thereto.

parties or may otherwise be responsible for known or potential environmental contamination with respect to certain Owned and Non-Owned Sites;

WHEREAS, the United States on behalf of the US EPA, Forest Service, DOI, NOAA, and NRC asserts: (i) that with respect to certain Owned and Non-Owned Sites, Debtors are liable to it for past response costs and potential future response costs that the United States has incurred or may incur under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") 42 U.S.C. §§ 9601-9675, for civil penalties pursuant to the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. §§ 6901-6992k, for civil penalties pursuant to the Clean Air Act ("CAA") 42 U.S.C. §§ 7401-7671(q), and the Clean Water Act ("CWA") 33 U.S.C. §§ 1251-1387, for obligations under Sections 62, 63, and 161 of the Atomic Energy Act of 1954 ("Atomic Energy Act"), 42 U.S.C. §§ 2092, 2093, 2201, and for damages for injury to, destruction of, or loss of natural resources as defined in 42 U.S.C. § 101(16) ("NRD") and natural resource damages assessment costs and restoration actions; (ii) that Debtors are liable for all post-petition environmental response costs, NRD and related assessment costs and restoration actions, and the performance of work and/or decommissioning activities under CERCLA, RCRA and the Atomic Energy Act with respect to certain Owned Sites as present owner thereof; and (iii) that Debtors are liable for certain protective and/or contingent claims and causes of action with respect to certain Non-Owned Sites;

WHEREAS, the United States on behalf of DOD asserts a contribution claim against Debtors, to the extent that DOD is determined to be liable pursuant to CERCLA and/or analogous state law in connection with the Fireworks Site in Hanover, Massachusetts;

WHEREAS, the Navajo Nation asserts that Debtors are liable for past response costs and future response costs under CERCLA, the Navajo Nation Comprehensive Environmental Response Compensation and Liability Act, 4 Navajo Nation Code § 2101 *et seq.*, and other federal and Navajo Nation Environmental Laws relating to the former Shiprock, New Mexico Uranium Mill Site ("Shiprock Mill Site"), and the former Kerr-McGee Quivira Church Rock Mine Site, including Quivira NE Church Rock Mines I, IE and II, and all areas where contaminants associated with those mines have been deposited, stored, disposed of, placed, or otherwise come to be located ("Quivira Mine Site");

WHEREAS, the States assert: (i) that Debtors are liable for past response costs and future response costs under CERCLA or state Environmental Laws with respect to certain Owned and Non-Owned Sites; (ii) for certain States only, Debtors are liable for certain NRD and related costs (including assessment costs) in connection with certain Owned and Non-Owned Sites; (iii) that Debtors are liable for all post-petition environmental response costs, NRD and related costs (including assessment costs), and the performance of work under CERCLA or state law relating to certain Owned Sites as a present owner thereof; and (iv) Debtors are liable for certain protective and/or contingent claims and causes of action with respect to certain Non-Owned Sites;

WHEREAS, the Local Governments assert: (i) that Debtors are liable for the performance of work under CERCLA or state law relating to certain Owned Sites as a present owner thereof; and (ii) that Debtors are liable for certain protective and/or contingent claims and causes of action with respect to certain Non-Owned Sites;

WHEREAS, the United States filed Proofs of Claim Nos. 2384, 2385, 2386, 2387, 2388, 2389, 2390, 3528, 3529, 3530, 3532, 3533, 3534, 3535, and 3626, setting forth claims or causes of action against Debtors, and in some instances, protectively, for past and future response costs, assessment costs, and work with respect to certain Owned and Non-Owned Sites, pursuant to Debtors' status as present owner of the Owned Funded Sites, and contribution claims with respect to the Fireworks Site;

WHEREAS, the Navajo Nation filed Proofs of Claim Nos. 2157, 2159, 2343, 2346, and 2347, setting forth claims and causes of action under federal and Navajo Nation Environmental Laws with respect to the Shiprock Mill and Quivira Mine Sites;

WHEREAS, certain of the States filed Proofs of Claim setting forth claims and causes of action under Environmental Laws with respect to certain Owned and Non-Owned Sites and pursuant to Debtors' status as present owner of certain Owned Funded Sites, which are numbered as follows: Nos. 2035, 2180, 2191, 2193 (Florida); Nos. 2042, 2049, 2052, 2056, 2057, 2059, 2061[7] (Georgia); Nos. 1674, 2593, 2598, 2611, 2614, 2616, and 3210 (Illinois); Nos. 1458, 1459, 1485 (Indiana); No. 3060 (Louisiana); Nos. 3200, 3422, 3468 (Massachusetts); No. 1959 (Mississippi); Nos. 2499, 2572, 2660, 3099 (Missouri); No. 2422 (Nevada); No. 1869 (New Jersey); Nos. 3112, 3113, 3114, and 3514 (New York); Nos. 2575, 2576, 3713, and 3714 (North Carolina); No. 3249 (Ohio); Nos. 2382, 2383, 2625, 2634, 2638, 2642, 2648, 2650, 2651, 2653, 2654, 2927, 14199,

[7] Claim No. 2061 was expunged by Stipulation and Agreed Order dated March 17, 2010 between Debtors and the Attorney General of Georgia, acting on behalf of the Georgia Department of Natural Resources, and approved by the Court on March 31, 2010.

14198,14200, 14201, 14202, 14203, and 14204[8] (Oklahoma); No. 1499 (Tennessee); Nos. 1517, 2156, 2164, 2171, and 2175 (Texas); and No. 2190 (Wisconsin);

WHEREAS, the Local Governments filed Proofs of Claim setting forth claims and causes of action under Environmental Laws with respect to certain Owned and Non-Owned Sites and pursuant to Debtors' status as present owner of certain Owned Funded Sites, which are numbered as follows: Nos. 1705, 2381 (City of Warrenville, Illinois); Nos. 919, 3536 (City of West Chicago, Illinois); No. 2814, 2820, 2929 (Forest Preserve District of DuPage County, Illinois); No. 1799 (DuPage County, Illinois); Nos. 2110, 2126, 2138 (City of Chicago, Illinois); and No. 288 (Chicago Park District);

WHEREAS, subject to the covenants not to sue and releases and reservations of rights set forth in Sections XVI and XVII herein, Debtors and the Governments agree to enter into this Settlement Agreement ("Settlement Agreement") for the Owned Sites and the Non-Owned Sites in full satisfaction of all claims and causes of action, as applicable, asserted by the Governments against Debtors in connection with the Owned Sites and the Non-Owned Sites, which will: (i) transfer all of Debtors' right, title, and interest in all of the Owned Sites into Environmental Response Trusts; (ii) provide for the cash funding of Administrative Costs and Environmental Actions at certain Owned Sites and Non-Owned Sites; and (iii) establish a Litigation Trust (the "Anadarko Litigation Trust") to which Debtors' interests in the adversary proceeding *Tronox Worldwide LLC v. Anadarko Petroleum Corporation, et al.*, Case No. 09-01198 (S.D.N.Y. Bankr. filed May 12, 2009) ("Anadarko Litigation") will be transferred for the benefit of the Governments and

[8] Of these claims, the following were amendments to earlier claims: Claim numbers 14199 (amending 2591), 14198 (amending 2596), 14200 (amending 2600), 14201 (amending 2602), 14202 (amending 2607), 14203 (amending 2612), and 14204 (amending 2655).

certain holders of tort claims, and from which the Anadarko Litigation Proceeds (as defined below), shall be allocated among the Governments and the Environmental Response Trusts, as partial consideration for the full satisfaction of all claims and causes f action by the Governments against Debtors in connection with the Owned Sites and Non-Owned Sites;

WHEREAS, the parties hereto agree to settle, compromise and resolve their disputes relating to the Owned Sites and Non-Owned Sites as provided herein;

WHEREAS, the effectiveness of this Settlement Agreement is conditioned upon the occurrence of the consummation of a Plan of Reorganization;

WHEREAS, this Settlement Agreement and other environmental settlement agreements[9] are intended to serve as a comprehensive settlement of all claims and causes of action asserted by the Governments against Debtors with respect to potential future costs incurred, past cost claims (where applicable), NRD and related assessment costs (where applicable), civil penalties (where applicable), injunctive obligations (where applicable), and work performed by the Governments relating to or in connection with the Owned Sites and the Non-Owned Sites as described below;

WHEREAS, in consideration of, and in exchange for, the promises and covenants herein, the parties hereby agree to the terms and provisions of this Settlement Agreement;

WHEREAS, the settlement terms herein are in the nature of compromises, and these terms are less favorable than the Governments would seek in the absence of this

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9 The other environmental settlement agreements consist solely of the Kress Creek Settlement Agreement, dated May 1, 2010, and the Consent Decree to be filed in *United States v. Tronox Pigments (Savannah) Inc.*, No. CV 408-259 (S.D. Ga.).

Settlement Agreement;

WHEREAS, the treatments provided in this Settlement Agreement are compromises of the contested positions of the parties, these compromises are entered into solely for purposes of this Settlement Agreement, and all parties reserve their legal arguments on any issues involved in all other matters;

WHEREAS, with respect to the Owned Sites, the Settlement Agreement is based on the funding of future Environmental Actions, decommissioning costs, certain future oversight costs of the Governments through the funding of Environmental Response Trusts, past cost claims (where applicable), NRD and related assessment costs (where applicable), and penalty claims (where applicable), and on allocations to or for the benefit of the Owned Sites or the Environmental Response Trusts of specified percentages of the Anadarko Litigation Proceeds, as described more fully herein;

WHEREAS, with respect to the Non-Owned Sites, the Settlement Agreement is based on the funding of future Environmental Actions, decommissioning costs, certain future oversight costs of the Governments for the Non-Owned Sites, past cost claims (where applicable), NRD and related assessment costs (where applicable), and on allocations to or for the benefit of the Non-Owned Sites of specified percentages of the Anadarko Litigation Proceeds, as described more fully herein; and

WHEREAS, this Settlement Agreement is fair and reasonable and in the public interest, and is an appropriate means of resolving these matters.

NOW, THEREFORE, without any adjudication on any issue of fact or law, and upon the consent and agreement of the parties by their attorneys and authorized officials, it is hereby agreed as follows:

II. DEFINITIONS

"2006 Henderson Consent Decree" shall have the meaning provided in Paragraph 73.

"2006 Henderson Consent Decree Substitution and Clarification Agreement" shall have the meaning provided in Paragraph 73.

"Administrative Costs" shall mean the fees, costs, and expenses incurred in connection with the administration of the Multistate Trust, Savannah Trust, Henderson Trust, Cimarron Trust, and West Chicago Trust, including but not limited to real estate management, taxes, insurance, and maintenance costs, but excluding any expenses (including, without limitation, expenses of the trustees and its third-party professionals) incurred in overseeing, managing, and performing Environmental Actions.

"Anadarko Litigation" shall have the meaning provided in the Recitals.

"Anadarko Litigation Proceeds" shall mean eighty-eight percent (88%) of any and all amounts recovered in or resulting from the Anadarko Litigation, net of any payments to lead counsel for the Anadarko Litigation Trust pursuant to a separate Special Fee Arrangement, which shall be allocated to the Governments and the Environmental Response Trusts pursuant to the Plan of Reorganization and this Settlement Agreement.

"Anadarko Litigation Trust" shall have the meaning provided in the Recitals.

"Anadarko Litigation Trust Agreement" shall have the meaning provided in Paragraph 119.

"Anadarko Litigation Trustee" shall have the meaning provided in Paragraph 121.

"Anniston Terminal" shall have the meaning provided in Subparagraph 117(a).

"Atomic Energy Act" shall have the meaning provided in the Recitals.

"Avoca Site" shall have the meaning provided in Subparagraph 10(f)(xxiii).

"Bankruptcy Cases" shall have the meaning provided in the Recitals.

"Beaumont Site" shall have the meaning provided in Subparagraph 10(f)(xxiv).

"Birmingham Terminal" shall have the meaning provided in Subparagraph 117(b).

"Birmingport Site" shall have the meaning provided in Subparagraph 10(f)(ii).

"BLM" shall have the meaning provided in the Recitals.

"BMI/Landwell Assets" shall have the meaning provided in Subparagraph 70(a).

"BMI/Landwell Offset" shall have the meaning provided in Subparagraph 124(p)(i).

"BMI/Landwell Optional Transfer" shall have the meaning provided in Paragraph 70.

"Bossier City Site" shall have the meaning provided in Subparagraph 10(f)(xi).

"Bristol Mine Site" shall have the meaning provided in Subparagraph 10(f)(xvii).

"Brunswick Site" shall have the meaning provided in Subparagraph 117(e).

"CAA" shall have the meaning provided in the Recitals.

"Calhoun Gas Plant" shall have the meaning provided in Subparagraph 10(f)(xii).

"Carrying Costs" shall have the meaning provided in Subparagraph 70(d).

"Caselton Mine Site" shall have the meaning provided in Subparagraph 10(f)(xviii).

"CERCLA" shall have the meaning provided in the Recitals.

"Cimarron License" shall have the meaning provided in Subparagraph 51(a).

"Cimarron Licensee" shall have the meaning provided in Subparagraph 51(a).

"Cimarron LOC" shall have the meaning provided in Paragraph 50.

"Cimarron Site" shall have the meaning provided in Paragraph 50.

"Cimarron Standby Trust Fund" shall have the meaning provided in Paragraph 50.

"Cimarron Trust" shall have the meaning provided in Paragraph 50.

"Cimarron Trust Accounts" shall have the meaning provided in Subparagraph 55(c).

"Cimarron Trust Administrative Account" shall have the meaning provided in Subparagraph 55(b).

"Cimarron Trust Agreement" shall have the meaning provided in paragraph 53.

"Cimarron Trust Assets" shall mean (a) those assets and properties, including the Cimarron Site and sources of funding to be transferred to the Cimarron Trust pursuant to this Settlement Agreement and (b) such other assets acquired or held by the Cimarron Trust from time to time pursuant to the Cimarron Trust Agreement.

"Cimarron Trust Environmental Cost Accounts" shall have the meaning provided in Subparagraph 55(a).

"Cimarron Trust Parties" shall mean, collectively, the Cimarron Trust, the Cimarron Trustee, and the Cimarron Trustee's shareholders, officers, directors, employees, members, managers, partners, affiliated entities, consultants, agents, accountants, attorneys or other professionals or representatives engaged or employed by the Cimarron Trust or Cimarron Trustee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the Cimarron Trust (for the avoidance of doubt, other than the Cimarron Trustee and its officers, directors, and employees) shall not be Cimarron Trust Parties.

"Cimarron Trustee" shall have the meaning provided in Paragraph 50.

"Cleveland Site" shall have the meaning provided in Subparagraph 10(f)(xxi).

"Columbus Anadarko Amount" shall have the meaning provided in Subparagraph 124(l)(ii).

"Columbus Segregated Amount" shall have the meaning provided in Subparagraph 10(f)(xiii).

"Columbus Site" shall have the meaning provided in Subparagraph 10(f)(xiii).

"Corpus Christi No. 1 Terminal" shall have the meaning provided in Subparagraph 10(f)(xxv).

"CRC" shall have the meaning provided in Paragraph 79.

"CRC Requirements" shall have the meaning provided in Paragraph 79.

"Cushing Site" shall have the meaning provided in Subparagraph 10(f)(xxii).

"CWA" shall have the meaning provided in the Recitals.

"Debtors" shall have the meaning provided in the Recitals.

"Decatur Site" shall have the meaning provided in Subparagraph 117(i).

"DOD" shall have the meaning provided in the Recitals.

"DOI" shall have the meaning provided in the Recitals.

"DOI NRDAR Fund" shall have the meaning provided in Subparagraph 10(f)(xx).

"Dubach Gas Site" shall have the meaning provided in Subparagraph 117(j).

"Due Care Obligations" shall have the meaning provided in Subparagraph 75(a).

"DuSable Park" shall have the meaning provided in Subparagraph 117(h).

"Effective Date" shall mean the effective date of this Settlement Agreement, as provided in Paragraph 169 hereof.

"EFT" shall have the meaning provided in Paragraph 129.

"Environmental Actions" shall mean any and all environmental activities authorized or required under Environmental Laws that occur after the Effective Date and that are related to any of the Owned Sites and certain Non-Owned Sites (for which the Multistate Trust and West Chicago Trust will be performing environmental activities as provided herein), including but not limited to response or remedial actions, removal actions, corrective action, closure, or post-closure care, reclamation, investigations, studies, remediation, interim actions, final actions, emergency actions, water treatment, implementation of engineered structures and controls, monitoring, repair and replacement of engineered structures, monitoring equipment and controls, operation and maintenance, implementation, operation and maintenance of institutional controls, coordination and integration of reuse and remedial efforts and initiatives (including, without limitation, multi-stakeholder communications), and, if required, long-term stewardship and perpetual custodial care activities. "Environmental Actions" also include the above environmental activities relating to the migration of hazardous substances emanating from the Owned Sites. For the avoidance of doubt, "Environmental Actions" shall not include natural resource assessment or restoration.

"Environmental Information" shall mean all environmental reports, audits, analyses, records, studies and other documents containing information prepared by or otherwise in the possession, custody or control of Debtors or its technical consultants that are based on or otherwise reflect information related to environmental activities.

"Environmental Laws" means, whenever in effect, all federal, tribal, state and local statutes, regulations, ordinances and similar provisions having the force or effect of law; all judicial and administrative orders and determinations and all common law concerning public health and safety, worker health and safety, pollution or protection of the environment, including, without limitation, the Atomic Energy Act ("AEA"), CERCLA, CWA, CAA, Emergency Planning and Community Right-to-Know Act ("EPCRA"), Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), RCRA, Safe Drinking Water Act ("SDWA"), Toxic Substances Control Act ("TSCA"), and any tribal, state or local equivalents.

"Environmental Response Trustees" shall mean the Cimarron Trustee, the Henderson Trustee, the Multistate Trustee, the Savannah Trustee, and the West Chicago Trustee/Licensee.

"Environmental Response Trusts" shall mean the Cimarron Trust, the Henderson Trust, the Multistate Trust, the Savannah Trust, and the West Chicago Trust.

"Environmental Trust Agreements" shall mean the Multistate Trust Agreement, the Savannah Trust Agreement, the Henderson Trust Agreement, the Cimarron Trust Agreement, and the West Chicago Trust Agreement.

"Exacerbation Obligations" shall have the meaning provided in Subparagraph 75(a).

"Excess Anadarko Proceeds" shall have the meaning provided in Subparagraph 124(p)(i).

"Existing Leases" shall have the meaning provided in Subparagraph 67(c).

"Federal West Chicago Consent Decree" shall have the meaning provided in Paragraph 93.

"Fireworks Site" shall have the meaning provided in Subparagraph 117(m).

"Flat Top Mine" shall have the meaning provided in Subparagraph 117(w).

"Forest Service" shall have the meaning provided in the Recitals.

"GA EPD" shall have the meaning provided in Subparagraph 39(a).

"Georgia Federal Court" shall have the meaning provided in Paragraph 32.

"Gore Site" shall have the meaning provided in Subparagraph 117(u).

"Governments" shall have the meaning provided in the Recitals.

"Grantor Trust Election" shall mean an election to treat a trust as a grantor trust pursuant to Treasury Regulation section 1.468B-1(k)(1).

"Guarantor" shall have the meaning provided in Paragraph 71.

"Guaranty" shall have the meaning provided in Paragraph 71.

"Gypsum Operations" shall have the meaning provided in Paragraph 27.

"Hattiesburg Site" shall have the meaning provided in Subparagraph 117(n).

"Henderson Administrative Costs" shall have the meaning provided in Subparagraph 80(b).

"Henderson Chartis Policy" shall have the meaning provided in Paragraph 72.

"Henderson Covered Person" shall have the meaning provided in Paragraph 75.

"Henderson Deed" shall have the meaning provided in Subparagraph 67(a).

"Henderson Facility Lease" shall have the meaning provided in Paragraph 71.

"Henderson Leased Facility" shall have the meaning provided in Paragraph 71.

"Henderson Legacy Conditions" shall have the meaning provided in Subparagraph 75(b).

"Henderson Property" shall have the meaning provided in Subparagraph 67(a).

"Henderson Remediation Power Agreement" shall have the meaning provided in Paragraph 79.

"Henderson Trust" shall have the meaning provided in Paragraph 67.

"Henderson Trust Accounts" shall have the meaning provided in Subparagraph 80(c).

"Henderson Trust Administrative Account" shall have the meaning provided in Subparagraph 80(b).

"Henderson Trust Agreement" shall have the meaning provided in Paragraph 77.

"Henderson Trust Assets" shall mean (a) those assets and properties, including the Henderson Property and sources of funding to be transferred to the Henderson Trust pursuant to this Settlement Agreement and (b) such other assets acquired or held by the Henderson Trust from time to time pursuant to the Henderson Trust Agreement.

"Henderson Trust Environmental Cost Account" shall have the meaning provided in Subparagraph 80(a).

"Henderson Trustee" shall have the meaning provided in Subparagraph 67(c).

"Henderson Trust Parties" shall mean, collectively, the Henderson Trust, the Henderson Trustee, and the Henderson Trustee's shareholders, officers, directors, employees, members, managers, partners, affiliated entities, consultants, agents, accountants, attorneys or other professionals or representatives engaged or employed by the Henderson Trust or Henderson Trustee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the Henderson Trust (for the avoidance of doubt, other than the Henderson Trustee and its officers, directors, and employees) shall not be Henderson Trust Parties.

"IEMA" shall have the meaning provided in Paragraph 98.

"Indiana Wood Treating Site" shall have the meaning provided in Subparagraph 10(f)(ix).

"Jacksonville Terminal Site" shall have the meaning provided in Subparagraph 10(f)(v).

"Joint Navassa NRD Claimants" shall have the meaning provided in Subparagraph 10(f)(xx).

"Joint Texarkana NRD Claimants" shall have the meaning provided in Subparagraph 10(f)(xxvi).

"Juniper Mine Site" shall have the meaning provided in Subparagraph 117(d).

"Kansas City Site" shall have the meaning provided in Subparagraph 10(f)(xv).

"Kerr-McGee Jacksonville Site" shall have the meaning provided in Subparagraph 10(f)(iv).

"Kerr-McGee Jacksonville Segregated Amount" shall have the meaning provided in Subparagraph 10(f)(iv).

"Kerr-McGee West Chicago NPL Sites" shall have the meaning provided in Subparagraph 117(k).

"Kress Creek" shall have the meaning provided in Paragraph 96.

"Kress Creek Settlement Agreement" shall have the meaning provided in Paragraph 96.

"Kriner/Stigler Site" shall have the meaning provided in Subparagraph 117(u).

"Lead Agencies" shall mean the designated Government agencies identified in Paragraphs 12, 39, 56, 81 and 105.

"License Order" shall have the meaning provided in Subparagraph 51(a).

"Lindsay Light Removal Sites" shall have the meaning provided in Subparagraph 117(f).

"Line of Credit Agreement" shall have the meaning provided in Subparagraph 28(c).

"Local Communities" shall have the meaning provided in Paragraph 95.

"Local Communities Consent Decree" shall have the meaning provided in Paragraph 93.

"Local Governments" shall have the meaning provided in the Recitals.

"Madison Site" shall have the meaning provided in Subparagraph 10(f)(vii).

"Mansfield Canyon Site" shall have the meaning provided in Subparagraph 117(c).

"Manville Site" shall have the meaning provided in Subparagraph 117(o).

"Maximum Draw" shall have the meaning provided in Subparagraph 28(c).

"Meridian Anadarko Amount" shall have the meaning provided in Subparagraph 124(m)(ii).

"Meridian Segregated Amount" shall have the meaning provided in Subparagraph 10(f)(xiv).

"Meridian Site" shall have the meaning provided in Subparagraph 10(f)(xiv).

"Mobile Site" shall have the meaning provided in Subparagraph 10(f)(iii).

"Moss American NPL Site" shall have the meaning provided in Subparagraph 117(y).

"Mount Vernon Site" shall have the meaning provided in Subparagraph 117(j).

"Multistate Owned Funded Sites" shall have the meaning provided in Paragraph 4.

"Multistate Owned Sites" shall have the meaning provided in Paragraph 3.

"Multistate Trust" shall have the meaning provided in Paragraph 3.

"Multistate Trust Accounts" shall have the meaning provided in Subparagraph 10(d).

"Multistate Trust Administrative Account" shall have the meaning provided in Subparagraph 10(c).

"Multistate Trust Agreement" shall have the meaning provided in Paragraph 7.

"Multistate Trust Assets" shall mean (a) those assets and properties, including the Multistate Owned Sites and sources of funding to be transferred to the Multistate Trust pursuant to this Settlement Agreement and (b) such other assets acquired or held by the Multistate Trust from time to time pursuant to the Multistate Trust Agreement.

"Multistate Trust Environmental Cost Account" shall have the meaning provided in Subparagraph 10(a).

"Multistate Trust Parties" shall mean, collectively, the Multistate Trust, the Multistate Trustee, and the Multistate Trustee's shareholders, officers, directors, employees, consultants, agents or other professionals or representatives employed by the Multistate Trust or Multistate Trustee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the Multistate Trust (for the avoidance of doubt, other than the Multistate Trustee and its officers, directors, and employees) shall not be Multistate Trust Parties.

"Multistate Trust Work Account" shall have the meaning provided in Subparagraph 10(a).

"Multistate Trustee" shall have the meaning provided in Paragraph 3.

"Navajo Area Uranium Mines" shall have the meaning provided in Subparagraph 117(p).

"Navassa Site" shall have the meaning provided in Subparagraph 10(f)(xx).

"Navassa Trustee Council" shall have the meaning provided in Paragraph 18.

"Net Sale Proceeds" shall have the meaning provided in Subparagraph 69(d).

"New Substances Conditions" shall have the meaning provided in Subparagraph 75(c).

"NOAA" shall have the meaning provided in the Recitals.

"Non-Lead Agencies" shall mean the designated Government agencies identified in Paragraphs 12, 39, 56, 81 and 105.

"Non-Owned RAS Properties" shall have the meaning provided in Paragraph 96.

"Non-Owned Sites" shall mean those Sites set forth on Attachment B hereto, and any and all contiguous and non-contiguous areas onto which hazardous substances from such Site have migrated.

"Non-Owned Service Stations" shall have the meaning provided in Paragraph 10(f)(xxviii).

"NRC" shall have the meaning defined in the Recitals.

"NRD" shall have the meaning defined in the Recitals.

"Off-Site Facility" shall have the meaning provided in Subparagraph 161(b)(iii).

"Other Sites" shall have the meaning provided in Subparagraph 126(a).

"Other Sites Account" shall have the meaning provided in Subparagraph 126(a).

"Owned Service Stations" shall have the meaning provided in Paragraph 10(f)(xxvii).

"Owned Funded Sites" shall mean those Sites owned by the Debtors for which funding is specifically allocated herein and are as set forth on Attachments A-1 and A-2 hereto, together with all personal property, fixtures, buildings and attendant property rights (to the extent not otherwise provided herein), and any and all contiguous and non-contiguous areas onto which hazardous substances from such Site have migrated.

"Owned Non-Funded Sites" shall mean those Sites owned by the Debtors for which funding has not been specifically allocated herein, other than as set forth in Paragraph 126, and are as set forth on Attachment A-3 hereto, together with all personal property, fixtures, buildings and attendant property rights, and any and all contiguous and non-contiguous areas onto which hazardous substances from such Site have migrated.

"Owned RAS Properties" shall have the meaning provided in Paragraph 92.

"Owned Sites" shall mean, collectively, the "Owned Funded Sites" and the "Owned Non-Funded Sites," all of which are collectively set forth on Attachments A-1, A-2 and A-3 hereto.

"Phase 2 Final Agreement" shall have the meaning provided in Paragraph 96.

"Plan of Reorganization" is the Plan of Reorganization for the Debtors, which shall incorporate the terms of this Settlement Agreement.

"Preservation Date" shall have the meaning provided in Subparagraph 163(b).

"Proofs of Claim" shall mean the Proofs of Claim filed by the Governments as set forth in the Recitals.

"Quivira Mine Site" shall have the meaning provided in the Recitals.

"RAS" shall have the meaning provided in Paragraph 92.

"RAS Properties" shall have the meaning provided in Paragraph 96.

"RCRA" shall have the meaning provided in the Recitals.

"Real Property Information" shall mean all documents in Debtors' possession, custody, or control related to property taxes, leases, contracts, security, insurance, or administration or potential sales (but with respect to potential sales, only information reasonably locatable dated 2008 or later) of an Owned Site.

"REF" shall have the meaning provided in Paragraph 92.

"REF Letter of Credit" shall have the meaning provided in Subparagraph 104(f)(ii)(b).

"REF License" shall have the meaning provided in Paragraph 98.

"REF Surety Bond" shall have the meaning provided in Subparagraph 104(f)(ii)(a).

"Reorganized Tronox" shall mean, collectively, (i) Tronox Incorporated, (ii) Tronox Worldwide LLC, (iii) Tronox LLC, (iv) all other Debtors, and (v) all successors to the entities referenced in clauses (i), (ii), (iii) and (iv) above, whether by merger,

consolidation, dissolution, restructuring, recapitalization, acquisition of assets or equity securities, or otherwise, on or after the Effective Date.

"Repayment Date" shall have the meaning provided in Subparagraph 28(d).

"Riley Pass Site" shall have the meaning provided in Subparagraph 117(w).

"Rome Site" shall have the meaning provided in Subparagraph 10(f)(xix).

"Rushville Site" shall have the meaning provided in Subparagraph 10(f)(x).

"Sale Costs" shall have the meaning provided in Subparagraph 70(d).

"Sale Event" shall have the meaning provided in Subparagraph 70(b).

"Sale Proceeds" shall have the meaning provided in Subparagraph 70(d).

"Sauget Site" shall have the meaning provided in Subparagraph 10(f)(viii).

"Savannah Acid Business" shall have the meaning provided in Paragraph 27.

"Savannah Consent Decree" shall have the meaning provided in Paragraph 31.

"Savannah Facility" shall have the meaning provided in Paragraph 27.

"Savannah Operating Agreement" shall have the meaning provided in Subparagraph 29(b).

"Savannah Sale" shall have the meaning provided in Paragraph 30.

"Savannah Trust" shall have the meaning provided in Paragraph 27.

"Savannah Trust Accounts" shall have the meaning provided in Subparagraph 38(c).

"Savannah Trust Administrative Account" shall have the meaning provided in Subparagraph 38(c).

"Savannah Trust Agreement" shall have the meaning provided in Paragraph 36.

"Savannah Trust Assets" shall mean (a) those assets and properties, including the Savannah Facility and sources of funding to be transferred to the Savannah Trust pursuant to this Settlement Agreement and (b) such other assets acquired or held by the Savannah Trust from time to time pursuant to the Savannah Trust Agreement.

"Savannah Trust Environmental Cost Account" shall have the meaning provided in Subparagraph 38(a).

"Savannah Trust-Owned Entity" shall have the meaning provided in Paragraph 29.

"Savannah Trust Parties" shall mean, collectively, any Savannah Trust-Owned Entity, the Savannah Trustee, and the shareholders, officers, directors, managers, members, employees, consultants, agents or other professionals or representatives employed by the Savannah Trust-Owned entity, the Savannah Trust, or the Savannah Trustee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the Savannah Trust (for the avoidance of doubt, other than the Savannah Trustee and its officers, directors, and employees) shall not be Savannah Trust Parties.

"Savannah Working Capital" shall have the meaning provided in Paragraph 28.

"Savannah Working Capital Statement" shall have the meaning provided in Subparagraph 28(b).

"Settlement Agreement" shall have the meaning provided in the Recitals.

"Shiprock Mill Site" shall have the meaning provided in the Recitals.

"Soda Springs Site" shall have the meaning provided in Subparagraph 10(f)(vi).

"Springfield Site" shall have the meaning provided in Subparagraph 10(f)(xvi).

"States" shall have the meaning provided in the Recitals.

"Streeterville Rights-of-Way" shall have the meaning provided in Subparagraph 117(g).

"Superfund" shall mean the "Hazardous Substance Superfund" established by 26 U.S.C. § 9507 or, in the event such Hazardous Substance Superfund no longer exists, any successor fund or comparable account of the Treasury of the United States to be used for removal or remedial actions to address releases or threats of releases of hazardous substances.

"TCEQ" shall mean the Texas Commission on Environmental Quality.

"Tenant" shall have the meaning provided in Subparagraph 67(b).

"Texarkana Facility" shall have the meaning provided in Subparagraph 10(f)(xxvi).

"Texarkana Trustee Council" shall have the meaning provided in Paragraph 18.

"Title Insurer" shall have the meaning provided in Subparagraph 67(a).

"Title X" shall have the meaning provided in Paragraph 93.

"Toledo Tie Site" shall have the meaning provided in Subparagraph 117(t)

"United States" shall mean the United States of America, including US EPA, NOAA, DOI, Department of Agriculture, acting through the Forest Service, DOD, and NRC, and all of its agencies, departments, and instrumentalities.

"US EPA" shall have the meaning provided in the Recitals.

"Welsbach Site" shall have the meaning provided in Subparagraph 117(q).

"West Chicago Owned Sites" shall have the meaning provided in Paragraph 92.

"West Chicago Special Account" shall have the meaning provided in Paragraph 100.

"West Chicago Trust" shall have the meaning provided in Paragraph 92.

"West Chicago Trust Accounts" shall have the meaning provided in Subparagraph 104(d).

"West Chicago Trust Administrative Account" shall have the meaning provided in Subparagraph 104(b).

"West Chicago Trust Agreement" shall have the meaning provided in Paragraph 96.

"West Chicago Trust Assets" shall mean (a) those assets and properties, including the West Chicago Trust Sites and sources of funding to be transferred to the West Chicago Trust pursuant to this Settlement Agreement and (b) such other assets acquired or held by the West Chicago Trust from time to time pursuant to the West Chicago Trust Agreement.

"West Chicago Trust Environmental Cost Accounts" shall have the meaning provided in Subparagraph 104(a).

"West Chicago Trust Parties" shall mean, collectively, the West Chicago Trust, the West Chicago Trustee/Licensee, and the West Chicago Environmental Response Trustee's shareholders, officers, directors, employees, consultants, agents or other professionals or representatives employed by the West Chicago Trust or West Chicago Trustee/Licensee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the West Chicago Trust (for the avoidance of doubt, other than the West Chicago Trustee and its officers, directors, and employees) shall not be West Chicago Trust Parties.

"West Chicago Trust Sites" shall have the meaning provided in Subparagraph 104(a).

"West Chicago Trust Title X Account" shall have the meaning provided in Subparagraph 104(c).

"West Chicago Trust Work Accounts" shall have the meaning provided in Subparagraph 104(a).

"West Chicago Trustee/Licensee" shall have the meaning provided in Paragraph 92.

"White King/Lucky Lass Site" shall have the meaning provided in Subparagraph 117(v).

"Withheld BMI/Landwell Amount" shall have the meaning provided in Subparagraph 124(p)(iv).

"Wynnewood Site" shall have the meaning provided in Subparagraph 117(u).

Capitalized terms not otherwise defined herein shall have the meanings provided for in CERCLA, or other applicable Environmental Laws.

III. JURISDICTION

1. The Court has jurisdiction over the subject matter hereof pursuant to 28 U.S.C. §§ 157, 1331, and 1334.

IV. PARTIES BOUND; SUCCESSION AND ASSIGNMENT

2. This Settlement Agreement applies to, is binding upon, and shall inure to the benefit of the signatories hereto, their legal successors and assigns, and Reorganized Tronox, and any trustee, examiner or receiver appointed in the Bankruptcy Cases. For purposes of this Settlement Agreement, any rights granted to Debtors that extend after the Effective Date shall also be deemed granted to Reorganized Tronox and its successors and assigns, subject to any reservations provided for herein.

V. THE MULTISTATE ENVIRONMENTAL RESPONSE TRUST

3. On the Effective Date, and simultaneously with receipt of the payments to the Multistate Trust Environmental Cost Accounts under Paragraph 10, Debtors will transfer all of their right, title, and interest in and to the Multistate Owned

Sites (as defined below), including, without limitation, all of their fee ownership in, all appurtenances, rights, easements, rights-of-way, mining rights (including unpatented mining claims, mill site claims, and placer claims), mineral rights, mineral claims, appurtenant groundwater rights, associated surface water rights, claims, and filings, permits, licenses, third-party warranties and guaranties for equipment or services to the extent transferable under bankruptcy law, or other interests (including without limitation all fixtures, improvements, personal property (tangible and intangible) and equipment located thereon as of the Effective Date) related to all Owned Sites other than the Cimarron Site, the Henderson Property, the Savannah Facility, and the REF and the Owned RAS Properties in West Chicago, Illinois (collectively, the "Multistate Owned Sites"), to an environmental response trust ("Multistate Trust"). Prior to the Effective Date, but not thereafter, Debtors may remove from the Multistate Owned Sites the machinery, equipment, fixtures, furniture, computers, tools, parts, supplies, and other tangible personal property, used, or held for use, in connection with the operation of Debtors' operating assets. On and after the Effective Date, Debtors and Reorganized Tronox shall have no ownership or other residual interest whatsoever with respect to the Multistate Trust or Multistate Owned Sites. The transfer of ownership by the Debtors of any such assets or other property shall be a transfer of all of the Debtors' right, title and interests therein, and the transfer (i) shall be as is and where is, with no warranties of any nature; (ii) shall be free and clear of all claims, liens and interests against the Debtors (except for liens arising under Section 107 of CERCLA against the Sites in Jacksonville, Florida and Wilmington, North Carolina), including liens for the payments of monetary claims, such as property taxes, or other monetary claims asserted or that could have been

asserted in the bankruptcy proceeding, but shall remain subject to any existing in rem claims that do not secure payment of monetary claims (such as easements or deed restrictions); (iii) shall be subject to any rights of the Governments under this Settlement Agreement; and (iv) shall be accomplished by quitclaim deed, in a form substantially similar to the quitclaim deed attached as Attachment C to this Settlement Agreement, and/or personal property bill of sale without warranty, with all such conveyance documents to be agreed to in form by the Debtors and the trustee of the Multistate Trust ("Multistate Trustee"), provided that in no event shall the conveyance include any warranty by the grantor by virtue of the grant document or statutory or common law or otherwise. Debtors and Reorganized Tronox hereby disclaim any and all express or implied representations or warranties, including any representations or warranties of any kind or nature, express or implied, as to the condition, value or quality of such assets or other property, and specifically disclaim any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to such assets or other property, any part thereof, the workmanship thereof, and the absence of any defects therein, whether latent or patent, it being understood that such assets are being acquired "as is, where is," and in their condition as of the Effective Date. Debtors and Reorganized Tronox, as applicable, will reasonably cooperate with the Governments and the Multistate Trustee to deliver to the title company (which will cause to be recorded in the appropriate real property records) the transfer documents as soon as reasonably practicable, but not to exceed 30 days after the Effective Date. Debtors shall pay the recording costs and transfer fees to the title company relating to the title transfers. Debtors shall pay to the applicable tax authorities on or prior to the Effective Date all real

property taxes relating to the Multistate Owned Sites due on or before the Effective Date. Debtors and the Multistate Trust shall prorate the real property taxes accruing to or becoming a lien on the Multistate Owned Sites during the calendar year of the Effective Date, and Debtors shall have paid to the Multistate Trust their pro-rata share of such real property taxes as of the Effective Date. If the actual bills for such real property taxes have not been issued, then such proration shall be based on an amount equal to such real property taxes for the prior year or tax period, which shall constitute a final proration and not be subject to further adjustment. As of the Effective Date, the Multistate Trust shall be responsible for paying all real property taxes first coming due following the Effective Date relating to the Multistate Owned Sites. Debtors shall execute, or cause to be executed, and record, if necessary, all necessary releases of any liens or security interests held by any Debtor against any Multistate Owned Sites. After Debtors execute this Settlement Agreement, Debtors shall not further encumber the Multistate Owned Sites or their other interests therein and shall maintain such properties in a commercially reasonable manner in accordance with Debtors' current practices, including the improvements thereon and the fixtures thereto that are related to ongoing remediation activities in the condition that they exist as of the date of such execution, except for ordinary wear and tear, casualty and condemnation, and except to the extent that ongoing environmental activities require otherwise.

4. The purpose of the Multistate Trust shall be to: (i) own the Multistate Owned Sites; (ii) carry out administrative and property management functions related to the Multistate Owned Sites; (iii) manage and/or fund implementation of future Environmental Actions approved by the Lead Agencies with respect to those Owned

Funded Sites that will be transferred to the Multistate Trust ("Multistate Owned Funded Sites") and the Non-Owned Service Stations (defined in Subparagraph 10(f)(xxviii) below); (iv) fulfill other obligations as set forth in this Settlement Agreement; (v) pay certain future oversight costs (but not those related to the Non-Owned Service Stations); and (vi) ultimately sell, transfer, or otherwise dispose or facilitate the reuse of all or part of the Multistate Trust Assets, if possible, all as provided herein with no objective or authority to engage in any trade or business. The sale, lease or other disposition of some or all of the Multistate Trust Assets by the Multistate Trust shall not be deemed an engagement in any trade or business. The Multistate Trust shall be funded as specified in Paragraph 10 herein.

5. The Multistate Trust by and through its Multistate Trustee not individually but solely in its representative capacity, Debtors, and the Lead Agencies for the Multistate Owned Funded Sites shall exchange information and reasonably cooperate to determine the appropriate disposition of any executory contracts or unexpired leases that relate to the relevant Site; provided, however, that the Multistate Trust shall not be required to take assignment of any executory contract or unexpired lease without the consent of the Multistate Trustee. Debtors shall cooperate with the Multistate Trust with the prompt and orderly delivery of all executory contracts and unexpired leases and take such action with respect to such contracts and leases as the Lead Agencies and the Multistate Trust may reasonably request.

6. Notwithstanding anything to the contrary herein, the United States, Debtors, and the Multistate Trustee shall address, by a separate agreement, the appropriate treatment of Debtors' interest in *Tronox Worldwide LLC v. Atlantic Richfield*

Co., et al., No. 07 CV 1017 (HE) (W.D. Okla.), and *Kerr-McGee Chemical Corp. v. Lefton Iron & Metal Co., et al.* ("*Lefton Iron*"), No. 90 CV 3551 (GPM) (S.D. Ill.), including by providing that the Multistate Trust shall receive the benefit of any recovery in these litigations on account of post-Effective Date response costs, and Reorganized Tronox shall receive the benefit of any recovery on account of pre-Effective Date response costs. With respect to the *Lefton Iron* action, the State of Illinois shall also be a party to the agreement referenced in this Paragraph.

7. Greenfield Environmental Multistate Trust, LLC, not individually but solely in its representative capacity as Multistate Trustee, is appointed as the Multistate Trustee to administer the Multistate Trust and the Multistate Trust Accounts, in accordance with this Settlement Agreement and an Environmental Response Trust Agreement ("Multistate Trust Agreement") materially consistent with the Settlement Agreement to be separately executed by the parties.

8. Debtors and Reorganized Tronox shall provide to the Multistate Trustee Environmental Information and Real Property Information in accordance with Section XIX below.

9. Prior to any conveyance of a Multistate Owned Site to the Multistate Trust pursuant to this Settlement Agreement, the Debtors and their affiliates shall vacate such Multistate Owned Site and surrender possession of such Multistate Owned Site to the Multistate Trustee, unless otherwise approved by the Multistate Trustee.

10. Multistate Trust Accounts

a. The Multistate Trustee shall create a segregated Multistate Trust account ("Multistate Trust Environmental Cost Account") within the Multistate Trust for each of the Multistate Owned Funded Sites listed in Subparagraphs 10(f)(ii)-(xxvii) below, and a separate, single Multistate Trust work account ("Multistate Trust Work Account") for the Non-Owned Service Stations listed in Subparagraph 10(f)(xxviii) below. The purpose of a Multistate Trust Environmental Cost Account for a Multistate Owned Funded Site shall be to provide funding for future Environmental Actions and certain future oversight costs of the Governments included in the approved budget set forth in Paragraph 12 below with respect to that Multistate Owned Funded Site. The purpose of the Multistate Trust Work Account for the Non-Owned Service Stations shall be to provide funding for future Environmental Actions included in the approved budget set forth in Paragraph 12 below with respect to those Non-Owned Service Stations, but shall not be used to fund certain future oversight costs of the Governments with respect to any of those Non-Owned Service Stations, and the Multistate Trust shall not be responsible for any such oversight costs. Funding from a Multistate Trust Environmental Cost Account for any Multistate Owned Funded Site may not be used for any other Owned Site or Non-Owned Site, except as otherwise expressly provided by and in accordance with Paragraph 13 below.

b. To the extent that the Multistate Trustee determines that Environmental Actions are required with respect to any property owned by the Multistate Trust that is not listed in Subparagraphs 10(f)(ii)-(xxvii) below, the Multistate Trustee

may create an Environmental Cost Account for that Site. The Multistate Trustee may provide funding for such an account pursuant to Subparagraphs 13(a)-(c) below.

c. The Multistate Trustee shall also create a segregated administrative account ("Multistate Trust Administrative Account") to fund the payment of real estate taxes, income taxes (to the extent applicable), insurance, and other Administrative Costs.

d. Assets of the Multistate Trust Environmental Cost Accounts, Multistate Trust Work Account, and Multistate Trust Administrative Account (collectively, the "Multistate Trust Accounts") shall be held in trust solely for the purposes provided in this Settlement Agreement. The Governments shall be the sole beneficiaries of the Multistate Trust and the Multistate Trust Accounts. Neither Debtors nor Reorganized Tronox shall have any rights or interest to the Multistate Trust Assets, or to any funds remaining in any of the Multistate Trust Accounts upon the completion of any and all final actions and disbursement of any and all final costs with respect to the Multistate Owned Sites.

e. All interest, dividends and other revenue earned in a Multistate Trust Account shall be retained in the respective Multistate Trust Account and used only for the same purposes as the principal in that account as provided in this Settlement Agreement, subject to any reallocation approved by the Governments in accordance with the terms of this Settlement Agreement.

f. In settlement and full satisfaction of all claims asserted by the Governments against Debtors and Reorganized Tronox with respect to any and all costs of response incurred, or to be incurred, and to any and all NRD and related

assessment costs incurred or to be incurred (where applicable) in connection with the Multistate Owned Sites and Non-Owned Service Stations (including but not limited to the liabilities and other obligations asserted in the United States' and States' Proofs of Claim relating to the Multistate Owned Funded Sites and the Non-Owned Service Stations), Debtors shall, on the Effective Date, (i) make payments of $16,936,352.00 to the Multistate Trust Administrative Account and $80,834,721.00 to the Multistate Trust Environmental Cost Accounts and Work Accounts as set forth in Subparagraphs 10(f)(ii)-(xxviii) below, (ii) pay the Governments any amounts provided for in Subparagraphs 10(f)(ii)-(xxviii) below, and (iii) transfer the cash value of 100% of certain financial assurance letters of credit and surety bonds to certain Multistate Environmental Cost Accounts, as set forth in Paragraph 11 below. Additionally, the Multistate Trust and the Governments shall receive the specified percentages of the Anadarko Litigation Proceeds as set forth in Subparagraphs 124(a)-(bb) and 125(y) below. On the Effective Date, as described above, Debtors shall make the following payments:

i. payment of $16,936,352.00 on the Effective Date to fund the Multistate Trust Administrative Account;

ii. payment of $402,395.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the former petroleum terminal at Birmingport, Alabama ("Birmingport Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

iii. payment of $21,587,129.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the former plant at Mobile, Alabama ("Mobile Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

iv. payment of $4,220,981.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Kerr-McGee Chemical LLC Site in Jacksonville, Florida ("Kerr-McGee Jacksonville Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site; and payment of $1,896.00 on the Effective Date to the United States on behalf of US EPA for past cost claims asserted by US EPA with respect to the Site, to be transferred pursuant to the instructions set forth in Paragraph 129 below. The Multistate Trustee will segregate $3,590,495.00 of the funds otherwise then remaining in the Multistate Trust Environmental Cost Account for the Kerr-McGee Jacksonville Site (the "Kerr-McGee Jacksonville Segregated Amount") into a separate account that shall be reserved unspent until US EPA and the State of Florida thereafter notify the Multistate Trustee as to how the Kerr-McGee Jacksonville Segregated Amount will be equitably allocated between operation and maintenance and other response action/response costs. At that time, the Multistate Trustee shall divide the Kerr-McGee Jacksonville Segregated Amount into separate subaccounts within the Multistate Trust Environmental Cost Account for the Kerr-McGee Jacksonville Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 11(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Florida may jointly authorize the Multistate Trustee to release any or all of the Kerr-McGee Jacksonville Segregated Amount for use consistent with a budget approved pursuant to Subparagraph 11(a) hereof without waiting for the allocation process described above;

v. payment of $38,957.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Terminal Site in Jacksonville, Florida ("Jacksonville Terminal Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

vi. payment of $6,050,929.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Kerr-McGee Chemical Corp. Superfund Site in Soda Springs, Idaho ("Soda Springs Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

vii. payment of $1,294,468.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Madison, Illinois Site ("Madison Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

viii. payment of $3,960,429.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Sauget/Moss American Site in Sauget, Illinois ("Sauget Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

ix. payment of $366,782.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Indiana Wood Treating Site in Indianapolis, Indiana ("Indiana Wood Treating Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

x. payment of $1,795.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Kerr-McGee Ag-Chem/Blender Farm Center in Rushville, Indiana ("Rushville Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

xi. payment of $897,624.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Moss American Site in Bossier City, Louisiana ("Bossier City Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site; and payment of $106.00 on the Effective Date for past costs asserted by the State of Louisiana with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(d);

xii. payment of $2,720,947.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Triple S Refining Corp./Calhoun Gas Plant in Calhoun, Louisiana ("Calhoun Gas Plant"), to be deposited in the Multistate Trust Environmental Cost Account for that Site; and payment of $107.00 on the Effective Date for past costs asserted by the State of Louisiana with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(d);

xiii. payment of $5,520,102.00 on the Effective Date to fund future Environmental Actions and certain future oversight

costs of the Governments with respect to the Kerr-McGee Chemical Corporation Facility in Columbus, Mississippi ("Columbus Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site, and payment of $5,386.00 on the Effective Date to the United States on behalf of US EPA for past cost claims asserted by United States on behalf of US EPA with respect to the Site, to be transferred pursuant to the instructions set forth in Paragraph 129 below. If the Columbus Site is added to the National Priorities List, the Multistate Trustee will segregate $2,692,871 of the funds otherwise then remaining in the Multistate Trust Environmental Cost Account for the Columbus Site (or if less than $2,692,871 remains in the Multistate Trust Environmental Cost Account, such amount as does remain) (the "Columbus Segregated Amount") into a separate account that shall be reserved unspent until US EPA and the State of Mississippi thereafter notify the Multistate Trustee as to how the Columbus Segregated Amount will be equitably allocated between operation and maintenance and other response action/response costs. At that time, the Multistate Trustee shall divide the Columbus Segregated Amount into separate subaccounts within the Multistate Trust Environmental Cost Account for the Columbus Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 12(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Mississippi may jointly authorize the Multistate Trustee to release any or all of the Columbus Segregated Amount without waiting for the allocation process described above.

xiv. payment of $1,298,956.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Kerr-McGee Chemical LLC Facility in Meridian, Mississippi ("Meridian Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site. If the Meridian Site is added to the National Priorities List, the Multistate Trustee will segregate $897,624 of the funds otherwise then remaining in the Multistate Trust Environmental Cost Account for the Meridian Site (or if less than $897,624 remains in the Multistate Trust Environmental Cost Account, such amount as does remain) (the "Meridian Segregated Amount") into a separate account that shall be reserved unspent until US EPA and the State of Mississippi thereafter notify the Multistate Trustee as to how the Meridian Segregated Amount will be equitably allocated between operation and maintenance and

other response action/response costs. At that time, the Multistate Trustee shall divide the Meridian Segregated Amount into separate subaccounts within the Multistate Trust Environmental Cost Account for the Meridian Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 12(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Mississippi may jointly authorize the Multistate Trustee to release any or all of the Meridian Segregated Amount for use consistent with a budget approved pursuant to Subparagraph 12(a) hereof without waiting for the allocation process described above;

xv. payment of $1,743,398.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the former Kerr-McGee Chemical LLC wood treating plant in Kansas City, Missouri ("Kansas City Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site, and payment of $20,801.00 on the Effective Date to the State of Missouri for NRD asserted by the State of Missouri with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(g);

xvi. payment of $2,025,323.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the former Kerr-McGee Chemical LLC wood-treating plant in Springfield, Missouri ("Springfield Site") to be deposited in the Multistate Trust Environmental Cost Account for that Site, and payment and payment of $73,996.00 on the Effective Date to the State of Missouri for NRD asserted by the State of Missouri with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(g). After the Effective Date, the Multistate Trustee shall deposit quarterly rents received from Cedar Creek pursuant to the terms of the Springfield Lease to the Multistate Trust Environmental Cost Account for the Springfield Site. After the Effective Date, the Multistate Trustee shall also deposit real property taxes reimbursed by Cedar Creek pursuant to the terms of the Springfield Lease into the Multistate Trust Administrative Account;

xvii. payment of $17,952.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Bristol Mine Site in

Pioche, Nevada ("Bristol Mine Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

xviii. payment of $269,287.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Caselton Mine Site in Pioche, Nevada ("Caselton Mine Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site, and payment of $6,320.00 on the Effective Date to the United States on behalf of BLM for past costs incurred by BLM with respect to the Site, to be transferred pursuant to the instructions set forth in Paragraph 129;

xix. payment of $700,000.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Rome, New York Site ("Rome Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site, payment of $2,427.00 on the Effective Date for past costs asserted by the State of New York with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(i), and payment of $1,896.00 on the Effective Date for NRD asserted by the State of New York with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(i);

xx. payment of $4,208,555.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Navassa, North Carolina Site ("Navassa Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site; payment of $1,896.00 on the Effective Date to the United States on behalf of US EPA for past cost claims asserted by the United States on behalf of US EPA with respect to the Site, to be made pursuant to the instructions set forth in Paragraph 129; and payment of $915,836.00 on the Effective Date to the DOI NRDAR Fund for NRD asserted by the United States on behalf of DOI and NOAA and the State of North Carolina with respect to the Site, to be made pursuant to the instructions set forth in Paragraph 129. Cash payments for NRD under this Subparagraph shall be subsequently deposited into the DOI Natural Resource Damage Assessment and Restoration Fund ("DOI NRDAR Fund"), Account No. 14X5198, to be jointly managed by the DOI, NOAA, and the State of North Carolina Trustees ("Joint Navassa NRD Claimants"). A separate, Site-specific numbered account for the Site has been or will be established within the DOI NRDAR Fund. The funds received shall be assigned pursuant to this Subparagraph to the Site-specific Restoration Account ("Restoration Account") to allow the funds to

be maintained as a segregated account within the DOI NRDAR Fund. The trustees shall use the funds in the Restoration Account, including all interest earned on such funds, for restoration activities at or in connection with the Navassa Site as directed by the Joint Navassa NRD Claimants, but shall not be used to conduct assessment activities;

xxi. payment of $8,036,586.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Cleveland, Oklahoma Site ("Cleveland Site") to be deposited in the Multistate Trust Environmental Cost Account for that Site, and payment of $112,749.00 on the Effective Date to the State of Oklahoma for NRD asserted with respect to this Site, to be made pursuant to the instructions set forth in Subparagraph 131(k);

xxii. payment of $8,719,555.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Cushing, Oklahoma Site ("Cushing Site") to be deposited in the Multistate Trust Environmental Cost Account for the Site, and payment of $49,551.00 on the Effective Date to the State of Oklahoma for NRD asserted with respect to the Site, to be made pursuant to the instructions set forth in Subparagraph 131(k);

xxiii. payment of $4,101.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Avoca, Pennsylvania Site ("Avoca Site"), to be deposited in a Multistate Trust Environmental Cost Account for that Site;

xxiv. payment of $1,651,132.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the International Creosoting Company Superfund Site in Beaumont, Texas ("Beaumont Site"), to be deposited in the Multistate Trust Environmental Cost Account for that Site;

xxv. payment of $215,477.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to the Corpus Christi No. 1 Terminal in Corpus Christi, Texas ("Corpus Christi No. 1 Terminal"), to be deposited in the Multistate Trust Environmental Cost Account for the Terminal;

xxvi. payment of $2,537,176.00 on the Effective Date to fund future Environmental Actions and certain future oversight

costs of the Governments with respect to the Texarkana Facility in Texarkana, Texas ("Texarkana Facility"), to be deposited in the Multistate Trust Environmental Cost Account for that Site; payment of $7,282.00 on the Effective Date for NRD asserted by the United States on behalf of DOI with respect to the Texarkana Facility, to be transferred pursuant to the instructions set forth in Paragraph 129 and subsequently deposited into the DOI NRDAR Fund; payment of $364,084.00 on the Effective Date for NRD asserted by the United States on behalf of DOI and the State of Texas Trustees ("Joint Texarkana NRD Claimants") with respect to the Site, to be transferred pursuant to the instructions set forth in Paragraph 129 and subsequently deposited into the DOI NRDAR Fund; and payment of $112,749.00 on the Effective Date for NRD and past costs asserted by the State of Texas Trustees with respect to the Site, to be transferred pursuant to the instructions set forth in Subparagraph 131(l). Cash payments for NRD to the Joint Texarkana NRD Claimants shall subsequently be deposited into DOI NRDAR, Account No. 14X5198, to be jointly managed by the Joint Texarkana NRD Claimants. A separate, Site-specific numbered account for the Site has been or will be established within the DOI NRDAR Fund. The funds received shall be assigned to the Site-specific Restoration Account to allow the funds to be maintained as a segregated account within the DOI NRDAR Fund. The trustees shall use the funds in the Restoration Account, including all interest earned on such funds, for restoration activities at or in connection with the Texarkana Site as directed by the Joint Texarkana NRD Claimants, but shall not be used to conduct assessment activities;

xxvii. payment of $2,028,696.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of the Governments with respect to service stations owned by Debtors with ongoing cleanup obligations located in Alabama, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee, Texas, and Wisconsin ("Owned Service Stations), to be deposited in a single jointly managed Multistate Trust Environmental Cost Account for those Service Stations;

xxviii. payment of $315,989.00 on the Effective Date to fund future Environmental Actions of the Governments with respect to service stations not owned by Debtors with ongoing cleanup obligations located in Alabama, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Oklahoma, Tennessee, Texas, and Wisconsin ("Non-Owned Service Stations"), to be deposited in a single jointly managed Multistate Trust Work Account for those Service Stations;

11. Letters of Credit and Surety Bonds: On the Effective Date, Debtors shall transfer the 100% cash value of the following existing financial guarantees to the following Multistate Trust Environmental Cost or Work Accounts:

a. Debtors shall convert to cash the Encroachment Permit Bond for the City of Louisville, Department of Public Utilities and, on the Effective Date, transfer the $10,000.00 in total funds from the canceled bond to the Multistate Trust Environmental Cost Account for Owned Service Stations, unless prior to the Effective Date, Debtors provide a no further action letter or statement that an Encroachment Permit Bond is no longer necessary, and the City of Louisville releases the bond.

b. Debtors shall convert to cash the Individual Utility Permit Bond for the Illinois Department of Transportation and, on the Effective Date, transfer the $2,000.00 in total funds from the canceled bond to the Multistate Trust Work Account for Non-Owned Service Stations.

c. Debtors shall convert to cash the Right of Way Bond for the City of Jacksonville, Department of Public Works and, on the Effective Date, transfer the $5,000.00 in total funds from the canceled bond to the Multistate Trust Environmental Cost Account for the Jacksonville Terminal Site.

d. Debtors shall convert to cash the surety bond relating to the Permit to Drill Ground Water Monitoring Wells issued by the City of Springfield, Missouri and, on the Effective Date, transfer the $19,500.00 in total funds from the cancelled surety bond to the Multistate Trust Environmental Cost Account for the Springfield Site.

e. Debtors shall transfer the $50,000.00 in total funds held by Tronox Worldwide LLC in the Sauget Site Standby Trust Fund No. 3126 (JP Morgan Bank, Account No. 380744), to the Multistate Trust Environmental Cost Account for the Sauget Site.

12. Lead Agencies

a. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year following the Effective Date, the Multistate Trustee shall provide to the Lead Agency for each of the Multistate Trust Environmental Cost and Work Accounts, a statement showing the balance of each cost account and proposed budget for the coming year. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the relevant Multistate Trust Environmental Cost or Work Account, but only after consultation with the Non-Lead Agency where the Non-Lead Agency requests such consultation (the "Non Lead Agency" will be US EPA for Sites where a State is the Lead Agency, and the State when US EPA is the Lead Agency). Further details relating to the proposal and approval of budgets for the Multistate Trust Environmental Cost Account for the Owned Service Stations may be set forth in the Multistate Trust Agreement.

b. The Multistate Trustee shall pay funds from a Multistate Trust Environmental Cost or Work Account to the Lead Agency making a written request for funds for reimbursement within 30 days following such request. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 11(a) above, and (ii) shall specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the

Effective Date by the Lead Agency with respect to that Site. With respect to any of the Multistate Trust Environmental Work Accounts, however, such funds may not include future oversight costs.

c. The Multistate Trustee shall also pay funds from a Multistate Trust Environmental Cost or Work Account to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to that Site. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 12(a) above, and (ii) shall specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency with respect to that Site. With respect to any of the Multistate Trust Environmental Work Accounts, however, such funds may not include future oversight costs.

d. In the case of requests by the Lead Agency to the Multistate Trustee to use the funds from a particular Multistate Trust Environmental Cost Account or Work Account to perform Environmental Actions in accordance with the approved budget set forth in Subparagraph 12(a) above, the Multistate Trustee shall utilize the funds and interest earned thereon from that Multistate Trust Environmental Cost Account or Work Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency. The Multistate Trustee shall seek the approval of the Lead Agency of any contractor hired by the Multistate Trustee and any work plans to be undertaken by the Multistate Trust under the oversight of the Lead Agency, unless the Lead Agency has provided a written waiver of such approval or

requirements. The Multistate Trustee shall require liability insurance as set forth in the Multistate Trust Agreement from each contractor hired to perform work.

e. For purposes of the Multistate Trust, the Lead Agencies for the Multistate Owned Funded Sites and the Non-Owned Service Stations are as follows:

Birmingport, AL	State of Alabama
Mobile, AL	State of Alabama
Jacksonville, FL (Kerr-McGee Chemical LLC Site)	US EPA
Jacksonville, FL (Terminal Site)	State of Florida
Soda Springs, ID	US EPA
Madison, IL	State of Illinois
Sauget, IL	State of Illinois
Indianapolis, IN	State of Indiana
Rushville, IN	Indiana Department of Environmental Management
Bossier City, LA	State of Louisiana
Calhoun, LA	State of Louisiana
Meridian, MS	US EPA
Columbus, MS	US EPA
Kansas City, MO	State of Missouri
Springfield, MO	State of Missouri
Wilmington (Navassa), NC	US EPA
Bristol Mine, NV	(see below)
Caselton Mine, NV	(see below)
Rome, NY	New York State Department of Environmental Conservation
Cleveland, OK	State of Oklahoma
Cushing, OK	State of Oklahoma
Avoca, PA	State of Pennsylvania
Beaumont, TX	State of Texas
Corpus Christi, TX (Corpus Christi Terminal No. 1)	State of Texas
Texarkana, TX	State of Texas

Owned Service Stations and Non-Owned Service Stations	The respective State in which the service station is located shall be the Lead Agency.

For the Bristol Mine Site and the Caselton Mine Site in Nevada, the Lead Agency and the Non-Lead Agency shall be one of the following three agencies: BLM, US EPA, or the Nevada Division of Environmental Protection. The United States and State of Nevada will jointly notify the Multistate Trustee, on or before the Effective Date, which agency will be Lead Agency and which agency will be Non-Lead Agency. This notification may designate a different agency as Lead Agency or Non-Lead Agency for different portions of the Bristol Mine Site or the Caselton Mine Site.

f. The Lead Agency for a Site shall consult with the Non-Lead Agency for that Site relating to approval of the budget or requests for funding for cleanup of the Site if such consultation is requested. US EPA and the State may provide the Multistate Trustee with joint written notice that the Lead Agency for a Multistate Owned Funded Site or Non-Owned Service Station has changed.

13. Transfers of Funds From the Multistate Trust Accounts

a. At any time after the Effective Date, the United States and the State in which a Multistate Owned Site is located, after consultation with the Multistate Trustee, may jointly direct the Multistate Trustee to transfer funds from that Site's Multistate Trust Environmental Cost Account to one or more Multistate Trust Environmental Cost Accounts for other Sites located in the same State. For the purpose of Sites located in Texas, the Texas Commission on Environmental Quality ("TCEQ"), after consultation with the Multistate Trustee and US EPA, may in TCEQ's sole discretion direct the Multistate Trustee to transfer funds from one Texas Site's Multistate

Trust Environmental Cost Account to one or more Multistate Trust Environmental Cost Accounts for other Texas Sites.

b. The United States and any of the States may agree in writing at any time after the Effective Date that, based on new information about the estimated cost of cleanup or the assumption of liability by a buyer or other party for one or more Multistate Owned Funded Sites in that State, the funding for one or more Multistate Owned Funded Sites is more than is projected by the Lead Agency for that Site to be needed. In such event, the United States Department of Justice may instruct in writing after consultation with the State and the Multistate Trustee that such excess funding be transferred first, to one or more of the other Multistate Trust Environmental Cost Accounts in the same State established under this Settlement Agreement if there are remaining actions to be performed and with a need for additional trust funding, second, to one or more of the other Multistate Trust Environmental Cost Accounts in other States established under this Settlement Agreement if there are remaining actions to be performed and with a need for additional trust funding or, to the extent there are no such remaining actions, as described in clauses (ii) – (iv) in Subparagraph 13(c).

c. After the United States and a State have confirmed to the Multistate Trustee that all final actions have been completed, and all final costs have been disbursed for all Multistate Owned Funded Sites in that State, any funds remaining in the Multistate Trust Environmental Cost Accounts for all Multistate Owned Funded Sites in that State shall be transferred in the following order: (i) first, in accordance with instructions provided by the United States Department of Justice in writing after consultation with other States, to the Multistate Trust Administrative Account, or to other

Multistate Trust Environmental Cost Accounts for one or more Multistate Owned Funded Sites in one or more States, if there are remaining actions to be performed and a need for additional funding; (ii) second, in accordance with instructions to be provided by the United States Department of Justice after consultation with other States, to the Multistate Trust Work Account for the Non-Owned Service Stations, the Henderson Trust Environmental Cost Account, any of the West Chicago Trust Environmental Cost or Work Accounts, the Savannah Trust Environmental Cost Account, or any of the Cimarron Trust Environmental Cost Accounts if there are remaining Environmental Actions to be performed at the Owned Funded Sites, the Non-Owned Service Stations, the Non-Owned RAS Properties or Kress Creek and a need for additional trust funding, with the allocation among such Environmental Cost or Work Accounts to be determined by the projected shortfall of performing such remaining Environmental Actions; (iii) third, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds; and (iv) fourth, to the Superfund.

d. Annually, beginning with the first year after the Effective Date, the Multistate Trustee shall provide the United States and the States with an update of anticipated future Administrative Costs of the Multistate Trust. The United States Department of Justice may thereafter instruct in writing after consultation with the States and the Multistate Trustee that any conservatively projected surplus funding in the Multistate Trust Administrative Account be transferred to one or more of the other Multistate Trust Accounts established under this Settlement Agreement if there are remaining actions to be performed and with a need for additional trust funding or, to the

extent there are no such remaining actions, as described in clauses (ii)-(iv) in the immediately preceding Subparagraph.

14. Notwithstanding anything to the contrary in this Settlement Agreement, Debtors' unpatented mining claims that have reverted as of the Effective Date to the United States shall be deemed relinquished by Debtors. The Multistate Trustee shall hold unpatented mining claims, mill site claims, and placer claims consistent with the 1872 Mining Law, 30 U.S.C. § 22 *et seq.*, and the Federal Land Policy and Management Act, 43 U.S.C. § 1701 *et seq.*, or shall abandon such unpatented mining claims in accordance with applicable law. Any actions by the Multistate Trustee on property administered by any federal agency can only be taken after the written concurrence of the federal agency.

15. Debtors shall continue, at their own expense, to maintain ongoing environmental activities being performed by Debtors pursuant to injunctive, compliance, and regulatory obligations and requirements at a Multistate Owned Funded Site until the Effective Date, including, but not limited to, environmental monitoring activities; provided, however, if unanticipated environmental activities are required to be performed by Debtors prior to the Effective Date, Debtors will cooperate with the Lead Agency in determining a commercially reasonable course of action.

16. <u>Multistate Trust Miscellaneous Provisions</u>

a. The Multistate Trustee shall at all times seek to have the Multistate Trust treated as a "qualified settlement fund" as that term is defined in Treasury Regulation section 1.468B-1. For purposes of complying with Section 468B(g)(2) of the Internal Revenue Code of 1986, as amended, this Settlement

Agreement shall constitute a Consent Decree between the parties. Approval of the Court, as a unit of the District Court, shall be sought, and the Court shall retain continuing jurisdiction over the Multistate Trust and Multistate Trust Accounts sufficient to satisfy the requirements of Treasury Regulation section 1.468B-1. The Multistate Trustee shall cause any taxes imposed on the earnings of the Multistate Trust, if any, to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Multistate Trust under applicable tax laws. The Multistate Trustee shall be the "administrator" of the Multistate Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent that the Debtors choose to make a Grantor Trust Election with respect to the Multistate Trust, the Multistate Trustee shall provide reasonable cooperation to the Debtors as needed to facilitate such election. For the avoidance of doubt, any Grantor Trust Election is for tax purposes only and shall in no way affect the substantive rights and obligations of the parties under this Settlement Agreement or the Multistate Trust Agreement.

b. The Multistate Trustee shall use the Multistate Trust Environmental Cost Account for each of the Multistate Owned Funded Sites to fund future Environmental Actions and certain future oversight costs with respect to that Owned Funded Site. The Multistate Trustee shall use the Multistate Trust Work Account for the Non-Owned Service Stations to fund future Environmental Actions with respect to Non-Owned Service Stations. The Multistate Trustee shall use the Multistate Trust Administrative Account to fund the Administrative Costs of the Multistate Trust that have been approved by the United States and States that are Lead Agencies of the Multistate Owned Funded Sites.

c. The administrative funds within the Multistate Trust Administrative Account shall be used by the Multistate Trustee for Administrative Costs. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year, the Multistate Trustee shall provide the Governments with an annual budget for administration of the Multistate Trust for review and approval or disapproval by the United States and States that are Lead Agencies.

d. In no event shall any of the Multistate Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party, including Debtors or any other Multistate Trust Party.

e. The Multistate Trustee shall implement any institutional controls or deed restrictions requested by the Governments with respect to any of the Multistate Owned Funded Sites. Additionally, the Multistate Trustee shall abide by the terms of any institutional controls or deed restrictions in place or of record as to any Multistate Owned Funded Sites.

f. In the event that the Court finds that the Multistate Trustee in any material respect, as a result of its negligence, exacerbates or aggravates hazardous conditions at any of the Multistate Owned Funded Sites, is seriously or repeatedly deficient or late in performance of the work or violates the provisions of this Settlement Agreement, the Multistate Trust Agreement or other related implementation agreements, the United States and the State in which the relevant Site is located may jointly direct that (i) the Multistate Trustee be replaced in accordance with the Multistate Trust Agreement or (ii) all remaining funds and future recoveries in the Multistate Trust

be paid to US EPA or to the applicable State to be used in accordance with the terms of this Settlement Agreement.

g. The Multistate Trustee may resign from its trusteeship generally, and without cause, by giving not less than 120 days prior written notice thereof to the Court, the United States, and the States.

h. The Multistate Trust is intended to be governed by the terms of this Settlement Agreement and the Multistate Trust Agreement and shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

17. The Multistate Trustee shall provide the United States and the State in which the Multistate Owned Funded Site is located and their representatives and contractors access to all portions of the Multistate Owned Funded Sites that the Multistate Trust owns at all reasonable times for the purposes of conducting Environmental Actions at or near the Multistate Owned Funded Sites. The Multistate Trustee shall execute and record with the appropriate recorder's office any easements or deed restrictions requested by the Governments for restrictions on use of the Multistate Owned Funded Sites in order to protect public health, welfare or safety or the environment or ensure non-interference with or protectiveness of any action. Any existing easements or deed restrictions of record as to any Multistate Owned Funded Site prior to the Effective Date of this Settlement Agreement shall survive the Settlement Agreement.

18. The United States, the State in which the relevant Multistate Owned Funded Site is located, or a Government that is a designee thereof, may at any

time propose in writing to take ownership of any of the Multistate Owned Sites or any part thereof. Any such proposed transfer and the terms thereof are subject to approval in writing by US EPA and the State (after consultation with the Multistate Trustee) in which the Multistate Owned Site is located. However, neither the United States nor any State shall be required to accept an ownership interest in remaining properties upon termination of the Multistate Trust.

19. Except for the Navassa Site and the Texarkana Site, the Multistate Trustee may, at any time, seek the approval of US EPA and the State in which the relevant Multistate Owned Site is located for the sale or lease or other disposition of all or part of a Multistate Owned Site. With respect to the Navassa Site, the Multistate Trustee shall seek the approval of US EPA, and the natural resource trustees, consisting of DOI, NOAA, and the State of North Carolina (collectively, "the Navassa Trustee Council"), concerning the sale or lease or other disposition of all or part of the Navassa Site. With respect to the Texarkana Site, the Multistate Trustee shall seek the approval of US EPA, and the natural resource trustees for the Texarkana Site, consisting of DOI and the State of Texas (collectively, the "Texarkana Trustee Council") concerning the sale or lease or other disposition of all or part of the Texarkana Site.

20. The net proceeds of any sale, lease, or disposition of all or part of a Multistate Owned Site, except as provided in Paragraph 21 below, shall be distributed as follows: (i) first, to the extent additional Environmental Actions are required with respect to that Multistate Owned Site, to that Site's Multistate Trust Environmental Cost Account, and (ii) second, 10% of the net proceeds shall be distributed to the Multistate Trust Administrative Account, and the remaining 90% shall be distributed among the

Multistate Owned Funded Sites pursuant to the Anadarko Litigation allocations set forth in Paragraph 124 below, except for any Multistate Owned Funded Sites for which no further Environmental Actions are required.

21. Subject to the approval of US EPA and the State (and subject to the additional approval of the Navassa Trustee Council or the Texarkana Trustee Council, for the Navassa Site and the Texarkana Site, respectively), the Multistate Trustee may propose a sale, lease, or disposition of a Multistate Owned Site that includes funding from, or the retention of some portion of liability by, the respective Multistate Trust Environmental Cost Account and/or the Multistate Trust Administrative Account, provided that the net effect of any proposed sale, lease or disposition is to lessen the total financial obligations and liabilities as would otherwise be incurred in the absence of any such sale, lease, or disposition. In the event of any approved sale or lease or other disposition under this Paragraph, any net proceeds from the sale or lease or other disposition shall be paid to the Multistate Trust Environmental Cost Account for that Multistate Owned Site and/or the Multistate Trust Administrative Account (subject to Subparagraphs 16(a) and (b) hereof) in a proportion approved by US EPA and the State in writing.

22. None of the Multistate Trust Parties shall be personally liable unless the Court, by a final order that is not reversed on appeal, finds that it committed fraud or willful misconduct after the Effective Date in relation to the Multistate Trustee's duties. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute an act of fraud or willful misconduct. Any judgment against a Multistate Trust Party and any costs of defense relating to any

Multistate Trust Party shall be paid from and limited to funds from the Multistate Trust Environmental Cost Account for the relevant Site, the Multistate Trust Work Account for the Non-Owned Service Stations, or the Multistate Trust Administrative Account without the Multistate Trust Party having to first pay from its own funds for any personal liability or costs of defense unless a final order of the Court, that is not reversed on appeal, determines that it committed fraud or willful misconduct in relation to the Multistate Trust Party's duties. Nothing herein shall permit any judgment against the Multistate Trust Environmental Cost Account related to a particular Multistate Site to be paid from the Multistate Trust Environmental Cost Account for another Site.

23. The Multistate Trust Parties are exculpated by all persons, including without limitation, holders of claims and other parties in interest, of and from any and all claims, causes of action and other assertions of liability arising out of the ownership of Multistate Trust Assets and the discharge of the powers and duties conferred upon the Multistate Trust and/or Trustee by this Settlement Agreement or any order of court entered pursuant to or in furtherance of this Settlement Agreement, or applicable law or otherwise. No person, including without limitation, holders of claims and other parties in interest, will be allowed to pursue any claims or cause of action against any Multistate Trust Party for any claim against Debtors, for making payments in accordance with this Settlement Agreement or any order of court, or for implementing the provisions of this Settlement Agreement or any order of court. Nothing in this Paragraph or the Settlement Agreement shall preclude the Governments from enforcing the terms of this Settlement Agreement against the Multistate Trust Parties.

24. Except as may otherwise be provided herein: (a) the Multistate Trust Parties may rely conclusively on, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties; (b) the Multistate Trust Parties may, on behalf of the Multistate Trust or on their own behalf in their capacity as Multistate Trust parties, consult with legal counsel, financial or accounting advisors and other professionals and shall not be personally liable for any action taken or not taken in accordance with the advice thereof; and (c) persons or entities dealing with the Multistate Trust Parties shall look only to the Multistate Trust Assets that may be available to them consistent with this Settlement Agreement to satisfy any liability incurred by the Multistate Trust Parties to such person in carrying out the terms of this Settlement Agreement or any order of the Court, and the Multistate Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Paragraph 22.

25. Neither the United States, the States, nor any of Debtors nor Reorganized Tronox shall be deemed to be an owner, operator, trustee, partner, agent, shareholder, officer, or director of the Multistate Trust or the Multistate Trust Parties, or to be an owner or operator of any of the Multistate Owned Sites or any other Multistate Trust Assets on account of this Settlement Agreement or actions contemplated thereby.

26. It is the objective of the State of Alabama for the Multistate Trust to achieve a clean closure of the Mobile Site. Without limiting its authority to do otherwise, and subject to the availability of funding, the State of Alabama intends to

exercise its responsibilities under this Settlement Agreement with the goal of achieving this objective.

VI. THE SAVANNAH ENVIRONMENTAL RESPONSE TRUST

27. On the Effective Date, and simultaneously with receipt of the payments to the Savannah Trust Accounts under Paragraph 38, Debtors will transfer all of their right, title, and interest in the Owned Site located in Savannah, Georgia ("Savannah Site"), the former Titanium Dioxide plants, the Savannah sulfuric acid plant ("Savannah Plant") and all equipment and operations associated with the Savannah Sulfuric acid plant ("Savannah Acid Business"), and the Savannah gypsum operations and all associated gypsum processing equipment ("Gypsum Operations") in Savannah, Georgia (collectively, "Savannah Facility"), including, without limitation, all of their fee ownership in, all appurtenances, rights, easements, rights-of-way, mining rights (including unpatented mining claims, mill site claims, and placer claims), mineral rights, mineral claims, appurtenant groundwater rights, associated surface water rights, claims, and filings, permits, licenses, third-party warranties and guaranties for equipment or services to the extent tranferable under bankruptcy law, or other interests (including without limitation all fixtures, improvements, and equipment located thereon as of the Effective Date) related to the Savannah Facility, Savannah Working Capital, as defined in Paragraph 28 below, machinery, equipment, fixtures, furniture, computers, tools, parts, supplies, and other tangible personal property necessary to support the operation of the Savannah Facility, to an environmental response trust ("Savannah Trust"). Prior to any conveyance of the Savannah Facility to the Savannah Trust pursuant to this Settlement Agreement, the Debtors and their affiliates shall also reasonably cooperate on an orderly

transition of the operations of the Savannah Facility to the Savannah Trustee. On and after the Effective Date, Debtors and Reorganized Tronox shall have no ownership or other residual interest whatsoever with respect to the Savannah Trust or the Savannah Facility. The transfer of ownership by the Debtors of any assets or other property shall be a transfer of all of the Debtors' right, title and interests therein, and the transfer (i) shall be as is and where is, with no warranties of any nature; (ii) shall be free and clear of all claims, liens and interests against the Debtors, including liens for the payments of monetary claims, such as property taxes, or other monetary claims asserted or that could have been asserted in the bankruptcy proceeding, but, subject to the terms of this Paragraph, shall remain subject to any existing in rem claims that do not secure payment of monetary claims (such as easements or deed restrictions); (iii) shall be subject to any rights of United States or the State of Georgia under this Settlement Agreement; and (iv) shall be accomplished by quitclaim deed, in a form substantially similar to the quitclaim deed attached as Attachment C to this Settlement Agreement, and/or personal property bill of sale without warranty, with all such conveyance documents to be agreed to in form by the Debtors and the trustee of the Savannah Trust ("Savannah Trustee"), provided that in no event shall the conveyance include any warranty by the grantor by virtue of the grant document or statutory or common law or otherwise. Debtors and Reorganized Tronox hereby disclaim any and all express or implied representations or warranties, including any representations or warranties of any kind or nature, express or implied, as to the condition, value or quality of such assets or other property, and specifically disclaim any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to such assets or other property, any part thereof,

the workmanship thereof, and the absence of any defects therein, whether latent or patent, it being understood that such assets are being acquired "as is, where is," and in their condition of the Effective Date. Debtors and Reorganized Tronox, as applicable, will reasonably cooperate with the United States, the State of Georgia, and the Savannah Trustee to deliver to the title company (which will cause to be recorded in the appropriate real property records) the transfer documents as soon as reasonably practicable, but not to exceed 30 days after the Effective Date. Debtors shall pay the recording costs and transfer fees to the title company relating to the title transfers. Debtors shall pay to the applicable tax authorities on or prior to the Effective Date all real and personal property taxes relating to the Savannah Facility due on or before the Effective Date. Debtors and the Savannah Trust shall prorate the real and personal property taxes accruing to or becoming a lien on the Savannah Facility during the calendar year through the Effective Date, and Debtors shall have paid to the Savannah Trust their pro-rata share of such real and personal property taxes as of the Effective Date. If the actual bills for such real and personal property taxes have not been issued, then such proration shall be based on an amount equal to such real and personal property taxes for the prior year or tax period, which shall constitute a final proration and not be subject to further adjustment. As of the Effective Date, the Savannah Trust shall be responsible for paying all real and personal property taxes first coming due following the Effective Date relating to the Savannah Facility. Debtors shall execute, or cause to be executed, and record, if necessary, all necessary releases of any liens or security interests held by any Debtor against the Savannah Facility. After Debtors execute this Settlement Agreement, Debtors shall not further encumber the Savannah Facility or their other interests therein and shall maintain

such properties in a commercially reasonable manner, in accordance with Debtors' current practices, including the improvements thereon and the fixtures thereto that are related to ongoing remediation activities in the condition that they exist as of the date of such execution, except for ordinary wear and tear, casualty and condemnation, and except to the extent that ongoing environmental activities require otherwise.

28. Savannah Working Capital. The Savannah Working Capital to be transferred to the Savannah Trust on the Effective Date shall mean all accounts receivable, inventory, accounts payable, and other current liabilities as of the Effective Date of the Savannah Acid Business and Gypsum Operations.

a. In the event that, as of the Effective Date, the accounts receivable and inventory of the Savannah Acid Business fail to exceed the current liabilities of the Savannah Acid Business by $2,000,000.00, the Debtors shall make a payment to the Savannah Trust in the amount of the difference, which payment shall not be subject to repayment.

b. Debtors shall prepare and deliver to the Savannah Trustee a statement setting forth Debtors' Savannah Working Capital as of the Effective Date ("Savannah Working Capital Statement"). The Savannah Working Capital Statement shall be subject to the review of the Savannah Trustee, and the Savannah Trustee may in good faith dispute any items set forth on the Savannah Working Capital Statement (or specific calculations or methods contemplated thereby). If the Savannah Trustee in good faith disputes the Savannah Working Capital amount, then the Savannah Trustee and Debtors shall reasonably cooperate and negotiate in good faith to resolve any dispute.

c. In addition to the Savannah Working Capital and the payment (if any) referred to in Subparagraph 28(a), Reorganized Tronox shall also provide the Savannah Trust (or such Savannah Trust-Owned Entity as may operate the Savannah Acid Business) a $500,000.00 line of credit available as of the Effective Date. Debtors, Reorganized Tronox, and the Savannah Trust shall enter into an agreement ("Line of Credit Agreement") reflecting this line of credit on or before the Effective Date, which agreement must be acceptable in form and substance to the United States, the State of Georgia and Reorganized Tronox. The material terms of the Line of Credit Agreement shall be the following: The Savannah Trust or Savannah Trust-Owned Entity, with the consent of the United States and the State of Georgia, may draw upon this line of credit without need to consult with, or obtain consent from, Reorganized Tronox or any other party but must provide reasonable advanced written notice. The line of credit will be secured by $500,000.00 of accounts receivable of the Savannah Acid Business and will carry no interest unless required by law to create such line. In such an event, the lowest interest rate required by law will be used. The maximum draw on the line of credit ("Maximum Draw") shall be reduced as follows: (i) on the Effective Date, $500,000.00; (ii) one month after the Effective Date, $450,000.00; (iii) two months after the Effective Date, $250,000.00; (iv) three months after the Effective Date: $125,000.00; (v) four months after the effective date and thereafter: $0. Reorganized Tronox's security interest in the accounts receivable shall be reduced to the greater of the amount of the Maximum Draw or the amount due and payable at any point in time. The outstanding draw on the line of credit in excess of the Maximum Draw on any given date shall be immediately due and payable. If the Savannah Trust defaults on this obligation, a reasonable rate of

interest (to be agreed in the Line of Credit Agreement) on the amount in excess of the Maximum Draw running from the date of such default shall be added to the amount due. Reorganized Tronox, the Savannah Trust and any other parties to the Line of Credit Agreement reserve the right to enforce the terms of the Line of Credit Agreement.

d. During the six months beginning on the Effective Date, the Savannah Trustee may, with the consent of the United States and the State of Georgia, make one or more transfers of up to a total of $2,000,000.00 from the Savannah Trust Administrative Account to serve as start-up working capital for the Savannah Acid Business and/or Gypsum Operations. The Savannah Trustee shall only transfer such funds to the extent that it concludes (a) the Savannah Working Capital and the funds available under the Line of Credit Agreement are insufficient to operate the Savannah Acid Business and/or Gypsum Operations; (b) such transfer is necessary to allow for the ongoing operations of the Savannah Acid Business and/or the Gypsum Operations; and (c) such transfer is in the best interests of the long-term remediation of the Savannah Facility. Unless the United States and the State of Georgia otherwise agree, the Savannah Trust shall return such funds to the Savannah Trust Administrative Account from positive cash flows (in addition to cash necessarily retained for future operations) generated from the Savannah Acid Business and/or Gypsum Operations no later than a date six months after the last transfer authorized by the first sentence of this subparagraph (the "Repayment Date"). To the extent such cash flows are insufficient to allow the Savannah Trust to return the entire amount of such funds by the Repayment Date, the funds shall be returned to the extent that cash flows allow by the Repayment Date and the remainder of such funds shall be returned as soon thereafter as additional cash flows become available.

29. Savannah Plant Operations: In furtherance of the purposes of the Savannah Trust, the Savannah Trustee shall determine whether the creation of a limited liability company or similar entity in which the Savannah Trust is at least an 80% owner ("Savannah Trust-Owned Entity") is necessary to safeguard the Savannah Trust Accounts and the Savannah Trust Assets other than the Savannah Acid Business. If created, the Savannah Trust-Owned Entity shall own and/or operate, as appropriate, the Savannah Acid Business for the benefit of the Savannah Trust in the Trust's performance of required Environmental Actions at the Savannah Facility. Any liabilities of the Savannah Trust-Owned Entity shall be satisfied only by assets of the Savannah Trust-Owned Entity, and creditors of the Savannah Trust-Owned Entity shall look only to the assets of the Savannah Trust-Owned Entity for satisfaction of any liabilities thereof. For avoidance of doubt, under no circumstances may any creditor of the Savannah Trust-Owned Entity look to the Savannah Trust Administrative Account or Savannah Trust Environmental Cost Account for satisfaction of any liabilities of the Savannah Trust-Owned Entity.

a. The Savannah Trustee shall transfer the positive cash flow of the Savannah Acid Business, net of the costs of the Savannah Acid Business (including reasonable payments to any contract operator of the Savannah Plant or pro rata sharing of profits with any equity investor in the Savannah Trust-Owned Entity, as applicable), and net of cash necessarily retained for future operations, to the Savannah Trust Accounts to fund the performance of required Environmental Actions at the Savannah Facility, with such funds to be allocated between the Savannah Trust Environmental Cost Account and the Savannah Trust Administrative Account in a

proportion to be approved in writing by the Lead and Non-Lead Agencies.

b. The Savannah Trustee shall enter into an operating agreement ("Savannah Operating Agreement") that shall govern any operations of the Savannah Plant and the Savannah Acid Business. The Savannah Operating Agreement shall be subject to the approval of the Lead and the Non-Lead Agencies. The Savannah Operating Agreement shall provide that any operator of the Savannah Plant, including each of its members, shareholders, and any contract operator of the Savannah Plant, shall:

i. Exercise due care at the Savannah Facility with respect to preexisting contamination by preventing or limiting human exposure to the preexisting contamination, provided that the parties to the Settlement Agreement agree that the exercise of due care shall not include any Environmental Action required to remediate the preexisting contamination; and

ii. Comply with all applicable federal, state, and local laws and regulations, including, but not limited to, financial assurance requirements, with respect to its operations at the Savannah Plant after the Effective Date.

c. Nothing herein shall require the Savannah Trust-Owned Entity, or its members, shareholders, or any contract operator to take or assume any liability for any Environmental Action with respect to the remediation of any preexisting contamination. Notwithstanding the foregoing, nothing herein shall affect any obligation or liability the Savannah Trust-Owned Entity, its members, shareholders, or any contract operator may have by law or agreement with respect to (i) any new contamination resulting from Savannah Acid Business after the Effective Date; or (ii) any exacerbation of preexisting contamination, to the extent of exacerbation only. Additionally, in the event that new contamination from the Savannah Acid Business or its exacerbation of preexisting contamination cannot be distinguished from preexisting contamination or commingles with preexisting contamination to create an indivisible harm, then nothing

herein shall affect any obligation or liability the Savannah Trust-Owned Entity, its members, shareholders, or any contract operator may have for Environmental Actions required to remediate such indistinguishable contamination or indivisible harm.

d. The protections from liability provided by this Settlement Agreement to the Savannah Trust-Owned Entity and its members, shareholders, or any entity contracting with the Savannah Trust-Owned Entity to operate the Savannah Plant shall not apply to any act, omission, condition, status, or potential liability relating to the Savannah Site arising or occurring after any sale or transfer of the Savannah Plant ownership or operation to any entity that is not a Savannah Trust-Owned Entity. In the event that, by virtue of a reduction of the Savannah Trust's ownership interest in an entity, an entity that once qualified as a Savannah Trust-Owned Entity ceases thereafter to so qualify, such protections from liability shall not apply to any act, omission, condition, status, or potential liability relating to the Savannah Site arising or occurring after the date when the entity ceases to qualify as a Savannah Trust-Owned Entity.

30. At any time prior to or as of the Effective Date, with the joint consent of the United States and the State of Georgia, the Debtors may sell some or all of the Savannah Facility, including but not limited to the Savannah Acid Business or Gypsum Operations, to a third party in connection with the Plan of Reorganization ("Savannah Sale"). In the event that any such Savannah Sale involves a transfer of less than the Savannah Trust's entire interest in the Savannah Acid Business, the proceeds of the sale shall be added to the Savannah Trust Environmental Cost Account or the Savannah Trust Administrative Account, in a proportion to be agreed by the United States and the State of Georgia. In the event that any such Savannah Sale involves a

transfer of the Savannah Trust's entire interest in the Savannah Acid Business, the United States, the State of Georgia, and Debtors shall jointly move the Court to amend this Settlement Agreement to do the following

a. Create a Savannah Trust Environmental Cost Account

b. Re-allocate all funds currently allocated to the Savannah Trust Environmental Cost Account and Savannah Trust Administrative Account to the new Multistate Trust Savannah Environmental Cost Account and the Multistate Trust Administrative Account, in a proportion to be agreed by the United States and the State of Georgia

c. Allocate all proceeds of the Savannah Sale to the new Multistate Trust Savannah Environmental Cost Account and the Multistate Trust Administrative Account, in a proportion to be agreed by the United States and the State of

d. Make such other conforming changes as the United States and the State of Georgia jointly believe necessary to transfer all functions of the Savannah Trust to the Multistate Trust and to eliminate the Savannah Trust.

31. Savannah Consent Decree: With respect to the Consent Decree for the Savannah Facility between the United States and Tronox Pigments (Savannah) Inc., *United States v. Tronox Pigments (Savannah) Inc.*, No. CV 408-259 (S.D. Ga.) ("Savannah Consent Decree"), the United States and Tronox Pigments (Savannah) Inc. will file papers with the District Court for the Southern District of Georgia ("Georgia Federal Court") to substitute the Savannah Trust for Tronox Pigments (Savannah) Inc. as

a party to the Savannah Consent Decree after the Effective Date for all purposes, except for the following limitations:

a. Notwithstanding any contrary provision in the Savannah Consent Decree, the Savannah Trust shall have no obligation under the Savannah Consent Decree in excess of the assets in the Savannah Trust Environmental Cost Account.

b. Notwithstanding any contrary provision in the Savannah Consent Decree, the Savannah Trust shall not be liable for any penalties provided for in the Savannah Consent Decree.

c. Notwithstanding the provisions of this Subparagraph, it shall be a purpose of the Savannah Trust to comply fully with all applicable provisions of the Savannah Consent Decree to the extent funding permits. Notwithstanding any contrary provision in the Savannah Consent Decree, it shall not be deemed a violation of the Savannah Consent Decree for the Savannah Trust to fail to expend funds on a lower priority project (as described in the following sentence), when that failure is reasonable in light of a higher priority project. Highest priority projects are those relating to Site maintenance, including well abandonment, plant ditch system, Deptford Tract, and berm and stormwater maintenance; second priority projects are those related to completion of the Clean Water Act remediation described in Paragraphs 43 to 45 and Appendix B of the Savannah Consent Decree; third priority projects are those related to the RCRA corrective action measures described in Paragraphs 36 to 42 of the Savannah Consent Decree; fourth priority projects are all other projects. Nothing in this Subparagraph shall affect the budget process described in Paragraph 39 below, or be construed as a limitation

on the Savannah Trust's ability to propose, and the Lead Agency's ability to approve, a budget containing terms inconsistent with the priorities listed above; provided, however, that the protection from a finding of violation of the Savannah Consent Decree contained in this Subparagraph applies only under the circumstances described in the first two sentences of this Subparagraph.

d. Notwithstanding any contrary provision in the Savannah Consent Decree, the Savannah Trust need not comply with Paragraphs 22 to 35 of the Savannah Consent Decree, relating to the CAA, except insofar as the Savannah Trust should resume operations of a titanium dioxide plant at the Savannah Site.

e. Notwithstanding any contrary provision in the Savannah Consent Decree, the Savannah Trust need not comply with Paragraph 40 of the Savannah Consent Decree, regarding financial assurance.

32. The United States, the State of Georgia, the Savannah Trustee, Debtors, and Reorganized Tronox agree that the request for substitution of the Savannah Trustee as party to the Savannah Consent Decree subject to the limitations described in Subparagraphs 31(a)-(e) is authorized by Paragraphs 6, 7, 21, and 82 of the Savannah Consent Decree, without the need for further modification of that decree. To the extent that further modification of the Savannah Consent Decree nonetheless proves necessary to effect this substitution, and the limitations thereto, the United States and the Savannah Trustee (and, if necessary under the circumstances, Debtors and Reorganized Tronox), after conferring with the State of Georgia, agree to submit an appropriate request for modification to the Georgia Federal Court to Paragraph and Subparagraphs 31(a)-(e). Further, if it appears that other modifications to the Savannah Consent Decree may be

necessary or appropriate in light of the purpose and funding of the Savannah Trust, the United States, the State of Georgia, and the Savannah Trustee agree (and, if necessary under the circumstances, Debtors and Reorganized Tronox) to negotiate in good faith concerning the terms of any such modifications and the United States and the Savannah Trust (and, if necessary under the circumstances, Debtors and Reorganized Tronox) agree to seek any agreed modifications from the Georgia Federal Court.

33. Notwithstanding the substitution of the Savannah Trust for Tronox Pigments (Savannah) Inc., Tronox Pigments (Savannah) Inc. and its successors shall be bound by any releases or covenants not to sue contained in the Savannah Consent Decree.

34. The purpose of the Savannah Trust shall be to: (i) own the Savannah Facility; (ii) carry out administrative and property management functions related to the Savannah Facility; (iii) manage and/or fund implementation of future Environmental Actions approved by the Lead Agency with respect to the Savannah Facility; (iv) to act as a substituted party under the Savannah Consent Decree, as set forth in Paragraph 31 above; (v) fulfill other obligations as set forth in this Settlement Agreement; (vi) pay certain future oversight costs; (vii) to operate and/or liquidate the Savannah Acid Business and Gypsum Operations so as to make available to the Savannah Trust Accounts the maximum funding possible (provided that the Savannah Trustee may retain sufficient cash in the Savannah Acid Business and Gypsum Operations to ensure the continued viability of future operations); and (viii) ultimately sell, transfer, or otherwise dispose or facilitate the reuse of all or part of the Savannah Trust Assets, if possible, all as provided herein. The sale, lease or other disposition of some or all of the Savannah Trust Assets by the Savannah Trust, and the creation of any

Savannah Trust-Owned Entity, shall be permitted only with the approval of the Lead and Non-Lead Agencies. The Savannah Trust shall be funded as specified in Paragraph 38 herein.

35. The Savannah Trust by and through its Savannah Trustee not individually but solely in its representative capacity, Debtors, and the Lead Agency for the Savannah Facility shall exchange information and reasonably cooperate to determine the appropriate disposition of any executory contracts or unexpired leases that relate to the relevant Site; provided, however, that the Savannah Trust shall not be required to take assignment of any executory contract or unexpired lease without the consent of the Savannah Trustee. Debtors shall cooperate with the Savannah Trust with the prompt and orderly delivery of all executory contracts and unexpired leases and take such action with respect to such contracts and leases as the Lead Agency and the Savannah Trust may reasonably request.

36. Greenfield Environmental Savannah Trust, LLC, not individually but solely in its representative capacity as Savannah Trustee, is appointed as the Savannah Trustee to administer the Savannah Trust and the Savannah Trust Accounts, in accordance with this Settlement Agreement and an Environmental Response Trust Agreement ("Savannah Trust Agreement") materially consistent with the Settlement Agreement to be separately executed by parties.

37. Debtors and Reorganized Tronox shall provide to the Savannah Trustee Environmental Information and Real Property Information in accordance with Section XIX below.

38. Savannah Trust Accounts

a. The Savannah Trustee shall create a segregated Savannah Trust account ("Savannah Trust Environmental Cost Account") within the Savannah Trust for the Savannah Facility. The purpose of the Savannah Trust Environmental Cost Account shall be to provide funding for future Environmental Actions and certain future oversight costs of the Governments included in the approved budget set forth in Subparagraph 39(b) below with respect to the Savannah Facility. Funding from the Savannah Trust Environmental Cost Account may not be used for any other Owned Site or Non-Owned Site, except as otherwise expressly provided by and in accordance with Subparagraph 40(a) below. The payments set forth in this Subparagraph shall for purposes of the Bankruptcy Cases be accorded the status of expenses of administration.

b. The Savannah Trustee shall also create a segregated administrative account ("Savannah Trust Administrative Account") to fund the payment of real estate taxes, income taxes (to the extent applicable), insurance, and other Administrative Costs.

c. Assets of the Savannah Trust Environmental Cost Account and Savannah Trust Administrative Account (collectively, the "Savannah Trust Accounts") shall be held in trust solely for the purposes provided in this Settlement Agreement. The United States and the State of Georgia shall be the sole beneficiaries of the Savannah Trust and the Savannah Trust Accounts. Neither Debtors nor Reorganized Tronox shall have any rights or interest to the Savannah Trust Assets, or to any funds remaining in any of the Savannah Trust Accounts upon the completion of any and all

final actions and disbursement of any and all final costs with respect to the Savannah Facility.

d. All interest, dividends and other revenue earned in a Savannah Trust Account shall be retained in the respective Savannah Trust Account and used only for the same purposes as the principal in that account as provided in this Settlement Agreement, subject to any reallocation approved by the United States and the State of Georgia in accordance with the terms of this Settlement Agreement.

e. In settlement and full satisfaction of all claims of the United States on behalf of the US EPA and the State of Georgia against Debtors and Reorganized Tronox with respect to any and all costs of response incurred, or to be incurred, and any and all penalties incurred in connection with the Savannah Facility (including but not limited to the liabilities and other obligations asserted in the United States' and the State of Georgia's Proofs of Claim relating to the Savannah Facility), the Savannah Trust shall receive allocations of specified percentages of the Anadarko Litigation as set forth in Subparagraph 124(d) below, and Debtors shall make payments on the Effective Date as set forth in Subparagraphs 38(e)(i)-(iv) below:

i. payment of $4,182,664.00 on the Effective Date to fund the Savannah Trust Administrative Account;

ii. payment of $2,924,691.00 on the Effective Date to fund future Environmental Actions and certain future oversight costs of GA EPD and US EPA with respect to the Savannah Facility, to be deposited in the Savannah Trust Environmental Cost Account.

iii. payment of $6,320.00 on the Effective Date in full settlement and satisfaction of the penalty claims of the United States on behalf of US EPA with respect to the Site, to be transferred pursuant to instructions set forth in Paragraph 129 below.

iv. payment of $632.00 on the Effective Date in full settlement and satisfaction of the past cost claims of the State of Georgia with respect to the Site, to be transferred pursuant to instructions set forth in Subparagraph 131(b) below.

39. Lead Agency

a. For purposes of this Settlement Agreement, the Lead Agency with respect to the Savannah Facility is the Georgia Department of Natural Resources, Environmental Protection Division ("GA EPD"). The Non-Lead Agency with respect to the Savannah Facility shall be US EPA. GA EPD and US EPA may provide the Savannah Trustee with joint written notice that the Lead Agency for the Savannah Facility has changed.

b. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year following the Effective Date, the Savannah Trustee shall provide to the Lead Agency for the Savannah Facility, a statement showing the balance of the Savannah Trust Environmental Cost Account and proposed budget for the coming year. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the Savannah Trust Environmental Cost Account, but only after consultation with the Non-Lead Agency where the Non-Lead Agency requests such consultation.

c. The Savannah Trustee shall pay funds from the Savannah Trust Environmental Cost Account to the Lead Agency making a written request for funds for reimbursement within 30 days following such request. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 39(b) above, and (ii) shall specify what the funds were used for and shall certify that they were

used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Lead Agency with respect to the Savannah Facility.

d. The Savannah Trustee shall also pay funds from the Savannah Trust Environmental Cost Account to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to the Savannah Facility. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 39(b) above, and (ii) shall specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency with respect to the Savannah Facility.

e. In the case of requests by the Lead Agency to the Savannah Trustee to use the funds from the Savannah Trust Environmental Cost Account to perform Environmental Actions in accordance with the approved budget set forth in Subparagraph 39(b) above, the Savannah Trustee shall utilize the funds and interest earned thereon from that Savannah Trust Environmental Cost Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency. The Savannah Trustee shall seek the approval of the Lead Agency of any contractor hired by the Savannah Trustee and any work plans to be undertaken by the Savannah Trust under the oversight of the Lead Agency, unless the Lead Agency has provided a written waiver of such approval or requirements. The Savannah Trustee shall require liability insurance as set forth in the Savannah Trust Agreement from each contractor hired to perform work.

40. Transfers of Funds from the Savannah Trust Accounts

a. After the United States and the State of Georgia have confirmed to the Savannah Trustee that all final actions have been completed, and all final costs have been disbursed for the Savannah Facility, any funds remaining in the Savannah Environmental Cost Account shall be transferred in the following order: (i) first, in accordance with instructions to be provided by the United States Department of Justice and the relevant States, to the Henderson Trust Environmental Cost Account, any of the Cimarron Trust Environmental Cost Accounts, any of the West Chicago Trust Environmental Cost or Work Accounts, or any of the Multistate Trust Environmental Cost or Work Accounts if there are remaining Environmental Actions to be performed at the Owned Funded Sites, the Non-Owned Service Stations, the Non-Owned RAS Properties or Kress Creek, and a need for additional trust funding, with the allocation among such Environmental Cost or Work Accounts to be determined by the projected shortfall of performing such remaining Environmental Actions; (ii) second, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds; and (iii) third, to the Superfund.

b. Annually, beginning with the first year after the Effective Date, the Savannah Trustee shall provide the United States and the State of Georgia with an update of anticipated future Administrative Costs of the Savannah Trust. The United States Department of Justice may thereafter instruct in writing after consultation with the State of Georgia and the Savannah Trustee that any conservatively projected surplus funding in the Savannah Trust Administrative Account be transferred to the Savannah

Trust Environmental Cost Account established under this Settlement Agreement if there are remaining actions to be performed and with a need for additional trust funding or, to the extent there are no such remaining actions, as described in clauses (i)-(iii) in the immediately preceding Subparagraph. The Lead Agency and the Non-Lead Agency may also instruct in writing after consultation with the Savannah Trustee that, if there is an anticipated shortfall in the Savannah Trust Administrative Account based on anticipated future Administrative Costs of the Savannah Trust, funds from the Savannah Trust Environmental Cost Account may be transferred to the Savannah Trust Administrative Account.

41. Debtors shall continue, at their own expense, to maintain the Savannah Acid Business and Gypsum Operations, and ongoing environmental activities being performed by Debtors pursuant to injunctive, compliance, and regulatory obligations and requirements at the Savannah Facility until the Effective Date, including, but not limited to, environmental monitoring activities; provided, however, if unanticipated environmental activities are required to be performed by Debtors prior to the Effective Date, Debtors will cooperate with the Lead Agency in determining a commercially reasonable course of action.

42. Savannah Trust Miscellaneous Provisions

a. The Savannah Trustee shall at all times seek to have the Savannah Trust treated as a "qualified settlement fund" as that term is defined in Treasury Regulation section 1.468B-1. For purposes of complying with Section 468B(g)(2) of the Internal Revenue Code of 1986, as amended, this Settlement Agreement shall constitute a Consent Decree between the parties. Approval of the Court,

as a unit of the District Court, shall be sought, and the Court shall retain continuing jurisdiction over the Savannah Trust and Savannah Trust Accounts sufficient to satisfy the requirements of Treasury Regulation section 1.468B-1. The Savannah Trustee shall cause any taxes imposed on the earnings of the Savannah Trust, if any, to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Savannah Trust under applicable tax laws. The Savannah Trustee shall be the "administrator" of the Savannah Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent that the Debtors choose to make a Grantor Trust Election with respect to the Savannah Trust, the Savannah Trustee shall provide reasonable cooperation to the Debtors as needed to facilitate such election. For the avoidance of doubt, any such Grantor Trust Election is for tax purposes only and shall in no way affect the substantive rights and obligations of the parties under this Settlement Agreement or the Savannah Trust Agreement.

b. The Savannah Trustee shall use the Savannah Trust Environmental Cost Account to fund future Environmental Actions and certain future oversight costs with respect to the Savannah Facility. The Savannah Trustee shall use the Savannah Trust Administrative Account to fund the Administrative Costs of the Savannah Trust that have been approved by the United States and the Lead Agency of the Savannah Facility.

c. The administrative funds within the Savannah Trust Administrative Account shall be used by the Savannah Trustee for Administrative Costs. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year, the Savannah Trustee shall provide GA EPD and US EPA with an annual

budget for administration of the Savannah Trust for review and approval or disapproval by the United States and the Lead Agency.

d. In no event shall any of the Savannah Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party, including Debtors or any other Savannah Trust Party.

e. The Savannah Trustee shall implement any institutional controls or deed restrictions requested by GA EPD and US EPA with respect to any portion of the Savannah Facility. Additionally, the Savannah Trustee shall abide by the terms of any institutional controls or deed restrictions in place or of record as to the Savannah Facility.

f. In the event that the Court finds that the Savannah Trustee in any material respect, as a result of its negligence, exacerbates or aggravates hazardous conditions at the Savannah Facility, is seriously or repeatedly deficient or late in performance of the work or violates the provisions of this Settlement Agreement, the Savannah Trust Agreement or other related implementation agreements, the United States and the State of Georgia may jointly direct that: (i) the Savannah Trustee be replaced in accordance with the Savannah Trust Agreement or (ii) all remaining funds and future recoveries in the Savannah Trust be paid to US EPA or to GA EPD to be used in accordance with the terms of this Settlement Agreement.

g. The Savannah Trustee may resign from its trusteeship generally, and without cause, by giving not less than 120 days prior written notice thereof to the Court, the United States, and the State of Georgia.

h. The Savannah Trust is intended to be governed by the terms of this Settlement Agreement and the Savannah Trust Agreement and shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

43. The Savannah Trustee shall provide the United States and the State of Georgia and their representatives and contractors access to all portions of the Savannah Facility that the Savannah Trust owns at all reasonable times for the purposes of conducting Environmental Actions at or near the Savannah Facility. The Savannah Trustee shall execute and record with the appropriate recorder's office any easements or deed restrictions requested by the United States or the State of Georgia for restrictions on use of the Savannah Facility in order to protect public health, welfare or safety or the environment or ensure non-interference with or protectiveness of any action. Any existing easements or deed restrictions of record as to the Savannah Facility prior to the Effective Date of this Settlement Agreement shall survive the Settlement Agreement.

44. The United States or the State of Georgia may at any time propose in writing to take ownership of the Savannah Facility or any part thereof. Any such proposed transfer and the terms thereof are subject to approval in writing by US EPA and the GA EPD after consultation with the Savannah Trustee. However, neither the United States nor the State of Georgia shall be required to accept an ownership interest in the Savannah Facility or any part thereof upon termination of the Savannah Trust.

45. Subject to the approval of US EPA and GA EPD, to the extent otherwise consistent with this Agreement, the Savannah Trustee may propose a sale, lease, or disposition of the Savannah Facility that includes funding from, or the retention

of some portion of liability by, the Savannah Trust Environmental Cost Account, provided that the net effect of any proposed sale, lease or disposition is to lessen the total financial obligations and liabilities as would otherwise be incurred in the absence of any such sale, lease, or disposition. Any lease shall contain customary provisions relating to indemnity by a tenant with respect to the operation of the tenant at the leased property following the Effective Date. In the event of any approved sale or lease or other disposition under this Paragraph, any net proceeds from the sale or lease or other disposition shall be paid to the Savannah Trust Environmental Cost Account and/or the Savannah Trust Administrative Account in a proportion approved by US EPA and GA EPD in writing.

46. None of the Savannah Trust Parties shall be personally liable unless the Court, by a final order that is not reversed on appeal, finds that it committed fraud or willful misconduct after the Effective Date in relation to the Savannah Trustee's duties. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute an act of fraud or willful misconduct. Any judgment against a Savannah Trust Party and any costs of defense relating to any Savannah Trust Party shall be paid from the Savannah Trust Environmental Cost Account, or the Savannah Trust Administrative Account without the Savannah Trust Party having to first pay from its own funds for any personal liability or costs of defense unless a final order of the Court that is not reversed on appeal, determines that it committed fraud or willful misconduct in relation to the Savannah Trust Party's duties. However, any judgment shall be limited to funds in the Savannah Trust Environmental Cost Account or the Savannah Trust Administrative Account.

47. The Savannah Trust Parties are exculpated by all persons, including without limitation, holders of claims and other parties in interest, of and from any and all claims, causes of action and other assertions of liability arising out of the ownership of Savannah Trust Assets and the discharge of the powers and duties conferred upon the Savannah Trust and/or Trustee by this Settlement Agreement or any order of court entered pursuant to or in furtherance of this Settlement Agreement, or applicable law or otherwise. No person, including without limitation, holders of claims and other parties in interest, will be allowed to pursue any claims or cause of action against any Savannah Trust Party for any claim against Debtors, for making payments in accordance with this Settlement Agreement or any order of court, or for implementing the provisions of this Settlement Agreement or any order of court. Nothing in this Paragraph or the Settlement Agreement shall preclude the United States or the State of Georgia from enforcing the terms of this Settlement Agreement against the Savannah Trust Parties.

48. Except as may otherwise be provided herein: (a) the Savannah Trust Parties may rely conclusively on, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties; (b) the Savannah Trust Parties may, on behalf of the Savannah Trust or on their own behalf in their capacity as Savannah Trust Parties, consult with legal counsel, financial or accounting advisors and other professionals and shall not be personally liable for any action taken or not taken in accordance with the advice thereof; and (c) persons and entities dealing with the Savannah Trust Parties shall look only to the Savannah Trust Assets that may be

available to them consistent with this Settlement Agreement to satisfy any liability incurred by the Savannah Trust Parties to such person in carrying out the terms of this Settlement Agreement or any order of the Court, and the Savannah Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Paragraph 46.

49. Neither the United States, the State of Georgia, nor any of Debtors or Reorganized Tronox shall be deemed to be an owner, operator, trustee, partner, agent, shareholder, officer, or director of the Savannah Trust or the Savannah Trust Parties, or to be an owner or operator of the Savannah Facility or any other Savannah Trust Assets on account of this Settlement Agreement or actions contemplated thereby.

VII. THE CIMARRON ENVIRONMENTAL RESPONSE TRUST

50. On the Effective Date, and simultaneously with receipt of the payments to the Cimarron Trust Environmental Cost Accounts under Paragraph 55, the creation of a standby trust fund for the benefit of NRC ("Cimarron Standby Trust Fund") and the transfer of the funds from the Irrevocable Standby Letter of Credit ("Cimarron LOC") to the Cimarron Standby Trust Fund under Subparagraph 55(e), Debtors will transfer all of their right, title, and interest in and to, including, without limitation, all of their fee ownership in, all appurtenances, rights, easements, rights-of-way, mining rights (including unpatented mining claims, mill site claims, and placer claims), mineral rights, mineral claims, appurtenant groundwater rights, associated surface water rights, claims, and filings, permits, licenses, third-party warranties and guaranties for equipment or services to the extent transferable under bankruptcy law, or other interests (including without limitation all fixtures, improvements, and equipment located thereon as of the

Effective Date) related to the Owned Site located in Cimarron, Oklahoma ("Cimarron Site") to an environmental response trust ("Cimarron Trust"). On and after the Effective Date, Debtors and Reorganized Tronox shall have no ownership or other residual interest whatsoever with respect to the Cimarron Trust, the Cimarron Standby Trust Fund or the Cimarron Site. The transfer of ownership by the Debtors of any such assets or other property shall be a transfer of all of the Debtors' right, title and interests therein, and the transfer (i) shall be as is and where is, with no warranties of any nature; (ii) shall be free and clear of all claims, liens and interests against the Debtors, including liens for the payments of monetary claims, such as property taxes, or other monetary claims asserted or that could have been asserted in the bankruptcy proceeding, but shall remain subject to any existing in rem claims that do not secure payment of monetary claims (such as easements or deed restrictions); (iii) shall be subject to any rights of the United States and the State of Oklahoma under this Settlement Agreement; and (iv) shall be accomplished by quitclaim deed, in a form substantially similar to the quitclaim deed attached as Attachment C to this Settlement Agreement, and/or personal property bill of sale without warranty, with all such conveyance documents to be agreed to in form by the Debtors and the trustee of the Cimarron Trust ("Cimarron Trustee"), provided that in no event shall the conveyance include any warranty by the grantor by virtue of the grant document or statutory or common law or otherwise. Debtors and Reorganized Tronox hereby disclaim any and all express or implied representations or warranties, including any representations or warranties of any kind or nature, express or implied, as to the condition, value or quality of such assets or other property, and specifically disclaim any representation or warranty of merchantability, usage, suitability or fitness for any

particular purpose with respect to such assets or other property, any part thereof, the workmanship thereof, and the absence of any defects therein, whether latent or patent, it being understood that such assets are being acquired "as is, where is," and in their condition as of the Effective Date. Debtors and Reorganized Tronox, as applicable, will reasonably cooperate with the United States (including NRC), the State of Oklahoma, and the Cimarron Trustee to deliver to the title company (which will record or cause to be recorded in the appropriate real property records) the transfer documents as soon as reasonably practicable, but not to exceed 30 days after the Effective Date. Debtors shall pay the recording costs to the title company related to the title transfers. Debtors shall pay to the applicable tax authorities on or prior to the Effective Date all real property taxes relating to the Cimarron Site due on or before the Effective Date. Debtors and the Cimarron Trust shall prorate the real property taxes accruing to or becoming a lien on the Cimarron Site during the calendar year of the Effective Date, and Debtors shall have paid to the Cimarron Trust their pro-rata share of such real property taxes as of the Effective Date. If the actual bills for such real property taxes have not been issued, then such proration shall be based on an amount equal to such real property taxes for the prior year or tax period, which shall constitute a final proration and not be subject to further adjustment. As of the Effective Date, the Cimarron Trust shall be responsible for paying all real property taxes first coming due following the Effective Date relating to the Cimarron Site. Debtors shall execute, or cause to be executed, and record, if necessary, all necessary releases of any liens or security interests held by any Debtors against the Cimarron Site. After Debtors execute this Settlement Agreement, Debtors shall not further encumber the Cimarron Site or their other interests therein and shall maintain the

property in a commercially reasonable manner, in accordance with Debtor's current practices, including the improvements thereon and the fixtures thereto that are related to ongoing remediation activities in the condition that they exist as of the date of such execution, except for ordinary wear and tear, casualty and condemnation, and except to the extent that ongoing environmental activities require otherwise.

51. License Order

a. On or before the Effective Date, with the approval of NRC and in accordance with the Atomic Energy Act, and applicable regulations in 10 C.F.R. Part 70, the Radioactive Materials License SNM-928 held by Cimarron Corporation (the "Cimarron License") shall either: (i) be transferred to the Cimarron Trust; (ii) be transferred to the Cimarron Trustee identified in Paragraph 53; or (iii) be transferred to a person or entity retained by the Cimarron Trustee and approved by NRC to hold the Cimarron License ("Cimarron Licensee"), pursuant to an Order Transferring License ("License Order") issued by the NRC.

b. The Cimarron Licensee shall be bound by the requirements of the Cimarron License and applicable regulations, and any future amendments to or transfers of the Cimarron License must be made in accordance with applicable federal law and regulations. Within 120 days after the transfer of the NRC license, the Cimarron Trustee shall submit for approval to the Deputy Director, Decommissioning & Uranium Recovery Licensing Directorate, Division of Waste Management and Environmental Protection, Office of Federal and State Materials and Environmental Management Programs, and to the Land Protection Division, Oklahoma Department of Environmental Quality, an evaluation of potential alternative groundwater

remediation technologies. The evaluation shall include conceptual technical, total cost, cash flow, and schedule information for each approach. The Cimarron Trustee shall meet with representatives from both agencies within 60 days following submittal of the evaluation to discuss the approaches and obtain regulatory agency concurrence on a groundwater remediation approach. Within 120 days following NRC and ODEQ concurrence, the Cimarron Trustee shall submit to the same parties a groundwater remediation plan leading to termination of the license and release of the Cimarron Site for unrestricted use. The groundwater remediation plan shall include a detailed schedule for all remediation activities and a cost estimate for each action.

c. Upon NRC and ODEQ approval of the remediation plan, the Cimarron Trustee shall commence remediation of the Site pursuant to the terms and conditions of the approved groundwater remediation plan and the Cimarron License.

d. The Cimarron Trustee shall notify and request relief from the Deputy Director, Decommissioning & Uranium Recovery Licensing Directorate, Division of Waste Management and Environmental Protection, Office of Federal and State Materials and Environmental Management Programs, if the Trustee believes it should be relieved of any requirements in the Cimarron License because the Trustee believes that these requirements are impracticable given the parameters of the Cimarron Trust Agreement or that they have either been satisfactorily completed or are unnecessary. The Cimarron Trustee will continue to comply with all requirements in the Cimarron License pending NRC review and determination of the Cimarron Trustee's request for relief from specified requirements.

e. Upon completion of the groundwater remediation and in conformance with the requirements in 10 C.F.R. Part 70 and the conditions set forth in the Cimarron License, the Cimarron Trustee shall demonstrate that the Site meets the criteria for unrestricted release.

52. The purpose of the Cimarron Trust shall be to: (i) act as successor to Debtors solely for the purpose of performing, managing, and funding implementation of all decommissioning and/or Site control and maintenance activities pursuant to the terms and conditions of the Cimarron License and an NRC-approved decommissioning plan, and all Environmental Actions required under federal or state law; (ii) own the Cimarron Site; (iii) carry out administrative functions related to the performance of work by or on behalf of the Cimarron Site; (iv) fulfill other obligations as set forth in this Settlement Agreement; (v) pay certain regulatory fees and oversight costs; and (vi) ultimately sell, transfer or otherwise dispose or facilitate the reuse of all or part of the Cimarron Trust Assets, if possible, all as provided herein with no objective or authority to engage in any trade or business. The sale, lease or other disposition of some or all of the Cimarron Trust Assets by the Cimarron Trust shall not be deemed an engagement in any trade or business. The Cimarron Trust by and through its Cimarron Trustee not individually but solely in its representative capacity, Debtors, and the Lead Agencies for the Cimarron Site shall exchange information and reasonably cooperate to determine the appropriate disposition of any executory contracts or unexpired leases that relate to the Cimarron Site. The Cimarron Trust shall be funded as specified in Paragraph 55 herein.

53. Environmental Properties Management, LLC, not individually but solely in its representative capacity as Cimarron Trustee, is appointed as the Cimarron

Trustee to administer the Cimarron Trust and the Cimarron Trust Accounts, in accordance with this Settlement Agreement and a Cimarron Environmental Response Trust Agreement ("Cimarron Trust Agreement") materially consistent with the Settlement Agreement to be separately executed by the parties.

54. Debtors and Reorganized Tronox shall provide to the Cimarron Trustee Environmental Information and Real Property Information in accordance with Section XIX below.

55. The Cimarron Trust Accounts

a. The Cimarron Trustee shall create segregated Cimarron Trust accounts ("Cimarron Trust Environmental Cost Accounts") and a segregated Cimarron Standby Trust Fund within the Cimarron Trust. The purpose of the Cimarron Trust Environmental Cost Accounts and the Standby Trust Fund shall be to provide funding for future decommissioning activities, Environmental Actions and certain future regulatory fees and oversight costs of NRC and the State of Oklahoma with respect to the Cimarron Site.

b. The Cimarron Trustee shall also create a segregated Cimarron Trust administrative account ("Cimarron Trust Administrative Account") to fund the payment of real estate taxes, insurance, and other Administrative Costs.

c. Assets of the Cimarron Trust Environmental Cost Accounts, the Cimarron Standby Trust Fund and the Cimarron Trust Administrative Account (collectively, the "Cimarron Trust Accounts") shall be held in trust solely for the purposes provided in this Settlement Agreement. NRC, the State of Oklahoma and US EPA shall be the sole beneficiaries of the Cimarron Trust Accounts, except for the

Cimarron Standby Trust Fund, to which NRC only shall be the sole beneficiary. Neither Debtors nor Reorganized Tronox shall have any rights or interest to the Cimarron Trust Assets, including but not limited to any funds remaining in any of the Cimarron Trust Accounts upon the completion of any and all final actions and disbursement of any and all final costs with respect to the Cimarron Site.

d. All interest, dividends and other revenue earned in a Cimarron Trust Account shall be retained in the respective Cimarron Trust Account and used only for the same purposes as the principal in that account as provided in this Settlement Agreement, subject to any reallocation approved by NRC and the State of Oklahoma, after consultation with US EPA, in accordance with the terms of this Settlement Agreement.

e. In settlement of claims of the United States and the State of Oklahoma against Debtors and Reorganized Tronox with respect to any and all costs of decommissioning incurred or to be incurred, and any and all costs of response incurred and to be incurred in connection with the Cimarron Site (including but not limited to the liabilities and other obligations asserted in the United States' and Oklahoma's Proofs of Claim relating to the Cimarron Site), the United States and the State of Oklahoma [or the Cimarron Trustee (as described below)] shall receive allocations to the Cimarron Site of specified percentages of the Anadarko Litigation Proceeds as set forth in Subparagraph 124(v). Debtors shall also make the following payments and, as described more fully in Subparagraphs 55(e)(i)-(iv) herein and Debtors shall effectuate the transfer of the funds from the Cimarron LOC on the Effective Date as follows.

i. On the Effective Date, Debtors shall make payment of $1,303,889.00 to fund the Cimarron Trust Administrative Account;

ii. On the Effective Date, Debtors shall cancel the Cimarron LOC and remit the funds from the Cimarron LOC to the Cimarron Standby Trust Fund already in existence, or to a new Cimarron Standby Trust Fund that may be established by the Cimarron Trustee in accordance with applicable NRC regulations. Furthermore:

a. The Standby Trustee for the Cimarron Standby Trust Fund shall make payments from the Cimarron Standby Trust Fund to the Cimarron Trustee pursuant to the terms and conditions set forth in the Standby Trust Agreement;

b. The Standby Trustee for the Cimarron Standby Trust Fund is authorized, in consultation with the Cimarron Trustee and the approval of NRC, to transfer from time to time any or all of the assets of the Cimarron Standby Trust Fund to any of the Cimarron Trust Accounts in this Paragraph 55.

iii. On the Effective Date, Debtors shall make payment of $6,588,381.00 to fund future decommissioning costs and future regulatory fees of NRC with respect to the Cimarron Site, to be deposited in a Cimarron Trust Environmental Cost Account for Federal activities ("Cimarron Trust Federal Environmental Cost Account"). Funding for the Cimarron Trust Federal Environmental Cost Account shall be held in trust for future decommissioning costs and future regulatory fees of NRC with respect to the Cimarron Site and may not be used for another Site except as otherwise expressly provided by and in accordance with Paragraph 57.

iv. On the Effective Date, Debtors shall make payment of $746,114.00 to fund future Environmental Actions and certain future oversight costs of the State of Oklahoma with respect to the Cimarron Site, to be deposited in a Cimarron Trust Environmental Cost Account for State activities ("Cimarron Trust State Environmental Cost Account"). Funding for the Cimarron Trust State Environmental Cost Account shall be held in trust for Environmental Actions with respect to the Cimarron Site and may not be used for another Site except as otherwise expressly provided by and in accordance with Paragraph 57.

56. Cimarron Lead Agencies:

a. For purposes of this Settlement Agreement, there shall be two Lead Agencies with respect to the Cimarron Site. The first Lead Agency is the NRC with respect to the Cimarron Trust Federal Environmental Cost Account and decommissioning and/or Site control and maintenance activities pursuant to the terms and conditions of the Cimarron License. The second Lead Agency for the Cimarron Site is the Oklahoma Department of Environmental Quality with respect to the Cimarron Trust State Environmental Cost Account and Environmental Actions other than those related to decommissioning, the Cimarron License, or the NRC, and the Non-Lead Agency shall be US EPA for the matters as to which the Oklahoma Department of Environmental Quality is Lead Agency. NRC, the State of Oklahoma, and US EPA may provide the Cimarron Trustee with joint written notice that a Lead Agency for the Cimarron Site has changed.

b. Within 60 days following the Effective Date in the first year and thereafter by January 1 of each year following the Effective Date, the Cimarron Trustee shall provide to the Lead Agency for each of the Cimarron Trust Environmental Cost Accounts, a statement showing the balance of each cost account and proposed budget for the coming year. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the relevant Cimarron Trust Environmental Cost Account after consultation with the Non-Lead Agency, if such consultation is requested by the Non-Lead Agency. To the extent any proposed decommissioning or Environmental Actions in the proposed budget entail overlapping work that qualifies for disbursements from both the Cimarron Trust Federal Environmental Cost Account and the Cimarron Trust State Environmental Cost Account, the Lead Agencies and the

Cimarron Trustee shall determine an equitable allocation between both Environmental Cost Accounts for such proposed work.

c. The Cimarron Trustee shall also notify the Deputy Director, Decommissioning & Uranium Recovery Licensing Directorate, Division of Waste Management and Environmental Protection, Office of Federal and State Materials and Environmental Management Programs, and the Regional Administrator, NRC Region IV, NRC Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, TX 76011-8064, by certified registered mail, no later than 180 days prior to the anticipated date, that all contractual and other projected obligations will have exhausted 25%, 50%, and 75% of the Cimarron Federal Environmental Cost Account;

i. Upon notification that 75% of the Cimarron Federal Environmental Cost Account has been exhausted, the Cimarron Trustee shall cease remediation work and commence passive maintenance and monitoring only of the Site in order to provide for the protection of the public health and safety using the remaining funds in the Cimarron Trust Federal Environmental Cost Account to fund monitoring and maintenance until further order of the NRC; provided however, that no more than 5% of the remaining funds available in the Cimarron Trust Federal Environmental Cost Account shall be spent in any six-month period without NRC approval.

ii. The assets of the Cimarron Standby Trust shall not be accessed by the Cimarron Trustee until further order of NRC.

d. The Cimarron Trustee shall pay funds from a Cimarron Trust Environmental Cost Account to the Lead Agency for a Cost Account making a written request for funds for reimbursement within 30 days following such request. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 56(b) above, and (ii) shall specify what the funds were used for and shall

certify that they were used only for future decommissioning activities, Environmental Actions, and future regulatory fees or oversight costs with respect to the Cimarron Site.

e. The Cimarron Trustee shall also pay funds from the Cimarron Trust Environmental Cost Account to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to the Cimarron Site. . Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 56(b) above, and (ii) shall specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency with respect to the Cimarron Site.

f. In the case of requests by the Lead Agency for a Cimarron Trust Environmental Cost Account to the Cimarron Trustee to use the funds from a particular Cimarron Trust Environmental Cost Account to perform decommissioning activities or Environmental Actions, the Cimarron Trustee shall utilize the funds and interest earned thereon from that Cimarron Trust Environmental Cost Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency pursuant to Subparagraph 56(b) above. The Cimarron Trustee shall seek the approval of the appropriate Lead Agency of any contractor hired by the Cimarron Trustee and any work plans to be undertaken by the Cimarron Trust under the oversight of the appropriate Lead Agency, unless the Lead Agency has provided a written waiver of such approval or requirements. Except for architectural services and engineering services, the Trustee shall use competitive bidding to select the most suitable

contractor for any work on matters to which the Cimarron Trust Federal Environmental Cost Account or the Cimarron Standby Trust Fund applies, and that is not carried out by the Trustee. The Trustee shall be responsible for the review and selection of any contractors sought to perform work, however, the Trustee shall provide NRC with its intended selection at least 30 days before the contract is awarded, and NRC may object or otherwise deny the award of any contract for any reasonable reason. The Cimarron Trustee shall require liability insurance as set forth in the Cimarron Trust Agreement from each contractor hired to perform work.

57. Transfers of Funds from the Cimarron Trust Accounts

a. NRC and the State of Oklahoma may agree in writing at any time after one year from the Effective Date that, based on new information about the estimated cost of cleanup or the assumption of liability by a buyer or other party for the Cimarron Site, the funding in a Cimarron Trust Environmental Cost Account is more than is projected by one or both Lead Agencies to be needed. Upon such an agreement, NRC and the State of Oklahoma may instruct the Cimarron Trustee to transfer funds to one or more of the other Cimarron Trust Environmental Cost Accounts if there are remaining actions to be performed and a need for additional trust funding.

b. After NRC and the State of Oklahoma have confirmed to the Cimarron Trustee that all final actions have been completed and all final costs have been disbursed with respect to either the Cimarron Trust Federal Environmental Cost Account or the Cimarron Trust State Environmental Cost Account, any funds remaining in that account shall be transferred in the following order: (i) first, in accordance with instructions provided by NRC and the State of Oklahoma, to any of the other Cimarron

Trust Environmental Cost Accounts established under this Settlement Agreement if there are remaining actions to be performed and a need for additional trust funding; (ii) second, in accordance with instructions to be provided by the United States Department of Justice after consultation with the States, to any of the Multistate Environmental Cost or Work Accounts, the Henderson Trust Environmental Cost Account, any of the West Chicago Trust Environmental Cost or Work Accounts, or the Savannah Trust Environmental Cost Account, if there are remaining Environmental Actions to be performed at the Owned Funded Sites, the Non-Owned Service Stations, the Non-Owned RAS Properties, or Kress Creek and a need for additional trust funding, with the allocation among such Environmental Cost Accounts to be determined by the projected shortfall of performing such remaining Environmental Actions; (iii) third, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds; and (iv) fourth, to the Superfund.

c. Annually, beginning with the first year after the Effective Date, the Cimarron Trustee shall provide NRC and the State of Oklahoma with an update of anticipated future Administrative Costs of the Cimarron Trust. NRC and the State of Oklahoma may instruct the Cimarron Trustee in writing that any conservatively projected surplus funding in the Cimarron Trust Administrative Account be transferred to one or more of the other Cimarron Trust Accounts established under this Settlement Agreement for the Cimarron Site if there are remaining actions to be performed and with a need for additional trust funding or, to the extent there are no such remaining actions, as described in clauses (ii)-(iv) in the immediately preceding Subparagraph. If there is an anticipated shortfall in the Cimarron Trust Administrative Account based on anticipated future

Administrative Costs of the Cimarron Trust, funds in either of the Cimarron Trust Environmental Cost Accounts may be transferred to the Cimarron Trust Administrative Account, upon the joint direction of the Lead Agency and the Non-Lead Agency, if applicable, for the respective Environmental Cost Account.

d. Debtors shall continue, at their own expense, the operations of ongoing decommissioning and Environmental Actions being performed by Debtors pursuant to injunctive, compliance, and regulatory obligations and requirements at the Cimarron Site until the payments and transfers required by Paragraph 55 of this Settlement Agreement are made, including, but not limited to, environmental monitoring activities; provided, however, if unanticipated environmental activities are required to be performed by Debtors prior to the Effective Date, Debtors will cooperate with the Lead Agency in determining a commercially reasonable course of action.

58. Cimarron Trust Miscellaneous Provisions

a. The Cimarron Trustee shall at all times seek to have the Cimarron Trust treated as a "qualified settlement fund" as that term is defined in Treasury Regulation section 1.468B-1. For purposes of complying with Section 468B(g)(2) of the Internal Revenue Code of 1986, as amended, this Settlement Agreement shall constitute a Consent Decree between the parties. Approval of the Court, as a unit of the District Court, shall be sought, and the Court shall retain continuing jurisdiction over the Cimarron Trust and Cimarron Trust Accounts sufficient to satisfy the requirements of Treasury Regulation section 1.468B-1. The Cimarron Trustee shall cause any taxes imposed on the earnings of the Cimarron Trust to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Cimarron

Trust under applicable tax laws. The Cimarron Trustee shall be the "administrator" of the Cimarron Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent that the Debtors choose to make a Grantor Trust Election with respect to the Cimarron Trust, the Cimarron Trustee shall provide reasonable cooperation to the Debtors as needed to facilitate such election. For the avoidance of doubt, any such Grantor Trust Election is for tax purposes only and shall in no way affect the substantive rights and obligations of the parties under this Settlement Agreement or the Cimarron Trust Agreement.

b. The Cimarron Trustee shall use the Cimarron Standby Trust and the Cimarron Trust Federal Environmental Cost Account to fund future decommissioning costs pursuant to the Atomic Energy Act of 1954 and NRC regulations with respect to the Cimarron Site.

c. The Cimarron Trustee shall use the Cimarron Trust State Environmental Cost Account to fund Environmental Actions other than those related to decommissioning, the Cimarron License, or the NRC.

d. The Cimarron Trustee shall use the Cimarron Trust Administrative Account to fund the Administrative Costs of the Cimarron Trust that have been approved by the United States and the State of Oklahoma.

e. The administrative funds within the Cimarron Trust Administrative Account shall be used by the Cimarron Trustee for Administrative Costs. Within 60 days following the Effective Date in the first year and thereafter by January 1 of each year, the Cimarron Trustee shall provide NRC and the State of Oklahoma with an annual budget for administration of the Cimarron Trust for review and approval or

disapproval by NRC and the State of Oklahoma.

f. In no event shall any of the Cimarron Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party, including Debtors or any other Cimarron Trust Party.

g. The Cimarron Trustee shall implement any institutional controls or deed restrictions requested by the United States, NRC (with respect to decommissioning and termination of the Cimarron License) and the State of Oklahoma with respect to the Cimarron Site. Additionally, the Cimarron Trustee shall abide by the terms of any institutional controls or deed restrictions in place or of record as to Cimarron Site.

h. In the event the Court finds that the Cimarron Trustee in any material respect, as a result of negligence, exacerbates hazardous conditions at the Cimarron Site, is seriously or repeatedly deficient or late in performance of the work or violates the provisions of this Settlement Agreement, the Cimarron Trust Agreement or other related implementation agreements, NRC and the State of Oklahoma may jointly direct that: (i) the Cimarron Trustee be replaced in accordance with the Cimarron Trust Agreement; or (ii) that all remaining funds and future recoveries in the Cimarron Trust be paid to NRC or to the State of Oklahoma to be used in accordance with the terms of this Settlement Agreement. Replacement of the Cimarron Trustee under this Paragraph does not affect the liability provisions in Paragraph 63 below.

i. In the absence of a Court finding that the Cimarron Trustee in any material respect, as a result of negligence, exacerbates hazardous conditions at the Cimarron Site, is seriously or repeatedly deficient or late in performance

of the work or violates the provisions of this Settlement Agreement, the Cimarron Trust Agreement or other related implementation agreements, three years after the Effective Date, and every three years thereafter, NRC and the State of Oklahoma may jointly direct that the Cimarron Trustee be replaced, provided that any replacement Trustee agrees to assume all the obligations of the Cimarron Trustee under this Settlement Agreement and the Cimarron Trust Agreement. The Cimarron Trustee may resign from its trusteeship generally and without cause giving not less than 120 days prior written notice thereof to the Court, the United States (including NRC), and the State of Oklahoma, provided however, that in the event a suitable replacement is not found and approved by the NRC and the State of Oklahoma within 120 days after such written notice is provided, the Cimarron Trustee's resignation shall not become effective and the Cimarron Trustee shall continue to function in its capacity as Trustee until a suitable replacement is found and approved by the NRC and the State of Oklahoma.

j. The Cimarron Trust is intended to be governed by the terms of this Settlement Agreement and the Cimarron Trust Agreement and shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

59. The Cimarron Trustee shall provide NRC, the State of Oklahoma, and their representatives and contractors access to all portions of the Cimarron Site at all reasonable times for the purposes of conducting decommissioning activities and Environmental Actions at or near the Cimarron Site. The Cimarron Trustee shall also cooperate with the NRC, its representatives and contractors in NRC's Site inspections. The Cimarron Trustee shall execute and record with the appropriate recorder's office any

easements or deed restrictions requested by NRC and the State of Oklahoma for restrictions on use of the Cimarron Site in order to protect public health, welfare or safety or the environment or ensure non-interference with or protectiveness of any action. Any existing easements or deed restrictions of record as to the Cimarron Site prior to the Effective Date of this Settlement Agreement shall survive the Settlement Agreement.

60. The United States (including NRC) may at any time propose in writing to take ownership of the Cimarron Site or any part thereof. Any such proposed transfer and the terms thereof are subject to approval in writing by the United States, NRC (with respect to the Cimarron License), and the State of Oklahoma (after consultation with the Cimarron Trustee). However, neither the United States (including NRC) nor the State of Oklahoma shall be required to accept an ownership interest in remaining properties upon termination of the Cimarron Trust.

61. The Cimarron Trustee may, at any time, seek the approval of the United States, NRC (with respect to the Cimarron License), and the State of Oklahoma for the sale or lease or other disposition of all or part of the Cimarron Site.

62. Subject to the approval of NRC and the State of Oklahoma, the Cimarron Trustee may propose a sale, lease, or disposition of the Cimarron Site that includes funding from, or the retention of some portion of liability by, the respective Cimarron Trust Environmental Cost Account and/or the Cimarron Trust Administrative Account, provided that the net effect of any proposed sale, lease or disposition is to lessen the total financial obligations and liabilities as would otherwise be incurred in the absence of any such sale, lease, or disposition. In the event of any approved sale or lease or other disposition under this Paragraph, any net proceeds from the sale or lease or other

disposition shall be paid to the Cimarron Trust Environmental Cost Accounts for the Cimarron Site and/or the Cimarron Trust Administrative Account in a proportion approved by NRC and the State of Oklahoma in writing.

63. None of the Cimarron Trust Parties shall be personally liable unless the Court, by a final order that is not reversed on appeal, finds that it committed acts that were grossly negligent, and/or committed fraud or willful misconduct after the Effective Date in relation to the Cimarron Trustee's duties. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute gross negligence, or an act of fraud or willful misconduct. Any judgment against a Cimarron Trust Party and any costs of defense relating to any Cimarron Trust Party shall be paid from the relevant Cimarron Trust Environmental Cost Account or the Cimarron Trust Administrative Account without the Cimarron Trust Party having to first pay from its own funds for any personal liability or costs of defense, unless a final order of the Court, that is not reversed on appeal, determines that it committed acts that were grossly negligent, and/or committed fraud or willful misconduct in relation to the Cimarron Trust Party's duties. However, any payment shall be limited to funds in the relevant Cimarron Trust Environmental Cost Accounts or the Cimarron Trust Administrative Account.

64. The Cimarron Trust Parties are exculpated by all persons, including without limitation, holders of claims and other parties in interest, of and from any and all claims, causes of action and other assertions of liability arising out of the ownership of Cimarron Trust Assets and the discharge of the powers and duties conferred upon the Cimarron Trust and/or Trustee by this Settlement Agreement or any order of

court entered pursuant to or in furtherance of this Settlement Agreement, or applicable law or otherwise. No person, including without limitation, holders of claims and other parties in interest, will be allowed to pursue any claims or cause of action against any Cimarron Trust Party for any claim against Debtors, for making payments in accordance with this Settlement Agreement or any order of court, or for implementing the provisions of this Settlement Agreement or any order of court. Nothing in this Paragraph or the Settlement Agreement shall preclude the United States or the State of Oklahoma from enforcing the terms of this Settlement Agreement against the Cimarron Trust Parties.

65. Except as may otherwise be provided herein: (a) the Cimarron Trust Parties may rely on, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties; (b) the Cimarron Trust Parties may consult with legal counsel, financial or accounting advisors and other professionals and shall not be personally liable for any action taken or not taken in accordance with the advice thereof; and (c) persons and entities dealing with the Cimarron Trust Parties shall look only to the Cimarron Trust Assets that may be available to them consistent with this Settlement Agreement to satisfy any liability incurred by the Cimarron Trust Parties to such person in carrying out the terms of this Settlement Agreement or any order of the Court, and the Cimarron Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Paragraph 63.

66. Neither the United States, the State of Oklahoma, nor any of Debtors or Reorganized Tronox shall be deemed to be an owner, operator, trustee,

partner, agent, shareholder, officer, or director of the Cimarron Trust or the Cimarron Trust Parties, or to be an owner or operator of the Cimarron Site simply on account of this Settlement Agreement or actions contemplated thereby.

VIII. THE HENDERSON ENVIRONMENTAL RESPONSE TRUST

67.

a. On the Effective Date, and simultaneously with receipt of the payments to the Henderson Trust Environmental Cost Account under Paragraph 80, Debtors will transfer (and execute all necessary documents in connection therewith) to the Henderson Environmental Response Trust (the "Henderson Trust") by quitclaim deed (the "Henderson Deed") (provided such form of deed is expressly approved by the Bankruptcy Court in its Confirmation Order, or otherwise by such form of deed as the Henderson Trust's title insurer, Chicago Title Insurance Company ("Title Insurer"), shall approve and insure) and other appropriate instruments all of their right, title, and interest in and to, including, without limitation, all of their fee ownership in that certain real property (the "Henderson Property") comprising all of the real property currently owned by Debtors and located in Clark County, Nevada (including, without limitation, the tax assessor parcels described in Attachment D annexed hereto and the real property described by the legal description set forth in Attachment E annexed hereto), together with all appurtenances, rights, easements, rights-of-way, mining rights (including unpatented mining claims, mill site claims, and placer claims), mineral rights, mineral claims, appurtenant groundwater rights, associated surface water rights, claims, filings and permits (to the extent applicable to the Henderson Trust as owner of the Henderson Property), licenses, third-party warranties and guaranties for equipment or services to the

extent transferable under bankruptcy law and that are not related to the Henderson Business, or other interests (including without limitation all fixtures, improvements, and equipment located thereon as of the Effective Date) owned by Debtors and related to the Henderson Property, including without limitation, all development rights, with the exception of: any machinery, equipment, fixtures, furniture, computers, tools, parts, supplies, and other tangible personal property, filings, permits, licenses, warranties, guaranties, or other interests used or held for use in connection with the operation of the Henderson Business, and located in or on the Henderson Leased Facility (as hereinafter defined). Also on the Effective Date, Debtors will transfer or assign to the Henderson Trust, or its nominee, all of their right, title, and interest to all personal property, equipment, fixtures, easements, contracts or other rights necessary for the continued operation of the chromium- and perchlorate-related groundwater intercept and treatment systems and all other on-going environmental contamination investigation, treatment or remediation systems or programs at or associated with the Henderson Property.

b. On and after the Effective Date, Debtors and Reorganized Tronox shall have no ownership or other residual interest whatsoever with respect to the Henderson Trust or Henderson Property, but as of the Effective Date, Reorganized Tronox, as Tronox LLC (Tronox LLC and any approved assigns to the leasehold interest shall be collectively referred to as "Tenant"), shall have all rights and obligations as Tenant as set forth in the Henderson Facility Lease (as hereinafter defined). To the extent owned by Debtors, the transfers of the Henderson Property shall include any land lying in bed or any street, road or avenue opened or proposed, public or private, in front of or adjoining the portions of the Henderson Property along with (x) any award made or to be

made in lieu thereof, (y) any unpaid award for damage to the Henderson Property by reason of change of grade of any street, and (z) any strips and gores adjoining the adjacent property. As soon as reasonably practicable, and in any event within 10 business days after the execution of this Settlement Agreement, Debtors shall deliver any "as-built" plans and specifications for the Henderson Leased Facility and any improvements on the Henderson Property that are within Debtors' possession, custody or control.

c. The transfer of ownership of the Henderson Property shall be (i) "as is" and "where is" with no warranties of any nature; (ii) free and clear of all claims, liens, encumbrances and interests against the Debtors, including mechanics' liens and other liens for the payments of monetary claims, such as real property taxes (except statutory liens for real property taxes that are not yet due and payable), or other monetary claims asserted or that could have been asserted in the bankruptcy proceeding, but shall remain subject to any existing in rem claims that do not secure payment of monetary claims (such as easements or deed restrictions); (iii) free and clear of all leases and tenancies, other than the Henderson Facility Lease, and the two unrecorded leases (the "Existing Leases") described in Attachment F annexed hereto, which Existing Leases shall not be assigned to or assumed by the Henderson Trust, but will continue as subleases between Tenant and the tenants under the Existing Leases subject and subordinate to the Henderson Facility Lease (and unless an order of the Bankruptcy Court specifically acknowledges that there are no leases affecting the Henderson Property other than the Existing Leases, any other leases having been rejected, then on the Effective Date the Debtors shall provide the Henderson Trust with an affidavit to the effect that

there are no leases affecting the Henderson Property other than the Existing Leases); (iv) subject to any rights of the United States and the State of Nevada under this Settlement Agreement; and (v) accomplished by the Henderson Deed, and personal property bill of sale without warranty, with all such conveyance documents to be agreed to in form by the Debtors and the trustee of the Henderson Trust ("Henderson Trustee").

d. The Henderson Trustee, the Debtors and the Lead Agency shall exchange information and reasonably cooperate to determine the appropriate disposition of any executory contracts that relate to the Henderson Property, provided however, that Henderson Trust shall not be required to take assignment of any executory contract without the consent of the Henderson Trustee. Debtors shall cooperate with the Henderson Trustee to effect the prompt and orderly delivery of all executory contracts and take such action with respect to such contracts and leases as the Henderson Trustee may request before the Effective Date. The Henderson Trust shall not be required to pay any cure costs.

e. Debtors will cooperate with the State of Nevada, the United States and the Henderson Trustee to deliver the Henderson Deed to the Title Insurer prior to the Effective Date (which Title Insurer will record or cause to be recorded in the appropriate real property records the Henderson Deed as soon as reasonably practicable, but not to exceed 30 days after the Effective Date), together with all affidavits of title and all other documents necessary, if any, for the Henderson Trust's Title Insurer to insure title (including, without limitation, gap insurance and insurance against mechanics liens) to the Henderson Property free and clear of all liens and encumbrances except as otherwise provided herein. In the event the Henderson Deed is

not recorded by the Title Insurer on the Effective Date, Reorganized Tronox will cooperate with the State of Nevada, the United States, the Henderson Trustee and the Title Insurer to cause to be recorded in the appropriate real property records the Henderson Deed as soon as reasonably practicable, but not to exceed 30 days after the Effective Date. Notwithstanding the foregoing sentence, none of Debtors' or Reorganized Tronox's obligations nor its cooperation with the Henderson Trust or its Title Insurer (as the case may be) shall in any way be construed to impose a duty on Debtors or Reorganized Tronox to provide title insurance to the Henderson Trust for the Henderson Property and the issuance of a title insurance policy for the Henderson Property to the Henderson Trust shall not be deemed a condition precedent to the transfer of the Henderson Property to the Henderson Trust pursuant to this Settlement Agreement and the Henderson Deed.

f. As soon as reasonably practicable after the Effective Date, to the extent a separate parcel assessment for the Henderson Leased Facility has not already been obtained, Tenant shall use best efforts to obtain from the taxing authorities a separate parcel assessment for the Henderson Leased Facility, and to the extent possible, Tenant shall obtain from Black Mountain Industrial Center Association separate assessments for the Henderson Leased Facility and the balance of the Henderson Property. Debtors shall pay the recording costs to the title company related to the title transfers.

g. Debtors shall pay all real property taxes relating to the Henderson Property prorated through the Effective Date. As of the Effective Date, the Henderson Trust shall be responsible for all real property taxes relating to the Henderson

Property, except the real property taxes relating to the Henderson Leased Facility shall be the responsibility of Tenant under the Henderson Facility Lease after the Effective Date.

68. On or prior to the Effective Date, Debtors shall execute, or cause to be executed, and record, if necessary, all necessary releases of any liens or security interests held by any Debtors against the Henderson Property. After Debtors execute this Settlement Agreement, unless Debtors obtain the Henderson Trust's consent otherwise (which consent shall not be unreasonably withheld, conditioned or delayed), Debtors shall (i) not further encumber the Henderson Property or its other interests therein; (ii) use the Henderson Property only for the currently existing use as a chemical manufacturing facility, including ancillary uses related thereto; (iii) not materially change, alter or expand such existing use; (iv) not demolish the Henderson Property; (v) keep the Henderson Property in the currently existing order and repair (including without limitation the storage, timely removal and off-site permitted disposal of all waste and refuse generated in the ordinary course of business), ordinary wear and tear, casualty and condemnation excepted or to the extent that ongoing environmental activities require otherwise; (vi) not enter into any leases or subleases of all or any portions of the Henderson Property; (vii) maintain and keep in force current insurance policies for the Henderson Property; (viii) maintain the Henderson Property in accordance with Debtors' current practices, including the improvements thereon and the fixtures thereto that are related to ongoing remediation activities in the condition that they exist as of the date of execution, except for ordinary wear and tear, casualty and condemnation or to the extent that ongoing environmental activities require otherwise; and (ix) continue, at their own expense, the ongoing environmental activities being performed by Debtors pursuant to

injunctive, compliance, and regulatory obligations and requirements at the Henderson Property until the payments and transfers required by this Settlement Agreement (except for the payment from the Anadarko Litigation Trust described in Subparagraph 124(p)) are made, including, but not limited to, environmental monitoring and groundwater treatment activities.

69. If, on or prior to the Effective Date,

a. all or any part of the Henderson Property is damaged or destroyed by fire or other casualty, the Debtors shall promptly notify the Henderson Trust of such fact. In such event (i) the Debtors shall assign to the Henderson Trust, on the Effective Date, all of the Debtors' right, title and interest in and to the insurance proceeds paid or to be paid as the result of such damage or destruction (except to the extent that the proceeds relate to the Henderson Leased Facility and Tenant elects to use the proceeds to restore the Henderson Leased Facility), and (ii) the Debtors shall execute such documents as may be reasonably requested to effectuate such assignment. Such damage or destruction shall not affect the obligation of Debtors to transfer the Henderson Property on the Effective Date, or the obligation of the Henderson Trust and Tenant to enter into the Henderson Facility Lease.

b. all or any portion of the Henderson Property is taken by eminent domain (or is the subject of a pending or contemplated taking which has not been consummated), the Debtors shall promptly notify the Henderson Trust of such fact. In such event (i) the Debtors shall assign to the Henderson Trust, on the Effective Date, all of the Debtors' right, title and interest in and to the award paid or to be paid as the result of such taking (except to the extent that the award relates to the Henderson Leased

Facility, in which event the award shall be applied in accordance with the terms of the Henderson Facility Lease), and (ii) the Debtors shall execute such documents as may be reasonably requested to effectuate such assignment. Such taking shall not affect the obligation of Debtors to transfer the Henderson Property on the Effective Date, or the obligation of the Henderson Trust and Tenant to enter into the Henderson Facility Lease, except as to portions of the Henderson Leased Facility so taken. On or before the Effective Date, Debtors shall provide to the Henderson Trust evidence (which may be in the form of an appropriate Bankruptcy Court order or separate agreements entered into by the tenants under the Existing Leases) that each of the Existing Leases is subject and subordinate in all respects to the Henderson Facility Lease, that the Existing Leases will automatically terminate on the termination of the Henderson Facility Lease, and that each tenant under the Existing Leases has acknowledged that it will look solely to Tenant (and not to the Henderson Trust) with respect to any obligations of landlord under the Existing Leases.

70. BMI/Landwell Assets

a. Transfer to Henderson Trust. On the Effective Date, Tronox LLC will transfer all of its interests ("BMI/Landwell Assets") in Basic Management, Inc. and The Landwell Company, LP to the Henderson Trust or to an entity in which the Henderson Trust has an interest, in either case on terms and conditions to be reasonably agreed upon by Tronox LLC, the Henderson Trustee, the State of Nevada, and the United States.

b. Optional Transfer of Interest to Other Trusts. At any time prior to any sale by the Henderson Trust of the BMI/Landwell Assets, whether by right

of first refusal or otherwise ("Sale Event"), and prior to a distribution by the Anadarko Litigation Trust, the Henderson Trustee may transfer 65% of its economic interest in the BMI/Landwell Assets to one or more of the Multistate Trust, Cimarron Trust, Savannah Trust, and West Chicago Trust, in such proportions and upon such terms as the United States may direct ("BMI/Landwell Optional Transfer").

c. Distribution of Net Sale Proceeds. If at any time any person or entity purchases the BMI/Landwell Assets from the Henderson Trust, whether by right of first refusal or otherwise, the Net Sale Proceeds (as defined below) shall be distributed as follows: (x) the first $20 million, to the Henderson Environmental Cost Account or Henderson Administrative Account, as jointly directed by the State of Nevada and the United States, (y) 35% of the Net Sale Proceeds above $20 million, to the Henderson Environmental Cost Account and/or Henderson Administrative Account, as jointly directed by the State of Nevada and the United States, and (z) 65% of the Net Sale Proceeds above $20 million, (i) first, to any Administrative Account, Environmental Cost Account, or Work Account in the Multistate Trust, Cimarron Trust, Henderson Trust, Savannah Trust, or West Chicago Trust, as directed by the United States, if there are remaining Environmental Actions to be performed at the Owned Sites, the Non-Owned RAS Properties, Kress Creek, and the Non-Owned Service Stations in those Trusts and a need for additional trust funding; (ii) second, to any Non-Owned Site, as directed by the United States, with a need for additional funding of Environmental Actions beyond the distributions designated to be received from the Anadarko Litigation Proceeds; and (iii) third, to the Superfund. Nothing in this Subparagraph is intended to preclude or limit any transfers of funds from any other accounts established in this Settlement Agreement to

the Henderson Trust Environmental Cost Account or Henderson Trust Administrative Account pursuant to the terms of any applicable funds transfer provision in this Settlement Agreement if there are remaining Environmental Actions to be performed at or with respect to the Henderson Property and a need for additional trust funding.

d. Definition of Net Sale Proceeds. "Net Sale Proceeds" shall mean an amount equal to the purchase price paid as a result of a Sale Event ("Sale Proceeds"), plus any profits earned by the Henderson Trust on the BMI/Landwell Assets prior to a Sale Event, minus (a) any litigation, valuation, or transaction costs reasonably incurred by the Henderson Trust in connection with the Sale Event but excluding any costs that otherwise would have been expended by the Henderson Trust in the absence of the exercise of the Sale Event ("Sale Costs") and (b) any carrying costs reasonably incurred by the Henderson Trust as owner of the BMI/Landwell Assets but excluding any costs that otherwise would have been expended by the Henderson Trust in the absence of its ownership of the BMI/Landwell Assets ("Carrying Costs").

71. Henderson Facility Lease: On the Effective Date, the Henderson Trust shall enter into a triple net lease agreement (the "Henderson Facility Lease") with Tenant for the portion of the Henderson Property described under the caption "Leased Premises" in the Lease Term Sheet annexed hereto as Attachment G (the "Henderson Leased Facility"). The Henderson Facility Lease shall include, without limitation, the provisions set forth in the Lease Term Sheet. On the Effective Date, Tronox Incorporated ("Guarantor") shall execute and deliver to the Henderson Trust an irrevocable and unconditional guaranty (the "Guaranty") of the observance and performance of Tenant's obligations under (i) the Henderson Facility Lease and (ii) this Settlement Agreement as

its obligations pertain to the Henderson Leased Facility, in form and substance reasonably satisfactory to Guarantor and the Henderson Trust.

72. On the Effective Date, the Henderson Trust shall be the legal successor-in-interest to certain rights under the Kerr-McGee Henderson Pollution Clean-Up and Legal Liability Manuscript Policy (the "Henderson Chartis Policy"). The Plan of Reorganization shall vest in the Henderson Trust all of Debtors' interest in claims, proceeds, or recoveries against the Henderson Chartis Policy, excluding reimbursements for funds expended by Debtors on the Henderson Property prior to the Effective Date provided that, insurance claims for such funds expended by Debtors are submitted timely as provided by the Henderson Chartis Policy and are for costs incurred before the Effective Date. Debtors shall also provide the Henderson Trust with copies of such claims at the time they are submitted. For the sole purpose of securing recovery to the Henderson Trust, the Henderson Trust shall succeed to the liabilities of Debtors with respect to the Henderson Property. Proceeds and recoveries from the Henderson Chartis Policy shall be placed in the Henderson Trust Environmental Cost Account for the Henderson Property described in Subparagraph 80(a) below.

73. With respect to the Consent Decree for the Henderson Property between Tronox LLC and the United States, *Tronox LLC v. United States*, Civil Action No. 01:00CV01285 EGS (D.D.C.) (the "2006 Henderson Consent Decree"), the United States and Tronox LLC will file papers with the District Court for the District of Columbia to modify the 2006 Henderson Consent Decree to substitute the Henderson Trust for Tronox LLC as a party to the 2006 Henderson Consent Decree after the Effective Date for all purposes. The United States, the State of Nevada, and the

Henderson Trust shall also enter into a 2006 Henderson Consent Decree Substitution and Clarification Agreement to clarify the meaning of and otherwise document the parties' stipulations and reservations of rights concerning certain provisions of the 2006 Henderson Consent Decree. However, nothing in this Settlement Agreement or in the 2006 Henderson Consent Decree Substitution and Clarification Agreement shall purport to relieve Tronox LLC as signatory to the 2006 Henderson Consent Decree, or its successors, of any releases or covenants not to sue provided by Tronox LLC in the 2006 Henderson Consent Decree.

74. The State of Nevada's entry into this Settlement Agreement shall not waive, limit or otherwise affect any argument it or any other entity may have that the 2006 Henderson Consent Decree does not give rise to contribution protection (because of insufficient notice as to a particular entity or otherwise). Additionally, to the extent that the State of Nevada or any other entity may argue that the 2006 Henderson Consent Decree does not give rise to contribution protection because of insufficient notice to a particular entity, the United States agrees that it shall not argue that the notice and comment process with respect to the Settlement Agreement cured any such alleged defect with respect to the 2006 Henderson Consent Decree. The United States otherwise reserves any and all responses it may have to any such arguments made by Nevada or any other entity.

75. In conducting its operations at the Henderson Leased Facility on and after the Effective Date, Tenant, including its successors, assigns, contractors, subcontractors, or sublessees, (each a "Henderson Covered Person") shall (i) comply with Due Care Obligations; and (ii) comply with all applicable Environmental Laws, provided,

however, that nothing in this clause (ii) shall require any Henderson Covered Person to take any actions or assume any liability with respect to remediation (including investigation), removal or restoration of any Henderson Legacy Conditions except with respect to the Exacerbation Obligations (as defined hereafter). Tenant, as lessee and operator of the Henderson Leased Facility, and its successors and assigns under the Henderson Facility Lease, shall be liable for conditions that are attributable to (i) any New Substances Conditions; (ii) any failure to comply with Due Care Obligations, subject to the Exacerbation Obligations (as defined hereafter); and (iii) any failure to comply with applicable Environmental Laws, in each instance by any Henderson Covered Person on or after the Effective Date. For purposes of this Settlement Agreement:

a. "Due Care Obligations" shall mean the duty with respect to the Henderson Leased Facility to: (i) not exacerbate any Henderson Legacy Conditions; (ii) comply with all institutional controls applicable to such Henderson Legacy Conditions; (iii) take reasonable steps to prevent or limit human exposure to such Henderson Legacy Conditions; (iv) take reasonable precaution against foreseeable acts of third parties that could exacerbate such Henderson Legacy Conditions; and (v) provide reasonable cooperation as may be requested by the Trustee or Lead Agency in carrying out their respective obligations under the Settlement Agreement with respect to any Henderson Legacy Conditions at or pertaining to the Henderson Leased Facility. The term "Due Care Obligations" includes the obligation to remedy any circumstance arising from any failure to perform such duty, but does not include any liability for obligations or payments to investigate, remediate, remove or restore any Henderson Legacy Conditions,

including any obligation to operate the existing groundwater extraction and treatment systems, except with respect to the Exacerbation Obligations (as defined hereafter). Notwithstanding the foregoing, Tenant's liability and obligations with respect to the exacerbation of any Henderson Legacy Conditions shall be limited to the extent of exacerbation ("Exacerbation Obligations").

b. "Henderson Legacy Conditions" shall mean the presence or release, prior to or on the Effective Date, of hazardous substances (including without limitation perchlorate and chlorate compounds) in or into the environment at, on or below any portion of the Henderson Property, including the presence in any environmental media of such released hazardous substances as a result of migration from any portion of the Henderson Property, whether before or after the Effective Date.

c. "New Substances Conditions" shall mean any hazardous substances released, added, deposited, generated, produced, stored or spilled by any Henderson Covered Person in, at, on, or below the Henderson Leased Facility on or after the Effective Date, including the migration of any such hazardous substances from the Henderson Leased Facility.

76. The purpose of the Henderson Trust shall be to: (i) own the Henderson Property for purposes of implementing this Settlement Agreement; (ii) carry out administrative and property management functions related to the Henderson Property; (iii) manage and/or fund implementation of Environmental Actions for the Henderson Legacy Conditions that are approved by the Henderson Lead Agency, and pay future oversight costs of the Lead Agency and Non-Lead Agency, as applicable; (iv) act as legal successor to Debtors under the Henderson Chartis Policy for the sole purpose of pursuing

and securing claims, proceeds, and recoveries under the Henderson Chartis Policy; (v) act as landlord under the Henderson Facility Lease; and (vi) act as substituted party for Tronox LLC under the 2006 Henderson Consent Decree, as set forth in Paragraph 73 above. The Henderson Trust shall be funded as specified in Paragraph 80 herein. The Henderson Trust shall work with the Lead Agency and Non-Lead Agency, consistent with its responsibilities under applicable law, to use reasonable efforts to minimize any interference with Tenant's operations related to its implementation of Environmental Actions at the Henderson Property.

77. Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Henderson Trustee, is appointed as the Henderson Trustee to administer the Henderson Trust and the Henderson Trust Accounts, in accordance with this Settlement Agreement and an Environmental Response Trust Agreement ("Henderson Trust Agreement") materially consistent with the Settlement Agreement to be separately executed by the parties.

78. Debtors and Reorganized Tronox shall provide to the Henderson Trustee Environmental Information and Real Property Information in accordance with Section XIX below.

79. On the Effective Date, the Henderson Trustee and Tenant shall enter into an agreement ("Henderson Remediation Power Agreement") under which Tenant shall provide to the Henderson Trust or its designee or assignee on and after the Effective Date the uninterrupted supply of hydroelectric power as necessary to continue to power components of the existing perchlorate- and chromium-related groundwater intercept and treatment systems at the same prices, terms and conditions as are applicable

to Tenant's allocation of hydroelectric power from the Colorado River Commission of Nevada ("CRC"), subject to all applicable CRC laws, regulations or other requirements ("CRC Requirements"). The Henderson Remediation Power Agreement shall include a severability provision providing that each provision of the Henderson Remediation Power Agreement will to the extent possible be interpreted in such manner as to be effective and valid under applicable CRC Requirements, but if any provision of the Henderson Remediation Power Agreement is held to be prohibited by or invalid under applicable CRC Requirements, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of the Henderson Remediation Power Agreement. The Henderson Remediation Power Agreement shall require that Tenant obligate any transferee or assignee of Tenant's rights to such hydroelectric power to continue to supply power to the Henderson Trust or its assigns in accordance with the Henderson Remediation Power Agreement, subject to all CRC Requirements applicable to any such transfer or assignment. Such hydroelectric power shall be provided pursuant to the Henderson Remediation Power Agreement for so long as operation of the groundwater intercept and treatment systems is deemed required Environmental Actions under this Settlement Agreement, subject to the terms and continuance of the power contracts between Tenant and the CRC, as they may be amended, assigned or transferred from time to time in accordance with CRC Requirements and the terms of the Henderson Remediation Power Agreement, and the authority of the CRC over the allocation of such hydroelectric power.

80. Henderson Trust Accounts

a. The Henderson Trustee shall create a segregated Henderson Trust Environmental Cost Account ("Henderson Trust Environmental Cost Account") for the Henderson Property. The purpose of the Henderson Trust Environmental Cost Account shall be to provide funding for Environmental Actions for the Henderson Legacy Conditions and future oversight costs of the Lead Agency and the US EPA with respect to the Henderson Property. Funding for the Henderson Trust Environmental Cost Account shall be held in trust for Environmental Actions with respect to the Henderson Property and may not be used for any Owned or Non-Owned Site except as expressly provided by and in accordance with Paragraph 82.

b. The Henderson Trustee shall also create a segregated Henderson Trust administrative account ("Henderson Trust Administrative Account") to fund the payment of real estate taxes except as otherwise provided under the Henderson Facility Lease, insurance, and other administrative costs incurred in administering the Henderson Trust other than the Henderson Lease Administrative Expenses to be paid by Tenant pursuant to the Henderson Facility Lease ("Henderson Administrative Costs").

c. Assets of the Henderson Trust Environmental Cost Accounts and Henderson Trust Administrative Account (collectively, the "Henderson Trust Accounts") shall be held in trust solely for the purposes provided in this Settlement Agreement. The State of Nevada and the United States shall be the sole beneficiaries of the Henderson Trust Accounts. Neither Debtors, Reorganized Tronox, nor Tenant shall have any rights or interest to the Henderson Trust Assets distributed to the Henderson Trust Accounts, nor to any funds remaining in any of the Henderson Trust Accounts upon

the completion of any and all final actions and disbursements for any and all final costs with respect to the Henderson Property.

d. All interest, dividends and other revenue earned in a Henderson Trust Account shall be retained in the respective Henderson Trust Accounts and used only for the same purposes as the principal in that account as provided in this Settlement Agreement, subject to any reallocation as set forth in Paragraph 82.

e. In settlement and full satisfaction of all claims of the State of Nevada and the United States on behalf of US EPA against Debtors with respect to any and all costs of response incurred, or to be incurred, in connection with the Henderson Property (including but not limited to the liabilities and other obligations asserted in the State of Nevada's and the United States' Proofs of Claim relating to the Henderson Property), the Henderson Trustee (as described below) shall receive allocations with respect to the Henderson Property of a specified percentage of the Anadarko Litigation Proceeds as set forth in Subparagraph 124(p), and Debtors shall make a payment of $8,602,853.00 for the Henderson Trust Administrative Account and $72,417,165.00 to the Henderson Environmental Cost Account on the Effective Date. The payments set forth in this Subparagraph shall, for purposes of the Bankruptcy Cases, be accorded the status of expenses of administration.

81. Lead Agency for the Henderson Property

a. For purposes of this Settlement Agreement, the Lead Agency for the Henderson Property is NDEP, and the Non-Lead Agency will be US EPA. The Lead Agency for the Henderson Property shall consult with the Non-Lead Agency relating to approval of the budget or requests for funding for Environmental

Actions associated with the Henderson Legacy Conditions if such consultation is requested. The Lead Agency and Non-Lead Agency may provide the Henderson Trustee with joint written notice that the Lead Agency for the Henderson Property has changed.

b. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year following the Effective Date, the Henderson Trustee shall provide to the Lead Agency a statement showing the balance of each cost account and proposed budget for the Henderson Trust Environmental Cost Account for the coming year. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the Henderson Trust Environmental Cost Account, but only after consultation with the Non-Lead Agency, where the Non-Lead Agency requests such consultation.

c. The Henderson Trustee shall pay funds from the Henderson Trust Environmental Cost Account to the Lead Agency making a written request for funds for reimbursement within 10 days following such request. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 81(b) above, and (ii) specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Lead Agency with respect to the Henderson Property.

d. The Henderson Trustee shall also pay funds from the Henderson Trust Environmental Cost Account to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to the Henderson Property. Such written request shall: (i) be in accordance with the approved budget set forth in

Subparagraph 81(b) above, and (ii) specify what the funds were used for and shall certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency with respect to the Henderson Property.

e. In the case of requests by the Lead Agency to the Henderson Trustee to use the funds from the Henderson Trust Environmental Cost Account to perform Environmental Actions associated with the Henderson Legacy Conditions in accordance with the approved budget set forth in Subparagraph 81(b) above, the Henderson Trustee shall utilize the funds and interest earned thereon from the Henderson Trust Environmental Cost Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency. The Henderson Trustee shall seek the approval of the Lead Agency of any contractor hired by the Henderson Trustee and any work plans to be undertaken by the Henderson Trust under the oversight of the Lead Agency, unless the Lead Agency has provided a written waiver of such approval or requirements. The Henderson Trustee shall require liability insurance as set forth in the Henderson Trust Agreement from each contractor hired to perform work and will, to the extent that such work is being performed at the Henderson Leased Facility, name Tenant as an additional insured under such policies.

82. Transfers of Funds from the Henderson Trust Accounts

a. After the Lead Agency and the Non-Lead Agency have confirmed to the Henderson Trustee that all final actions have been completed, including the sale of parcels comprising the Henderson Property in accordance with Paragraph 87, and disbursements have been made for all final costs for the Henderson Property, any

funds remaining in the Henderson Trust Environmental Cost Account shall be transferred in the following order: (i) first, the Henderson Trustee, in consultation with the Lead Agency and Non-Lead Agency, shall agree to a reservation of funds necessary to preserve and maintain any parcels of the Henderson Property that have not been sold, pending winding up and termination of the Henderson Trust, including taxes and holding costs; (ii) second, in accordance with instructions to be provided by the United States Department of Justice, to the West Chicago Trust Environmental Cost or Work Accounts, the Cimarron Trust Environmental Cost Accounts, the Savannah Environmental Cost Account, or any of the Multistate Trust Environmental Cost or Work Accounts established under this Settlement Agreement if there are remaining Environmental Actions to be performed at the Owned Funded Sites, the Non-Owned Service Stations, the Non-Owned RAS Properties or Kress Creek and a need for additional trust funding, with the allocation among such Environmental Cost Accounts to be determined by the projected shortfall of performing such remaining Environmental Actions; (iii) third, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds**;** and (iv) fourth, to the Superfund; provided however, that the remaining balance of any local, state or federal appropriation to, or any grant, loan or donation that has been transferred by any entity to a segregated account within the Henderson Trust that is established for those funds shall be distributed pursuant to the terms of any such appropriation, grant, loan, or donation, and may not be transferred pursuant to clauses (ii)-(iv) of this Paragraph.

b. Annually, beginning with the first year after the Effective Date, the Henderson Trustee shall provide the Lead Agency and the Non-Lead Agency

with an update of anticipated future Administrative Costs of the Henderson Trust. In the fourth year after the Effective Date and every year thereafter, the Lead Agency and the Non-Lead Agency may thereafter instruct in writing after consultation with the Henderson Trustee that any conservatively projected surplus funding in the Henderson Trust Administrative Account be transferred to the Henderson Trust Environmental Cost Account established under this Settlement Agreement if there are remaining actions to be performed and with a need for additional trust funding or, to the extent there are no such remaining actions, as described in clauses (i)-(iv) in the immediately preceding Subparagraph. The Lead Agency and the Non-Lead Agency may also instruct in writing after consultation with the Henderson Trustee that, if there is an anticipated shortfall in the Henderson Trust Administrative Account based on anticipated future Administrative Costs of the Henderson Trust, funds from the Henderson Trust Environmental Cost Account may be transferred to the Henderson Trust Administrative Account.

83. Debtors shall continue, at their own expense, to maintain ongoing environmental activities being performed by Debtors pursuant to injunctive, compliance, and regulatory obligations and requirements at the Henderson Property until the Effective Date, including, but not limited to, environmental monitoring and groundwater treatment activities.

84. Henderson Trust Miscellaneous Provisions

a. The Henderson Trustee shall at all times seek to have the Henderson Trust treated as a "qualified settlement fund" as that term is defined in Treasury Regulation section 1.468B-1. For purposes of complying with Section 468B(g)(2) of the Internal Revenue Code of 1986, as amended, this Settlement

Agreement shall constitute a Consent Decree between the parties. Approval of the Court, as a unit of the District Court, shall be sought, and the Court shall retain continuing jurisdiction over the Henderson Trust and Henderson Trust Accounts sufficient to satisfy the requirements of Treasury Regulation section 1.468B-1. The Henderson Trustee shall cause any taxes imposed on the earnings of the Henderson Trust to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Henderson Trust under applicable tax laws. The Henderson Trustee shall be the "administrator" of the Henderson Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent that the Debtors choose to make a Grantor Trust Election with respect to the Henderson Trust, the Henderson Trustee shall provide reasonable cooperation to the Debtors as needed to facilitate such election. For the avoidance of doubt, any such Grantor Trust Election is for tax purposes only and shall in no way affect the substantive rights and obligations of the parties under this Settlement Agreement or the Henderson Trust Agreement.

b. The Henderson Trustee shall use the Henderson Trust Environmental Cost Account to fund Environmental Actions associated with the Henderson Legacy Conditions and certain future oversight costs pursuant to CERCLA or state Environmental Laws with respect to the Henderson Property. The Henderson Trustee shall use the Henderson Trust Administrative Account to fund the Henderson Administrative Costs that have been approved by the Lead Agency and Non-Lead Agency.

c. The administrative funds within the Henderson Trust Administrative Account shall be used by the Henderson Trustee for Henderson

Administrative Costs. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year, the Henderson Trustee shall provide the Lead Agency and the Non-Lead Agency with an annual budget for administration of the Henderson Trust for review and approval or disapproval by the Lead Agency after consultation with the Non-Lead Agency.

d. In no event shall any of the Henderson Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party, including Debtors, Reorganized Tronox, Tenant or any other Henderson Trust Party, provided however, nothing herein shall modify the rights or obligations of Tenant as provided in the Henderson Facility Lease.

e. The Henderson Trustee shall implement any institutional controls or deed restrictions requested by the Lead Agency and Non-Lead Agency or required under applicable Environmental Laws with respect to the Henderson Property. Additionally, the Henderson Trustee and Tenant shall abide by the terms of any institutional controls or deed restrictions in place or of record as to the Henderson Property.

f. In the event that the Court finds that the Henderson Trustee in any material respect, as a result of negligence, exacerbates or aggravates hazardous conditions at the Henderson Property, is seriously or repeatedly deficient or late in performance of the work or violates the provisions of this Settlement Agreement, the Henderson Trust Agreement or other related implementation agreements, the State of Nevada and the United States may jointly direct that: (i) the Henderson Trustee be replaced in accordance with the Henderson Trust Agreement; or (ii) all remaining funds

and future recoveries in the Henderson Trust be paid to the Lead Agency or to the Non-Lead Agency to be used in accordance with the terms of this Settlement Agreement. Replacement of the Henderson Trustee under this Paragraph does not affect the liability provisions in Paragraphs 88 to 90 below.

g. Notwithstanding Subparagraph 84(f), within the first year after the Effective Date, the State of Nevada and the United States Department of Justice may jointly direct that the Henderson Trustee be replaced, for cause, provided that any replacement Trustee agrees to assume all the obligations of the Henderson Trustee under this Settlement Agreement and the Henderson Trust Agreement. Beginning from the second year after the Effective Date and at any time thereafter, the State of Nevada and the United States Department of Justice may jointly direct generally and without cause that the Henderson Trustee be replaced, provided that any replacement Trustee agrees to assume all the obligations of the Henderson Trustee under this Settlement Agreement and the Henderson Trust Agreement. The Henderson Trustee may resign from its trusteeship generally and without cause, in either case, on not less than 120 days prior written notice thereof to the Court, the United States, and the State of Nevada.

h. The Henderson Trustee shall provide Tenant at least 15 business days, or such shorter period as is established by the Henderson Lead Agency, to comment on work plans (including approvable deliverables that describe work to be performed at or relating to the Henderson Leased Facility) concerning proposed Environmental Actions at or relating to the Henderson Leased Facility, at the same time such proposed work plans (including such approvable deliverables as described above) are provided to the Henderson Lead Agency and Non-Lead Agency for their review or

approval, as applicable. The Henderson Trustee shall consult with Tenant to keep Tenant reasonably apprised of any major developments with respect to such Environmental Actions.

85. The Henderson Trust is intended to be governed by the terms of this Settlement Agreement and the Henderson Trust Agreement and shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

86. The Henderson Trustee shall provide the Henderson Lead Agency, Henderson Non-Lead Agency, and their representatives and contractors access to all portions of the Henderson Property at all reasonable times for the purposes of Environmental Actions at or near the Henderson Property. Any existing easements or deed restrictions of record as to the Henderson Property prior to the Effective Date of this Settlement Agreement shall survive the Settlement Agreement.

87. The Henderson Trustee may, at any time, seek the approval of the Henderson Lead Agency and the Henderson Non-Lead Agency for the sale or lease or other disposition of all or part of the BMI/Landwell Assets or the Henderson Property, subject to any existing lease(s) then in effect by its terms. Subject to the approval of the Henderson Lead Agency and the Henderson Non-Lead Agency, the Henderson Trustee may propose a sale, lease, or disposition of all or part of the Henderson Property that includes funding from, or the retention of some portion of liability by, the Henderson Trust Environmental Cost Account and/or the Henderson Trust Administrative Account, provided that the net effect of any proposed sale, lease or disposition is to lessen the total financial obligations and liabilities as would otherwise be incurred in the absence of any

such sale, lease, or disposition. In the event of any approved sale or lease or other disposition of the Henderson Property under this Paragraph, any net proceeds from the sale or lease or other disposition shall be paid to the Henderson Trust Environmental Cost Account and/or the Henderson Trust Administrative Account in a proportion approved by the Henderson Lead Agency and the Henderson Non-Lead Agency in writing. The disposition of the BMI/Landwell Assets shall be as set forth in Paragraph 70. Neither the United States nor the State of Nevada shall be required to accept an ownership interest in the BMI/Landwell Assets or the Henderson Property or any part thereof upon termination of the Henderson Trust.

88. None of the Henderson Trust Parties shall be personally liable unless the Court, by a final order that is not reversed on appeal, finds that it committed fraud or willful misconduct after the Effective Date in relation to the Henderson Trustee's duties. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute an act of fraud or willful misconduct. Any judgment against a Henderson Trust Party and any costs of defense relating to any Henderson Trust Party shall be paid from the Henderson Trust Environmental Cost Account or the Henderson Trust Administrative Account without the Henderson Trust Party having to first pay from its own funds for any personal liability or costs of defense unless a final order of the Court, that is not reversed on appeal, determines that it committed fraud or willful misconduct in relation to the Henderson Trust Party's duties. However, any such payment shall be limited to funds in the Henderson Trust Environmental Cost Account or the Administrative Account.

89. The Henderson Trust Parties are exculpated by all persons, including without limitation, holders of claims and other parties in interest, of and from any and all claims, causes of action and other assertions of liability arising out of the ownership of Henderson Trust Assets and the discharge of the powers and duties conferred upon the Henderson Trust and/or Trustee by this Settlement Agreement or any order of court entered pursuant to or in furtherance of this Settlement Agreement, or applicable law or otherwise. No person, including without limitation, holders of claims and other parties in interest, will be allowed to pursue any claims or causes of action against any Henderson Trust Party for any claim against Debtors or Reorganized Tronox, for making payments in accordance with this Settlement Agreement or any order of court, or for implementing the provisions of this Settlement Agreement or any order of court. Nothing in this Paragraph or the Settlement Agreement shall preclude the State of Nevada and the United States from enforcing the terms of this Settlement Agreement against the Henderson Trust Parties.

90. Except as may otherwise be provided herein: (a) the Henderson Trust Parties may rely on, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties; (b) the Henderson Trust Parties may consult with legal counsel, financial or accounting advisors and other professionals and shall not be personally liable for any action taken or not taken in accordance with the advice thereof; and (c) persons and entities dealing with the Henderson Trust Parties shall look only to the Henderson Trust Assets that may be available to them consistent with this Settlement

Agreement to satisfy any liability incurred by the Henderson Trust Parties to such person in carrying out the terms of this Settlement Agreement or any order of the Court, and the Henderson Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Paragraph 89.

91. Neither the State of Nevada, the United States, nor any of Debtors or Reorganized Tronox shall be deemed to be an owner, operator, trustee, partner, agent, shareholder, officer, or director of the Henderson Trust or the Henderson Trust Parties, or to be an owner or operator of the Henderson Property on account of this Settlement Agreement or actions contemplated thereby. Nothing in this Paragraph purports to preclude or otherwise affect the status of Tenant as an operator or lessee of the Henderson Leased Facility on account of the Henderson Facility Lease or any activities or operations conducted by Tenant at the Henderson Leased Facility on or after the Effective Date provided that Tenant shall not have any obligations with respect to Henderson Legacy Conditions except as provided in Paragraph 75 herein.

IX. THE WEST CHICAGO ENVIRONMENTAL RESPONSE TRUST

92. On the Effective Date, and simultaneously with receipt of the payments to the West Chicago Trust Environmental Cost Accounts and West Chicago Trust Work Accounts, Debtors will transfer all of their right, title, and interest in and to, including, without limitation, all of their fee ownership in, all appurtenances, rights, easements, rights-of-way, mining rights (including unpatented mining claims, mill site claims, and placer claims), mineral rights, mineral claims, appurtenant groundwater rights, associated surface water rights, claims, and filings, permits, licenses, third-party warranties and guaranties for equipment or services to the extent transferable under

bankruptcy law or other interests (including without limitation all fixtures, improvements, and equipment located thereon as of the Effective Date) related to the Rare Earths Facility in West Chicago, Illinois ("REF"), and the properties owned by the Debtors in the Residential Areas Site ("RAS") in West Chicago, Illinois and DuPage County, Illinois ("Owned RAS Properties"; with REF, collectively "West Chicago Owned Sites") to a West Chicago Environmental Response Trust ("West Chicago Trust"). On and after the Effective Date, Debtors and Reorganized Tronox shall have no ownership or other residual interest whatsoever with respect to the West Chicago Owned Sites or the West Chicago Trust. The transfer of ownership by the Debtors of property shall be a transfer of all of the Debtors' right, title and interests therein, and the transfer (i) shall be as is and where is, with no warranties of any nature, (ii) shall be free and clear of all claims, liens and interests against the Debtors, including liens for the payments of monetary claims, such as property taxes, or other monetary claims asserted or that could have been asserted in the bankruptcy proceeding, but shall remain subject to any existing in rem claims that do not secure payment of monetary claims (such as easements or deed restrictions); (iii) shall be subject to any rights of the United States and the State of Illinois under this Settlement Agreement; and (iv) shall be accomplished by quitclaim deed, in a form substantially similar to the quitclaim deed attached as Attachment C to this Settlement Agreement, and/or personal property bill of sale without warranty, all such conveyance documents to be agreed to in form by the Debtors and the trustee/licensee of the West Chicago Trust ("West Chicago Trustee/Licensee"), provided that in no event shall the conveyance include any warranty by the grantor by virtue of the grant document or statutory or common law or otherwise. Debtors and Reorganized Tronox hereby disclaim

any and all express or implied representations or warranties, including any representations or warranties of any kind or nature, express or implied, as to the condition, value or quality of such assets or other property, and specifically disclaim any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to such assets or other property, any part thereof, the workmanship thereof, and the absence of any defects therein, whether latent or patent, it being understood that such assets are being acquired "as is, where is," and in their condition of the Effective Date. Debtors and Reorganized Tronox, as applicable, will deliver to the title company (which will record or cause to be recorded in the appropriate real property records) the transfer documents as soon as reasonably practicable, but not to exceed 30 business days after the Effective Date. Debtors shall pay the recording costs to the title company relating to the title transfers. Debtors shall pay to the applicable tax authorities on or prior to the Effective Date all real property taxes relating to the West Chicago Owned Sites due on or before the Effective Date. Debtors and the West Chicago Trust shall prorate the real property taxes accruing to or becoming a lien on the West Chicago Owned Sites during the calendar year of the Effective Date, and Debtors shall have paid to the West Chicago Trust their pro-rata share of such real property taxes as of the Effective Date. If the actual bills for such real property taxes have not been issued, then such proration shall be based on an amount equal to such real property taxes for the prior year or tax period, which shall constitute a final proration and not be subject to further adjustment. As of the Effective Date, the West Chicago Trust shall be responsible for paying all real property taxes first coming due following the Effective Date relating to the West Chicago Owned Sites. Debtors shall execute, or cause to be executed, and

record, if necessary, all necessary releases of any liens or security interests held by any Debtors against the West Chicago Owned Sites. After Debtors execute this Settlement Agreement, Debtors shall not further encumber the West Chicago Owned Sites, or their other interests therein and shall maintain such properties in a commercially reasonable manner, in accordance with Debtors' current practices, including the improvements thereon and the fixtures thereto that are related to ongoing remediation activities in the condition that they exist as of the date of such execution, except for ordinary wear and tear, casualty and condemnation excepted, and except to the extent that ongoing Environmental Actions require otherwise.

93. On the Effective Date, Debtors shall transfer to the West Chicago Trust all of their rights, title, and interest in all reimbursements from the Department of Energy pursuant to Title X of the Energy Policy Act of 1992 ("Title X") as amended, Pub. L. No. 102-486 (1992), to which Debtors would have been entitled based on remediation work performed by or on behalf of Debtors at the REF and the Kerr-McGee West Chicago NPL Sites (as defined in Subparagraph 117(k) below), and pursuant to the Consent Decree for the Kerr-McGee West Chicago NPL Sites, *United States v. Kerr-McGee Chemical LLC*, Civil Action No. 05C2318 (N.D. Ill.) ("Federal West Chicago Consent Decree") and the Consent Decree filed in *County of DuPage v. Kerr-McGee Chemical, LLC*, Civil Action No. 05C 1874 (N.D. Ill.) ("Local Communities Consent Decree").

94. With respect to the Federal West Chicago Consent Decree, the United States, the State of Illinois, and Tronox LLC will file papers with the District Court for the Northern District of Illinois to modify the Federal West Chicago Consent

Decree (and including without limitation any other applicable orders, decrees or agreements regarding investigation, remediation, cleanup or oversight as appropriate) to substitute the West Chicago Trust for Tronox LLC as a party to the Federal West Chicago Consent Decree after the Effective Date for all purposes; provided, however, that (i) nothing in this Paragraph purports to impose any obligation on the West Chicago Trust in excess of the West Chicago Trust Assets, and (ii) other than the substitution of the West Chicago Trust for Tronox LLC, nothing in this Settlement Agreement shall affect any other provision of the Federal West Chicago Consent Decree.

95. With respect to the Local Communities Consent Decree, the County of DuPage, Illinois, the Forest Preserve District of DuPage County, Illinois, the City of West Chicago, the City of Warrenville, and the West Chicago Park District (collectively, the "Local Communities") and Tronox LLC will file papers with the District Court for the Northern District of Illinois to modify the Local Communities Consent Decree (and including without limitation any other applicable orders, decrees or agreements regarding investigation, remediation, cleanup or oversight as appropriate) to substitute the West Chicago Trust for Tronox LLC as a party to the Local Communities Consent Decree after the Effective Date for all purposes; provided, however, that (i) nothing in this Paragraph purports to impose any obligation on the West Chicago Trust in excess of the West Chicago Trust Assets, (ii) nothing in this Paragraph purports to relieve Tronox LLC or its successors of any releases or covenants not to sue in the Local Communities Consent Decree, and (iii) other than the substitution of the West Chicago Trust for Tronox LLC, nothing in this Settlement Agreement shall affect any other provision of the Local Communities Consent Decree.

96. The purpose of the West Chicago Trust shall be to: (i) act as successor to Debtors solely for the purpose of performing, managing, and funding implementation of Environmental Actions selected by US EPA for (a) the portions of the RAS that are not owned by Debtors ("Non-Owned RAS Properties") and the Owned RAS Properties (collectively, "RAS Properties"), and (b) for Kress Creek and the West Branch DuPage River in DuPage County, Illinois ("Kress Creek"), pursuant to the Federal West Chicago Consent Decree and the Local Communities Consent Decree; (ii) act as successor to the Debtors solely for the purpose of performing, managing, and funding implementation of Environmental Actions at the REF; (iii) use all reasonable efforts, by and through the West Chicago Trustee/Licensee, to secure Title X reimbursements owed after the Effective Date from the Department of Energy, to which the West Chicago Trustee/Licensee is legally entitled based on Environmental Actions performed by or on behalf of Debtors and the West Chicago Trust (and regardless of whether further Environmental Actions continue to be necessary at Kress Creek, the RAS Properties, or the REF); (iv) own the West Chicago Owned Sites; (v) carry out administrative functions related to the performance of Environmental Actions by or on behalf of the West Chicago Trust at Kress Creek and the RAS Properties, and other administrative functions with respect to the West Chicago Owned Sites; (vi) ultimately sell, transfer or otherwise dispose or facilitate the reuse of all or part of the Owned RAS Properties (including, but not limited to, any appurtenances, machinery, equipment, fixtures, furniture, computers, tools, parts, supplies, and other tangible property on the Owned RAS Properties that are transferred to the West Chicago Trust), if possible; (vii) ultimately sell or transfer the REF to the City of West Chicago, pursuant to the conditions

and terms set forth in the Phase 2 Final Agreement Between Kerr-McGee Chemical Corporation and The City of West Chicago, Illinois dated February 24, 1997 ("Phase 2 Final Agreement") as shall be specified in the West Chicago Trust Agreement with the approval of IEMA and the City of West Chicago; and (viii) to act as successor to Debtors for the purpose of complying with the provisions of the Kress Creek Settlement Agreement executed by the Debtors and the United States and dated May 1, 2010 ("Kress Creek Settlement Agreement"). The actions of the West Chicago Trust, including the sale, lease or other disposition of some or all of the West Chicago Assets by the West Chicago Trust and the West Chicago Trustee/Licensee's duties pursuant to the Settlement Agreement and the West Chicago Environmental Response Trust Agreement ("West Chicago Trust Agreement"), shall not be deemed an engagement in any trade or business. The West Chicago Trust by and through its West Chicago Trustee/Licensee not individually but solely in its representative capacity, the Debtors, and the Lead Agencies for the REF, the RAS Properties, and Kress Creek shall exchange information and reasonably cooperate to determine the appropriate disposition of any executory contracts or unexpired leases that relate to the relevant Site, provided however, that the West Chicago Trustee/Licensee shall not be required to take assignment of any executory contract or unexpired lease without the consent of the West Chicago Trustee/Licensee. Debtors shall cooperate with the West Chicago Trustee/Licensee with the prompt and orderly delivery of all executory contracts and leases and take such action with respect to such contracts and leases as the Lead Agencies and the West Chicago Trustee/Licensee may request before the Effective Date. The West Chicago Trust shall not be required to

pay any cure costs. The West Chicago Trust shall be funded as specified in Paragraph 104 herein.

97. Weston Solutions, Inc., solely in its representative capacity as West Chicago Trustee/Licensee, is appointed as the West Chicago Trustee/Licensee to administer the West Chicago Trust and the West Chicago Trust Accounts, in accordance with this Settlement Agreement and the West Chicago Trust Agreement materially consistent with the Settlement Agreement to be separately executed by the parties.

98. On the Effective Date, the West Chicago Trustee/Licensee shall have obtained a Radioactive Material License ("REF License") issued by the Illinois Emergency Management Agency ("IEMA") for the performance of Environmental Actions at the REF. The West Chicago Trustee/Licensee shall be bound by the requirements of the REF License and applicable regulations, and any future amendments to or transfers of the REF License must be made in accordance with applicable state and federal law and regulations. The West Chicago Trustee/Licensee shall ensure that all Title X reimbursements received by the West Chicago Trust after the Effective Date from the Department of Energy shall be deposited in the West Chicago Title X Account (as set forth in Subparagraph 104(c) below).

99. As set forth in Paragraph 4 of the Kress Creek Settlement Agreement, on the Effective Date, the Debtors shall assign the ARCADIS Contract, as defined in Paragraph 3 of the Kress Creek Settlement Agreement, to the West Chicago Trust in order that all rights, obligations, interests and liabilities of the Debtors pursuant to the ARCADIS Contract shall be assigned to and assumed by the West Chicago Trust.

100. As set forth in Paragraph 6 of the Kress Creek Settlement Agreement, US EPA, at its discretion, may transfer funds from the Kress Creek/West Branch DuPage River Superfund Site Special Account ("West Chicago Special Account") to the West Chicago Trust Work Account for Kress Creek or the West Chicago Trust Work Account for the Non-Owned RAS Properties, for the West Chicago Trustee/Licensee to conduct or finance response actions at or in connection with those Sites.

101. As set forth in Paragraph 7 of the Kress Creek Settlement Agreement, on or before the Effective Date, the Debtors shall provide to the West Chicago Trustee/Licensee all information and documentation necessary to submit a Title X claim for any remedial costs incurred by the Debtors for work performed under the Kress Creek Settlement Agreement that was not previously claimed by the Debtors in Paragraph 5 of the Kress Creek Settlement Agreement.

102. As set forth in Paragraph 8 of the Kress Creek Settlement Agreement, on the Effective Date, the Debtors shall transfer to the West Chicago Trust all of their rights, title, and interest in all Title X reimbursements from the Department of Energy to which the Debtors would have been entitled based on remediation work performed by the Debtors under the Kress Creek Settlement Agreement.

103. Debtors and Reorganized Tronox shall provide to the West Chicago Trustee/Licensee Environmental Information and Real Property Information in accordance with Section XIX below.

104. The West Chicago Trust Accounts

a. The West Chicago Trustee/Licensee shall create segregated West Chicago Trust Environmental Cost Accounts ("West Chicago Trust Environmental Cost Accounts") and segregated West Chicago Trust Work Accounts ("West Chicago Trust Work Accounts") within the West Chicago Trust for each of the designated Sites ("West Chicago Trust Sites") listed in this Paragraph as follows: (i) a West Chicago Trust Environmental Cost Account for REF; (ii) a West Chicago Trust Work Account for Kress Creek; (iii) a West Chicago Trust Environmental Cost Account for the Owned RAS Properties; and (iv) a West Chicago Trust Work Account for the Non-Owned RAS Properties. The purpose of the West Chicago Trust Environmental Cost Account for the REF shall be to provide funding for future Environmental Actions and certain past and future oversight costs of the State of Illinois with respect to the REF (such past costs are unpaid costs incurred by IEMA during the period July 1, 2010 through the Effective Date and payable pursuant to Section 331.200 of the Radiation Protection regulations, 32 Ill. Adm. Code 331.200); additionally, in accordance with Subparagraph 107(b), the West Chicago Trustee/Licensee may transfer funds from the West Chicago Trust Environmental Cost Account for the REF to the West Chicago Trust Work Account for Kress Creek. The purpose of the West Chicago Trust Work Account for Kress Creek shall be to fund the performance of Environmental Actions by the West Chicago Trust with respect to Kress Creek. The purpose of the West Chicago Trust Environmental Cost Account for the Owned RAS Properties shall be to provide funding for future Environmental Actions and certain future oversight costs of the State of Illinois and/or US EPA with

respect to the Owned RAS Properties. The purpose of the West Chicago Trust Work Account for the Non-Owned RAS Properties shall be to fund the performance of Environmental Actions by the West Chicago Trust for the Non-Owned RAS Properties Sites. Funding from a West Chicago Trust Environmental Cost Account or West Chicago Trust Work Account for any of the West Chicago Trust Sites may not be used for any other Site except as expressly provided by and in accordance with Paragraph 107 below.

b. The West Chicago Trustee/Licensee shall also create a segregated West Chicago Trust administrative account ("West Chicago Trust Administrative Account") to fund the payment of real estate taxes, insurance, and other Administrative Costs.

c. The West Chicago Trustee/Licensee shall also create a segregated West Chicago Trust holding account ("West Chicago Trust Title X Account") to serve as a repository for Title X reimbursements.

d. Assets of the West Chicago Trust Environmental Cost Accounts, the West Chicago Trust Work Accounts, and the West Chicago Trust Administrative Account (collectively, the "West Chicago Trust Accounts") shall be held in trust solely for the purposes provided in this Settlement Agreement. The State of Illinois on behalf of IEMA and the Illinois Environmental Protection Agency ("IEPA"), and the United States on behalf of the US EPA shall be the sole beneficiaries of the West Chicago Trust Accounts. Neither Debtors nor Reorganized Tronox shall have any rights or interest to the West Chicago Assets, including but not limited to any Title X reimbursements received from the Department of Energy after the Effective

Date, or to any funds remaining in any of the West Chicago Trust Accounts upon the completion of any and all final actions and disbursement of any and all final costs with respect to the West Chicago Trust Sites.

e. All interest, dividends and other revenue earned in a West Chicago Trust account shall be retained in the respective West Chicago Trust Account and used only for the same purposes as the principal in that account as provided in this Settlement Agreement, subject to any reallocation approved by the State of Illinois and US EPA in accordance with the terms of this Settlement Agreement.

f. In settlement of all claims of the United States, the State of Illinois, and the Local Communities against Debtors and Reorganized Tronox with respect to any and all costs of response incurred, or to be incurred, in connection with the REF, the RAS Properties and Kress Creek (including but not limited to the liabilities and other obligations asserted in the United States', State of Illinois and Local Communities' Proofs of Claim relating to REF, Kress Creek and the RAS Properties), Debtors shall, on the Effective Date, make payments and effectuate transfers of funds from applicable surety bonds and letters of credit, as described in the following Subparagraphs herein.

i. On the Effective Date, Debtors shall make a payment of $8,303,002.00 to fund the West Chicago Trust Administrative Account;

ii. On the Effective Date, Debtors shall transfer the following surety bond and letter of credit to fund the West Chicago Trust Environmental Cost Account for the REF as follows:

a. Debtors shall convert to cash Bond No. 2971100-2630 ("REF Surety Bond") and on the Effective Date, transfer the $15,000,000.00 in total funds from the cancelled REF Surety Bond to the West Chicago Trust Environmental Cost Account for the REF to fund future

Environmental Actions and certain past and future oversight costs of IEMA at the REF; and

b. Debtors shall convert to cash Letter of Credit No. CPCS-648701 ("REF Letter of Credit") and, on the Effective Date, transfer the $24,797,247.65 in total funds from the cancelled REF Letter of Credit to the West Chicago Trust Environmental Cost Account for the REF to fund future Environmental Actions and certain past and future oversight costs of IEMA at the REF.

iii. On the Effective Date, Debtors shall make a payment of $306,488.00 to fund future Environmental Actions and certain future oversight costs of the State of Illinois and US EPA with respect to the Owned RAS Properties, to be deposited in a West Chicago Trust Environmental Cost Account for the Owned RAS Properties.

iv. On the Effective Date, Debtors shall make a payment of $77,240.00 to fund future Environmental Actions to be deposited in a West Chicago Trust Work Account for the Non-Owned RAS Properties. Funds in the West Chicago Trust Work Account for the Non-Owned RAS Properties may not be used for future oversight costs of the State of Illinois and US EPA with respect to the Non-Owned RAS Properties.

v. On the Effective Date, Debtors shall make a payment of $1,670,090.00 to fund future Environmental Actions to be deposited in a West Chicago Trust Work Account for Kress Creek. Funds in the West Chicago Trust Work Account for Kress Creek may not be used for future oversight costs of the State of Illinois and US EPA with respect to Kress Creek.

vi. On the Effective Date, and as set forth in Paragraph 9 of the Kress Creek Settlement Agreement, Debtors shall transfer the funds remaining in the third-party escrow account established under the Kress Creek Settlement Agreement to either the West Chicago Trust Environmental Cost Account for the Owned RAS Properties, the West Chicago Trust Work Account for the Non-Owned RAS Properties, or to the West Chicago Trust Work Account for Kress Creek, pursuant to written instructions to be provided by US EPA before the Effective Date.

105. West Chicago Lead Agencies

a. For purposes of this Settlement Agreement, the Lead Agencies for the West Chicago Trust Sites are as follows:

REF	IEMA
Kress Creek	US EPA
RAS Properties	US EPA

b. For purposes of this Settlement Agreement, the Non-Lead Agency for Kress Creek and the RAS Properties are as follows:

Kress Creek	IEPA
RAS Properties	IEPA

The Lead Agency for a West Chicago Trust Site shall consult with the Non-Lead Agency for that Site relating to approval of the budget or requests for funding for cleanup of the Site if such consultation is requested. US EPA and the State of Illinois may provide the West Chicago Trustee/Licensee with joint written notice that the Lead Agency for a West Chicago Trust Site has changed.

c. The West Chicago Trustee/Licensee, IEMA, IEPA and US EPA shall designate a contact for each West Chicago Trust Site. Upon request, the West Chicago Trustee/Licensee shall provide to IEMA, IEPA, and US EPA electronic or paper copies of technical memoranda, scopes of work, work plans, progress reports, and cost estimates and cost expenditures as the West Chicago Trustee/Licensee distributes those documents to the Lead Agency for each West Chicago Trust Site. Upon request, the West Chicago Trustee/Licensee shall also provide copies of each West Chicago Environmental Cost Account and Work Account statement, work schedule, and budget to IEMA, IEPA, and US EPA, as those documents are generated. IEMA, IEPA or US EPA

may contact each other or the West Chicago Trustee/Licensee for information purposes. However, each Lead Agency fully reserves its authority, rights and responsibilities to make decisions regarding its respective Work Chicago Trust Environmental Cost Account or Work Account. The West Chicago Trustee/Licensee shall also provide an update on completed and scheduled work and other activities, especially of interest to the public, related to their respective West Chicago Trust Site(s) at the regularly scheduled Intergovernmental Forum.

d. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year following the Effective Date, the West Chicago Trustee/Licensee shall provide to US EPA and IEMA a statement for each of the West Chicago Trust Environmental Cost and Work Accounts showing the balance of each cost account and proposed budget for the coming year. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the relevant West Chicago Trust Environmental Cost or Work Account after consultation with the Non-Lead Agency, if such consultation is requested.

e. The West Chicago Trustee/Licensee shall pay funds from the West Chicago Trust Environmental Cost Accounts for the REF and the Owned RAS Properties to the Lead Agency making a written request for funds for reimbursement within 10 days following such request, for costs incurred for the REF or the Owned RAS Properties. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 105(d) above, (ii) specify what the funds were used for and (iii) certify that they were used only for Environmental Actions and certain past costs and future oversight costs incurred after the Effective Date by the Lead Agency with respect

to that Site. The West Chicago Trustee/Licensee shall also pay funds from the West Chicago Trust Environmental Cost Account for the Owned RAS Properties to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to that Site. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 105(d) above, (ii) specify what the funds were used for, and (iii) certify that they were used only for Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency with respect to the Owned RAS Properties.

f. The West Chicago Trustee/Licensee shall pay funds from the West Chicago Trust Work Accounts for Kress Creek and the Non-Owned RAS Properties to the Lead Agency making a written request for funds for reimbursement within 30 days following such request. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 105(d) above, (ii) specify what the funds were used for, and (iii) certify that they were used only for Environmental Actions. The West Chicago Trustee/Licensee shall also pay funds from the West Chicago Trust Work Accounts for Kress Creek and the Non-Owned RAS Properties to the Non-Lead Agency making a written request for funds within 30 days following such request where the Lead Agency has requested the assistance of the Non-Lead Agency with respect to either Site. Such written request shall: (i) be in accordance with the approved budget set forth in Subparagraph 105(d) above, (ii) specify what the funds were used for, and (iii) certify that they were used only for Environmental Actions performed by the Non-Lead Agency with respect to Kress Creek or the Non-Owned RAS Properties, and will not be

used to reimburse the Lead Agency or the Non-Lead Agency for oversight costs. The funds paid pursuant to this Subparagraph may not be used to reimburse the Lead Agency or Non-Lead Agency for oversight costs.

g. In the case of requests by the Lead Agency to the West Chicago Trustee/Licensee to use the funds from a particular West Chicago Trust Environmental Cost or West Chicago Trust Work Account to perform Environmental Actions in accordance with the approved budget set forth in Subparagraph 105(d) above, the West Chicago Trustee/Licensee shall utilize the funds and interest earned thereon from that West Chicago Trust Environmental Cost or West Chicago Trust Work Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency. The West Chicago Trustee/Licensee shall seek the approval of the Lead Agency of any contractor hired by the West Chicago Trustee/Licensee and any work plans to be undertaken by the West Chicago Trust under the oversight of the Lead Agency, unless the Lead Agency has provided a written waiver of such approval or requirements. The West Chicago Trustee/Licensee shall require liability insurance as set forth in the West Chicago Trust Agreement from each contractor hired to perform work.

106. The West Chicago Trustee/Licensee shall ensure that all Title X reimbursements received by the West Chicago Trust after the Effective Date from the Department of Energy shall be deposited in the West Chicago Title X Account.

107. Transfers of Funds from the West Chicago Trust Accounts

a. Transfers from the West Chicago Administrative Account. US EPA, IEMA and the Local Communities may jointly direct the West Chicago Trustee/Licensee to transfer 30% of the funds deposited in the West Chicago

Administrative Account pursuant to Subparagraph 104(b) into the West Chicago Trust Work Account for Kress Creek.

b. Transfers from the West Chicago Environmental Cost Account for the REF. To facilitate completion of Environmental Actions at Kress Creek in a timely manner, IEMA authorizes the West Chicago Trustee/Licensee to transfer up to a total of $14,000,000.00 in funds from the West Chicago Trust Environmental Cost Account for the REF to the West Chicago Trust Work Account for Kress Creek to pay for transportation and disposal costs as follows:

i. First, within 30 days after the Effective Date, and upon receipt and review of applicable invoices for costs incurred for transportation and disposal during the 2010 construction season through the Effective Date, the West Chicago Trustee shall transfer funds in the total amount of transportation and disposal invoices during the 2010 construction season through the Effective Date, from the West Chicago Trust Environmental Cost Account for the REF to the West Chicago Trust Work Account for Kress Creek; and

ii. Second, upon receipt of an invoice or invoices for transportation and disposal costs of materials from Kress Creek, the Owned RAS Properties, and the Non-Owned RAS Properties that were incurred after the Effective Date, the West Chicago Trustee shall transfer the amount of the invoices due and owing from the West Chicago Trust Environmental Cost Account for the REF to the West Chicago Trust Work Account for Kress Creek to provide for payment pursuant to the terms of the invoice(s).

The West Chicago Trustee/Licensee shall maintain funds in the West Chicago Trust Environmental Cost Account for the REF as long as possible in order to provide for the generation of interest consistent with the terms of the invoices. If any portion of the transferred REF funds remains after payment of all transportation and disposal costs described herein, those funds shall be returned to the West Chicago Trust Environmental Cost Account for the REF.

c. Transfers from the West Chicago Title X Account. In the event that the West Chicago Trustee/Licensee is directed to transfer funds deposited in the West Chicago Administrative Account into the West Chicago Trust Work Account for Kress Creek, as provided in Subparagraph 107(a) above, any funds that become available to the West Chicago Trust Title X Account shall be transferred to the West Chicago Administrative Account until such time as the funds transferred by Subparagraph 107(a) are restored (with no provision for interest).

d. Subject to Subparagraph 107(c) above, the West Chicago Trustee/Licensee shall allocate any funds from the West Chicago Trust Title X Account as money becomes available according to the following priority list: (i) first, to the West Chicago Trust Work Account for Kress Creek, in a total amount not to exceed $17,000,000.00 (including Title X reimbursements relating to approved reimbursement requests submitted to DOE after April 1, 2010); (ii) second, to the West Chicago Environmental Cost Account for the REF to replenish the West Chicago Environmental Cost Account for the REF in the amount of funds previously transferred to the West Chicago Trust Work Account for Kress Creek; (iii) third, to the West Chicago Trust Environmental Cost Account for the Owned RAS Properties or to the West Chicago Trust Work Account for the Non-Owned RAS Properties, to fund Site evaluations and/or to fund remaining Environmental Actions identified as of the Effective Date; (iv) fourth, to the West Chicago Special Account to replenish the balance of the Special Account up to the amount contained in the Special Account at the Effective Date, provided, however, that the Special Account shall be reimbursed first unless the West Chicago Trustee/Licensee determines, with the approval of US EPA and IEMA, that any of the

other West Chicago Trust Sites has a need for additional funding for remaining Environmental Actions; (v) fifth, to the extent allowed by law, to reimburse all Superfund monies provided to any of the West Chicago Trust Work Accounts, if any, in full or in part; (vi) sixth, with the approval of US EPA and IEMA, to the Multistate Trust Environmental Cost Account for any Site located in Illinois; (vii) seventh, in accordance with instructions to be provided by the United States Department of Justice and the relevant States, to the Henderson Trust Environmental Cost Account, the Cimarron Trust Environmental Cost Account, the Savannah Trust Environmental Cost Account, or any of the Multistate Trust Environmental Cost Accounts or Work Accounts if there are remaining Environmental Actions to be performed at the Owned Funded Sites or the Non-Owned Service Stations and a need for additional trust funding, with the allocation among such Environmental Cost or Work Accounts to be determined by the projected shortfall of performing such remaining Environmental Actions; (viii) eighth, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds; and (ix) ninth, to the Superfund;

e. Transfer of Funds from the West Chicago Trust Environmental Cost Accounts and Work Accounts upon Completion of Environmental Actions:

i. After US EPA, IEMA and/or IEPA have confirmed to the West Chicago Trustee that all final actions have been completed, and all final costs have been disbursed to a West Chicago Trust Site, any funds remaining in that Site's Environmental Cost Account or Work Account shall be transferred in the following order: (i) first, to the West Chicago Trust Work Account for Kress Creek to fund

remaining Environmental Actions at Kress Creek; (ii) second, to the West Chicago Environmental Cost Account for the REF to replenish that account in the amount of funds transferred to the West Chicago Trust Work Account for Kress Creek; (iii) third, to the West Chicago Trust Environmental Cost Account for the Owned RAS Properties or the West Chicago Trust Work Account for the Non-Owned RAS Properties, to fund Site evaluations and/or to fund remaining Environmental Actions identified as of the Effective Date; (iv) fourth, to the West Chicago Special Account to replenish the balance of the Special Account up to the amount contained in the Special Account at the Effective Date, or to any of the other West Chicago Trust Sites, provided, however, that the Special Account shall be reimbursed first unless the West Chicago Trustee/Licensee determines, with the approval of US EPA and IEMA, that any of the other West Chicago Trust Sites has a need for additional funding for remaining Environmental Actions; (v) fifth, to the extent allowed by law, to reimburse all Superfund monies provided to any of the West Chicago Trust Work Accounts, if any, in full or in part; (vi), sixth, with the approval of US EPA and IEMA, to the Multistate Trust Environmental Cost Account for any Site located in Illinois; (vii) seventh, in accordance with instructions to be provided by the United States Department of Justice and the relevant States, to the Henderson Trust Environmental Cost Account, the Cimarron Trust Environmental Cost Account, the Savannah Trust Environmental Cost Account, or any of the Multistate Trust Environmental Cost Accounts or Work Accounts if there are remaining Environmental Actions to be performed at Owned Sites or certain Non-Owned Sites in those Trusts and a need for additional trust funding, with the allocation among such Environmental Cost or Work Accounts to be determined by the projected shortfall of performing such remaining

Environmental Actions; (viii) eighth, to Non-Owned Sites with a need for additional funding beyond the distributions received pursuant to Paragraph 117 and from the Anadarko Litigation Proceeds; and (ix) ninth, to the Superfund.

f. Annually, beginning with the first year after the Effective Date, the West Chicago Trustee/Licensee shall provide the United States and the State of Illinois with an update of anticipated future Administrative Costs of the West Chicago Trust. The United States Department of Justice may thereafter instruct in writing after consultation with the State of Illinois and the West Chicago Trustee/Licensee that any conservatively projected surplus funding in the West Chicago Trust Administrative Account be transferred to one or more of the other West Chicago Trust Environmental Cost Accounts or West Chicago Trust Work Accounts established under this Settlement Agreement for a West Chicago Trust Site if there are remaining actions to be performed and with a need for additional trust funding or, to the extent there are no such remaining actions, as described in clauses (i)-(ix) in the immediately preceding Subparagraph. If there is an anticipated shortfall in the West Chicago Trust Administrative Account based on anticipated future Administrative Costs of the West Chicago Trust, funds in any of the West Chicago Trust Environmental Cost Accounts may be transferred to the West Chicago Trust Administrative Account, upon the joint direction of the Lead Agency and the Non-Lead Agency, if applicable, for the respective Environmental Cost Account.

g. Notwithstanding any other provision in this Settlement Agreement, with respect to any West Chicago Trust Environmental Cost Account or Work Account, in no event shall funds be removed from an account without the express written consent of the Lead Agency for that account, except that IEMA hereby approves

the transfer of funds from the West Chicago Environmental Cost Account for the REF to the West Chicago Trust Work Account for Kress Creek pursuant to Subparagraph 107(b) above.

h. Debtors shall continue, at their own expense, to maintain ongoing environmental activities being performed by Debtors pursuant to injunctive, compliance, and regulatory obligations and requirements at a West Chicago Trust Site, including all obligations set forth in the Kress Creek Settlement Agreement and the REF License until the Effective Date, including, but not limited to, environmental monitoring activities; provided, however, if unanticipated environmental activities are required to be performed by Debtors prior to the Effective Date, Debtors will cooperate with the Lead Agency in determining a commercially reasonable course of action.

108. As provided by Paragraph 6 of the Kress Creek Settlement Agreement, US EPA, at its discretion, may transfer funds from the Kress Creek/West Branch DuPage River Superfund Site Special Account to the West Chicago Trust Work Account for Kress Creek or to the West Chicago Trust Work Account for the Non-Owned RAS Properties, to be used by the West Chicago Trustee to conduct or finance response actions at or in connection with the West Chicago Trust Sites.

109. <u>West Chicago Trust Miscellaneous Provisions</u>

a. The West Chicago Trustee/Licensee shall at all times seek to have the West Chicago Trust treated as a "qualified settlement fund" as that term is defined in Treasury Regulation section 1.468B-1. For purposes of complying with Section 468B(g)(2) of the Internal Revenue Code of 1986, as amended, this Settlement Agreement shall constitute a Consent Decree between the parties. Approval of the Court,

as a unit of the District Court, shall be sought, and the Court shall retain continuing jurisdiction over the West Chicago Trust and West Chicago Trust Accounts sufficient to satisfy the requirements of Treasury Regulation section 1.468B-1. The West Chicago Trustee/Licensee shall cause any taxes imposed on the earnings of the West Chicago Trust to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the West Chicago Trust under applicable tax laws. The West Chicago Trustee/Licensee shall be the "administrator" of the West Chicago Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent that the Debtors choose to make a Grantor Trust Election with respect to the West Chicago Trust, the West Chicago Trustee/Licensee shall provide reasonable cooperation to the Debtors as needed to facilitate such election. For the avoidance of doubt, any such Grantor Election is for tax purposes only and shall in no way affect the substantive rights and obligations of the parties under this Settlement Agreement or the West Chicago Trust Agreement.

b. The administrative funds within the West Chicago Trust Administrative Account shall be used by the West Chicago Trustee/Licensee for Administrative Costs, except as set forth in Subparagraphs 107(a) and (b) above. Within 90 days following the Effective Date in the first year and thereafter by January 1 of each year, the West Chicago Trustee/Licensee shall provide the United States and the State of Illinois with an annual budget for administration of the West Chicago Trust for review and approval or disapproval by the United States and the State of Illinois.

c. In no event shall any of the West Chicago Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party,

including Debtors or any other West Chicago Trust Party.

d. The West Chicago Trustee/Licensee shall implement any institutional controls or deed restrictions requested by the United States and the Illinois EPA with respect to the Owned RAS Properties, and any institutional controls or deed restrictions requested by IEMA with respect to the REF. Additionally, the West Chicago Trustee/Licensee shall abide by the terms of any institutional controls or deed restrictions in place or of record as to the REF and the Owned RAS Properties.

e. In the event that the Court finds that the West Chicago Trustee/Licensee in any material respect, as a result of negligence, exacerbates or aggravates hazardous conditions at any of the West Chicago Trust Sites, is seriously or repeatedly deficient or late in performance of the work or violates the provisions of this Settlement Agreement, the West Chicago Trust Agreement or other related implementation agreements, the United States and the State of Illinois may jointly direct that: (i) the West Chicago Trustee/Licensee be replaced in accordance with the West Chicago Trust Agreement; or (ii) all remaining funds and future recoveries in the West Chicago Trust be paid to the United States or to the State of Illinois to be used in accordance with the terms of this Settlement Agreement.

f. The West Chicago Trust is intended to be governed by the terms of this Settlement Agreement and the West Chicago Trust Agreement and shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

g. The West Chicago Trustee/Licensee may resign from its trusteeship generally and without cause giving not less than 120 days prior written notice

thereof to the Court, the United States (including US EPA), the State of Illinois (including IEMA) and the Local Communities, provided however, that in the event a suitable replacement is not found and approved by the United States, the State of Illinois (including IEMA), and the Local Communities within 120 days after such written notice is provided, the West Chicago Trustee/Licensee's resignation shall not become effective and the West Chicago Trustee/Licensee shall continue to function in its capacity as Trustee/Licensee until a suitable replacement is found and approved by the United States, the State of Illinois (including IEMA), and the Local Communities.

110. The West Chicago Trustee/Licensee shall provide the United States, the State of Illinois, and their representatives and contractors access to all portions of the West Chicago Trust Sites at all reasonable times for the purposes of conducting Environmental Actions at or near the West Chicago Trust Sites. With respect to Kress Creek, the West Chicago Trustee/Licensee shall also provide the Forest Preserve District of DuPage County and their representatives and contractors access to all portions of the Site at all reasonable times for the purposes of conducting Environmental Actions at or near the Site. The West Chicago Trustee/Licensee shall execute and record with the appropriate recorder's office any easements or deed restrictions requested by the United States and IEPA for restrictions on use of the Owned RAS Properties, or requested by IEMA for restrictions on the use of the REF, in order to protect public health, welfare or safety or the environment or ensure non-interference with or protectiveness of any action. Any existing easements or deed restrictions of record as to the West Chicago Owned Sites prior to the Effective Date of this Settlement Agreement shall survive the Settlement Agreement.

111. The United States and the State of Illinois may at any time propose in writing to take ownership of the Owned RAS Properties or any part thereof. Any such proposed transfer and the terms thereof are subject to approval in writing by the United States and the State of Illinois (after consultation with the West Chicago Trustee/Licensee). The West Chicago Trustee/Licensee may, at any time, seek the approval of the United States and the State of Illinois for the sale or lease or other disposition of all or part of the Owned RAS Properties. The West Chicago Trustee/Licensee shall also take all necessary steps to effectuate the transfer of the REF to the City of West Chicago, as set forth in Subparagraph 96(vii) above. However, neither the United States nor the State of Illinois shall be required to accept an ownership interest in remaining properties upon termination of the West Chicago Trust.

112. Subject to the approval of the United States and the State of Illinois, the West Chicago Trustee/Licensee may propose a sale, lease, or disposition of the Owned RAS Properties that includes funding from, or the retention of some portion of liability by, the West Chicago Trust Environmental Cost Account for the Owned RAS Properties and/or the West Chicago Trust Administrative Account, provided that the net effect of any proposed sale, lease or disposition is to lessen the West Chicago Trust's total financial obligations and liabilities as would otherwise be incurred in the absence of any such sale, lease, or disposition. In the event of any approved sale or lease or other disposition under this Paragraph, any net proceeds from the sale or lease or other disposition shall be paid to the West Chicago Trust Environmental Cost Account for the Owned RAS Properties and/or the West Chicago Trust Administrative Account in a proportion approved by the United States and the State of Illinois in writing.

113. None of the West Chicago Trust Parties shall be personally liable unless the Court, by a final order that is not reversed on appeal, finds that it committed acts that were grossly negligent, and/or committed fraud or willful misconduct after the Effective Date in relation to the West Chicago Trustee/Licensee's duties. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute gross negligence, or an act of fraud or willful misconduct. Any judgment against a West Chicago Trust Party and any costs of defense relating to any West Chicago Trust Party shall be paid from the West Chicago Trust Environmental Cost Account or West Chicago Trust Work Account for the relevant Site or the West Chicago Trust Administrative Account without the West Chicago Trust Party having to first pay from its own funds for any personal liability or costs of defense, unless a final order of the Court, that is not reversed on appeal, determines that it committed acts that were grossly negligent, and/or committed fraud or willful misconduct in relation to the West Chicago Trust Party's duties. However, any payment shall be limited to funds in the West Chicago Trust Environmental Cost Account or Work Account for the relevant West Chicago Trust Site or the West Chicago Trust Administrative Account.

114. The West Chicago Trust Parties are exculpated by all persons, including without limitation, holders of claims and other parties in interest, of and from any and all claims, causes of action and other assertions of liability arising out of the ownership of West Chicago Trust Assets and the discharge of the powers and duties conferred upon the West Chicago Trust and/or West Chicago Trustee/Licensee by this Settlement Agreement or any order of court entered pursuant to or in furtherance of this Settlement Agreement, or applicable law or otherwise. No person, including without

limitation, holders of claims and other parties in interest, will be allowed to pursue any claims or cause of action against any West Chicago Trust Party for any claim against Debtors, for making payments in accordance with this Settlement Agreement or any order of court, or for implementing the provisions of this Settlement Agreement or any order of court. Nothing in this Paragraph or this Settlement Agreement shall preclude the United States, the State of Illinois, or the Local Communities from enforcing the terms of this Settlement Agreement against the West Chicago Trust Parties.

115. Except as may otherwise be provided herein: (a) the West Chicago Trust Parties may rely on, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties; (b) the West Chicago Trust Parties may consult with legal counsel, financial, tax, accounting or other advisors and professionals as they deem appropriate and shall not be personally liable for any action taken or not taken in accordance with the advice thereof; and (c) persons and entities dealing with the West Chicago Trust Parties shall look only to the West Chicago Trust Assets that may be available to them consistent with this Settlement Agreement and the West Chicago Trust Agreement to satisfy any liability incurred by the West Chicago Trust Parties to such person in carrying out the terms of this Settlement Agreement or any order of the Court, and the West Chicago Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Paragraph 113. For the avoidance of doubt, the West Chicago Trustee/Licensee shall have no obligation to perform work required by the License obtained pursuant to this Settlement Agreement and the West Chicago Trust

Agreement if the cost of such work exceeds the value of the West Chicago Environmental Cost Account for the REF.

116. Neither the United States, the State of Illinois, the Local Communities, nor any of Debtors or Reorganized Tronox shall be deemed to be an owner, operator, trustee, partner, agent, shareholder, officer, or director of the West Chicago Trust or the West Chicago Trust Parties, or to be an owner or operator of any of the West Chicago Trust Sites on account of this Settlement Agreement or actions contemplated thereby.

X. CASH FUNDING OF ENVIRONMENTAL ACTIONS WITH RESPECT TO CERTAIN NON-OWNED SITES

117. On the Effective Date, Debtors shall make payments in accordance with this Paragraph which, together with the payments the Anadarko Litigation Trustee shall make under Paragraph 125, and with satisfaction of all other obligations of Debtors herein, are in settlement and full satisfaction of all claims of the Governments against Debtors and Reorganized Tronox with respect to any and all costs of response incurred, or to be incurred, in connection with the following Non-Owned Sites (including but not limited to the liabilities and other obligations asserted in the United States', the Navajo Nation's, the States', and Local Governments' respective Proofs of Claim relating to the Non-Owned Sites). With respect to the payments received by US EPA under this Paragraph, except as provided in Subparagraphs 117(p), (r) and (v), US EPA shall deposit the funds into the Superfund, or into Site-specific special accounts to be retained and used to conduct or finance response actions at or in connection with the relevant Site or to be transferred to the Superfund.

a. Anniston Terminal (Alabama): payment of $6,320.00 on the Effective Date to the State of Alabama in connection with the Anniston Bulk Fuel Terminal in Anniston, Alabama ("Anniston Terminal"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 131(a).

b. Birmingham Terminal (Alabama): payment of $179,525.00 on the Effective Date to the State of Alabama in connection with the Birmingham Petroleum Terminal in Birmingham, Alabama ("Birmingham Terminal"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 131(a).

c. Mansfield Canyon Site (Arizona): payment of $94,797.00 on the Effective Date to the United States on behalf of the Forest Service in connection with the Mansfield Canyon Watershed Site in the Coronado National Forest in Arizona ("Mansfield Canyon Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

d. Juniper Mine Site (California): payment of $191,490.00 on the Effective Date to the United States on behalf of the Forest Service in connection with the Juniper Uranium Mine Site in the Sonora Mining District, Tuolumne County, California ("Juniper Mine Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

e. Brunswick Site (Georgia): payment of $632.00 on the Effective Date to the State of Georgia in connection with the Brunswick Site in Brunswick, Georgia ("Brunswick Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(b).

f. Lindsay Light Removal Sites (Illinois): payment of $2,724,470.00 on the Effective Date to the United States on behalf of the US EPA in connection with the Lindsay Light Removal Sites in Chicago, Illinois ("Lindsay Light Removal Sites"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

g. Streeterville Rights-of-Way (Illinois): payment of $2,692,871.00 on the Effective Date to the United States on behalf of US EPA, in connection with claims filed by the United States on behalf of US EPA and the City of Chicago for the Streeterville Rights-of-Way in Chicago, Illinois ("Streeterville Rights-of-Way"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129, to be transferred to a special account with the Superfund to be retained and used to conduct or finance response actions at or in connection with the Streeterville Rights-of-Way after the Effective Date. US EPA shall make funds received in accordance with this Subparagraph available to the City of Chicago for work conducted under a US EPA-approved workplan and pursuant to a cooperative agreement entered into by US EPA and the City of Chicago for the

Streeterville Rights-of-Way, including rights-of-way subsequently acquired by the City of Chicago.

h. DuSable Park (Illinois): payment of $269,287.00 on the Effective Date to the United States on behalf of US EPA, in connection with claims filed by the United States on behalf of US EPA and the Chicago Park District for DuSable Park in Chicago, Illinois ("DuSable Park"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129, to be transferred to a special account with the Superfund to be retained and used to conduct or finance future response actions at or in connection with DuSable Park after the Effective Date. US EPA shall make funds received in accordance with this Subparagraph available to the Chicago Park District for work conducted under a US EPA-approved workplan and pursuant to a cooperative agreement entered into by US EPA and the Chicago Park District for DuSable Park.

i. Decatur Site (Illinois): payment of $632.00 on the Effective Date to the State of Illinois in connection with the Decatur, Illinois Site ("Decatur Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(c).

j. Mount Vernon Site (Illinois): payment of $94,797.00 on the Effective Date to the State of Illinois in connection with the Creosote Forest Products Site in Mount Vernon, Illinois ("Mount Vernon Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(c).

k. Kerr-McGee West Chicago NPL Sites (Illinois): On the Effective Date, Debtors shall make the following payments in connection with the RAS Properties, Reed-Keppler Park in West Chicago Illinois, the Sewage Treatment Plant Site in West Chicago and DuPage County, Illinois, and Kress Creek (collectively, the "Kerr-McGee West Chicago NPL Sites"):

i. payment of $632.00 for NRD costs of the State of Illinois pursuant to the Federal West Chicago Consent Decree. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(c);

ii. payment of $47,917.00 to the United States on behalf of US EPA, in connection with US EPA's claim for future oversight costs at the Non-Owned RAS Properties and Kress Creek, to be transferred pursuant to the instructions set forth in Paragraph 129; and

iii. payment of $63,198.00 to the United States on behalf of US EPA, in connection with US EPA's claim for past costs at the Kerr-McGee West Chicago NPL Sites, to be transferred pursuant to the instructions set forth in Paragraph 129.

l. Dubach Gas Site (Louisiana): (i) payment of $1,896.00 on the Effective Date to the State of Louisiana in connection with the Dubach Gas Site in Dubach, Louisiana ("Dubach Gas Site"); and (ii) payment of $419.00 to the State of Louisiana for past cost claims in connection with the Site. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(d).

m. Fireworks Site (Massachusetts): (i) payment of $947,967.00 on the Effective Date to the Commonwealth of Massachusetts for response actions to be performed in connection with the property at and near Forge Pond/Industrial Park, in Hanover, Massachusetts, including environmental activities relating to the migration of hazardous substances emanating from that location ("Fireworks Site"); (ii) payment of $1,896.00 on the Effective Date for reimbursement of the Commonwealth of Massachusetts for pre-petition response action costs incurred in relation to the Fireworks Site; and (iii) payment of $94,797.00 on the Effective Date for NRD (and assessment costs) incurred or to be incurred in relation to the Fireworks Site. Debtors shall make the payments under this Subparagraph in accordance with the instructions set forth in Subparagraphs 131(e)(i), (ii) and (iii), respectively.

n. Hattiesburg Site (Mississippi): payment of $389,310.00 on the Effective Date to the State of Mississippi in connection with the Hattiesburg, Mississippi Site ("Hattiesburg Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(f).

o. Manville Site (New Jersey): (i) payment of $2,908,702.00 on the Effective Date to the United States on behalf of US EPA in connection with the Federal Creosote Superfund Site in Manville, New Jersey ("Manville Site"); (ii) payment of $394,986.00 on the Effective Date to the State of New Jersey in connection with the Manville Site; and (iii) and payment of $94,797.00 on the Effective Date to the State of New Jersey with respect to any and all NRD in connection with the Manville Site. Debtors shall transfer the payments under this Subparagraph pursuant to the instructions set forth in Paragraph 129 (the United States on behalf of US EPA) and pursuant to the instructions set forth in Subparagraph 131(h) (the State of New Jersey).

p. Navajo Area Uranium Mines (Multiple States): payment of $12,039,562.00 on the Effective Date to the United States on behalf of the US EPA in connection with the "Navajo Area Uranium Mines" which shall mean: (1) the 49 mines or mining exploration Sites identified as "Designated Navajo Area Mines" on Attachment B, (2) any other uranium mines or uranium mining exploration Sites on Attachment B for which US EPA Region 9 determines that it is the lead region under the terms of the "Memorandum of Agreement Between the Navajo Nation and the U.S. Environmental Protection Agency Regions 6, 8 and 9 Regarding the Implementation of Environmental Standards and Regulations of the Navajo Nation" dated October 9, 1991; and (3) any other uranium mines or uranium mining exploration Sites on Attachment B that US EPA Region 9, after discussions with Navajo Nation, determines may have an impact on or within the Navajo Nation. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129. The total amount to be received

by US EPA pursuant to this Subparagraph shall be transferred by US EPA to one or more special accounts with respect to the Navajo Area Uranium Mines within the Superfund to be retained and used to conduct or finance response actions at or in connection with the Navajo Area Uranium Mines, or transferred to the Superfund, if there is no remaining work at the Navajo Area Uranium Mines. US EPA and the Navajo Nation Environmental Protection Agency ("Navajo EPA") will continue their ongoing process of prioritizing response actions for the Navajo Area Uranium Mines and will determine lead responsibility for response action at each mine.

q. Welsbach Site (New Jersey): payment of $3,159,890.00 on the Effective Date to the United States on behalf of US EPA in connection with the Welsbach and General Gas Mantle Contamination Superfund Site in Camden and Gloucester City, New Jersey ("Welsbach Site"). Debtors shall transfer the payment under this Subparagraph to the instructions set forth in Paragraph 129.

r. Quivira Mine Site (New Mexico): payment of $1,263,956.00 on the Effective Date to the United States on behalf of US EPA in connection with claims filed on behalf of the US EPA and the Navajo Nation for the Quivira Mine Site. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129. The total amount to be received by US EPA pursuant to this Subparagraph shall be transferred by US EPA to one or more special accounts with respect to the Quivira Mine Site within the Superfund to be retained and used to conduct or finance response actions at or in connection with the Quivira Mine Site, or transferred to the Superfund, if there is no remaining work at the Quivira Mine Site.

s. Shiprock Mill Site (New Mexico): payment of $1,231,978.00 on the Effective Date to the Navajo Nation in connection with the Shiprock Mill Site. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 130.

t. Toledo Tie Site (Ohio): payment of $191,231.00 on the Effective Date to the United States on behalf of the US EPA in connection with the Toledo Tie Treatment Site in Toledo, Ohio ("Toledo Tie Site"), and payment of $65,625.00 to the State of Ohio in connection with the Site. Debtors shall transfer the payments under this Subparagraph pursuant to the instructions set forth in Paragraph 129 (the United States on behalf of US EPA) and pursuant to the instructions set forth in Subparagraph 131(j) (the State of Ohio).

u. Gore, Kriner/Stigler and Wynnewood Sites (Oklahoma): payment of $94,797.00 on the Effective Date to the State of Oklahoma for all NRD claims in connection with the Gore, Oklahoma Site ("Gore Site"), the Kriner/Stigler, Oklahoma Site ("Kriner/Stigler Site"), and the Wynnewood, Oklahoma Site ("Wynnewood Site"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Subparagraph 131(k).

v. White King/Lucky Lass Site (Oregon): payment of $448,812.00 on the Effective Date to the United States on behalf of the US EPA in connection with the White King/Lucky Lass Mines Superfund Site in Lakeview, Oregon ("White King/Lucky Lass Site"), which includes the 100% cash value of the $500,000 JPMorgan Letter of Credit for the Site. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129, to be transferred to one or more accounts as directed by the United States**.**

w. Riley Pass Site (South Dakota): payment of $96,082.00 on the Effective Date to the United States on behalf of the US EPA, and payment of $7,272,648.00 on the Effective Date to the United States on behalf of the Forest Service in connection with the North Cave Hills/Riley Pass Mine Site in Harding County, South Dakota ("Riley Pass Site"). Debtors shall transfer the payments under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

x. Flat Top Mine (South Dakota): payment of $631,978.00 on the Effective Date to the United States on behalf of the US EPA in connection with the Flat Top Mine in Ludlow, South Dakota ("Flat Top Mine"). Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

y. Non-Owned Portion of the Moss American NPL Site (Wisconsin): payment of $724,419.00 on the Effective Date to the United States on behalf of US EPA in connection with the Non-Owned Portion of the Moss American NPL Site ("Moss American NPL Site") in Milwaukee, Wisconsin. Debtors shall transfer the payment under this Subparagraph pursuant to the instructions set forth in Paragraph 129.

XI. ADDITIONAL CONSIDERATION

118. In addition to the other payments described above, subject to and in accordance with Article XII.D of the Plan of Reorganization, Debtors shall pay $3,000,000 to such account or accounts as the United States and the State of Nevada may direct. Such amount shall be deemed to satisfy all fees and expenses incurred, directly or indirectly, in connection with the Plan or the Bankruptcy Cases, including, without limitation, (a) all fees and expenses of any legal or financial advisors to the Governments and any consultants or other persons retained or engaged by or on behalf of the Governments and (b) any other out of pocket costs and expenses incurred by the Governments.

XII. ANADARKO LITIGATION TRUST

119. Pursuant to the terms of the Litigation Trust Agreement for Anadarko Litigation to be separately executed ("Anadarko Litigation Trust Agreement"), on the Effective Date, the Debtors will establish a trust and transfer all of their right, title, and interest to the Anadarko Litigation to the Anadarko Litigation Trust.

120. Debtors shall remain responsible for paying all expenses, fees, and other obligations of the Anadarko Litigation incurred on or before the Effective Date. The terms of the Anadarko Litigation Trust Agreement shall provide that the expenses, fees, and other obligations of the Anadarko Litigation Trust incurred at any time after the Effective Date shall be paid from a portion of the cash consideration provided by Debtors under this Settlement Agreement that has been expressly reserved for that purpose, and/or from the proceeds of any recovery in the Anadarko Litigation. In no event shall the Governments be responsible for paying any expenses, fees, and other obligations of the Anadarko Litigation Trust incurred at any time after the Effective Date.

121. On the Effective Date, and simultaneously with receipt of the payments to the Multistate Trust Accounts, the Savannah Trust Accounts, the Cimarron Trust Accounts, the Henderson Trust Accounts, and the West Chicago Trust Accounts, the Debtors shall make a payment of $25,000,000.00 to fund the costs and expenses of the Anadarko Litigation Trust and the trustee of the Anadarko Litigation Trust ("Anadarko Litigation Trustee").

122. After the Anadarko Litigation Proceeds are distributed to the Owned and Non-Owned Sites as set forth in Paragraphs 124 and 125, any funds left over in the Anadarko Litigation Trust shall be distributed to the Sites in accordance with those

allocations, except for those Sites at which no further action is required, whose share shall be distributed pro rata in accordance with those allocations.

123. In addition to the payments made by Debtors to the Multistate Trust, the Cimarron Trust, the Henderson Trust, the Savannah Trust, and the West Chicago Trust as set forth in Paragraphs 10, 38, 55, 80, and 104, and together with the payments under Paragraphs 70, 117 and 118, in settlement and full satisfaction of all claims asserted by the United States on behalf of US EPA, Forest Service, DOI, NOAA and NRC, the Navajo Nation, the States and the Local Governments against Debtors and Reorganized Tronox with respect to any and all costs of response incurred or to be incurred in connection with the Owned Sites and Non-Owned Sites (including but not limited to the liabilities and other obligations in the United States', the Navajo Nation's, the States' and the Local Governments' Proofs of Claim), the Anadarko Litigation Trustee shall distribute to the Governments and the Multistate Trustee, Savannah Trustee, Cimarron Trustee, Henderson Trustee, and West Chicago Trustee/Licensee the Anadarko Litigation Proceeds. Distributions from the Anadarko Litigation Proceeds for the Owned Funded Sites and Non-Owned Service Stations shall be made in addition to the funding from the Multistate Trust Environmental Cost Accounts, Multistate Trust Work Accounts, Savannah Trust Environmental Cost Account, Henderson Trust Environmental Cost Account, Cimarron Trust Environmental Work Accounts, and West Chicago Trust Environmental Cost Accounts and West Chicago Trust Work Accounts for the Owned Funded Sites and Non-Owned Service Stations, as set forth in Paragraphs 10, 38, 55, 80, and 104. The Anadarko Litigation Proceeds shall be distributed among the Multistate Trust, Savannah Trust, Henderson Trust, Cimarron Trust and West Chicago Trusts for the

Owned Funded Sites and Non-Owned Service Stations, and to the Governments for the remaining Non-Owned Sites and Other Sites, as set forth in Paragraphs 124 and 125 below. With respect to the payments received by US EPA under Paragraphs 124 and 125, except as provided in Subparagraphs 124(d), and 125(o) ,(q) and (u), EPA shall deposit the funds into the Superfund, or into Site-specific special accounts to be retained and used to conduct or finance response actions at or in connection with the relevant Site, or to be transferred to the Superfund. These payments shall be on account of allowed claims of the Governments and/or resolutions of causes of action of the Governments, and shall be allocated as set forth in Paragraphs 124 and 125 below.

124. Distributions of Anadarko Litigation Proceeds With Respect to Owned Funded Sites

a. Birmingport Site (Alabama): The Multistate Trust shall receive, in addition to the distributions to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(ii) above, a distribution of 0.01% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for that Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

b. Mobile Site (Alabama): The Multistate Trust shall receive, in addition to the distributions to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(iii) above, a distribution of 6% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for that Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

c. Kerr-McGee Jacksonville Site (Florida):

i. The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(iv) above, a distribution of 2% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The United States on behalf of US EPA shall also receive a distribution of 0.003% of the Anadarko Litigation Proceeds for past response costs incurred in connection with the Site. The payment to the United States on behalf of US EPA shall be made pursuant to the instructions set forth in Paragraph 129.

ii. The Multistate Trustee will segregate any funds distributed under this Subparagraph to the Multistate Trust Environmental Cost Account (or such amount thereof as remains unspent at that time) (the "Kerr-McGee Jacksonville Anadarko Amount") into a separate account that shall be reserved unspent until US EPA and the State of Florida thereafter notify the Multistate Trustee how the Kerr-McGee Jacksonville Anadarko Amount will be equitably allocated between operation and maintenance and other response action/response costs. At that time, the Multistate Trustee shall divide the Kerr-McGee Jacksonville Anadarko Amount into separate subaccounts within the Multistate Trust Environmental Cost Account for the Kerr-McGee Jacksonville Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 12(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Florida may jointly authorize the Multistate Trustee to release any or all of the Kerr-McGee Jacksonville Anadarko Amount for use consistent with a budget approved pursuant to Subparagraph 12() hereof without waiting for the allocation process described above;

d. Savannah Facility (Georgia): In settlement and full satisfaction of all claims of the United States on behalf of the US EPA, and the State of Georgia against Debtors and Reorganized Tronox, as described in Paragraph 123 above, and including the civil penalty assessed by the Consent Decree to be filed in United States v. Tronox Pigments (Savannah) Inc., No. CV 408-259 (S.D. Ga.), the Savannah Trust shall receive, in addition to the distribution to the Savannah Trust Environmental Cost Account described in Paragraph 38 above, a distribution of 1% of the Anadarko Litigation Proceeds, to be deposited in the Savannah Trust Environmental Cost Account for the Savannah Facility, to be retained and used to conduct or finance Environmental Actions at or in connection with the Facility. The State of Georgia shall also receive a distribution of 0.001% of the Anadarko Litigation Proceeds in full satisfaction of its past cost claims with respect to the Facility, to be transferred pursuant to the instructions set forth in Subparagraph 131(b). The United States on behalf of US EPA shall also receive a distribution of 0.01% of the Anadarko Litigation Proceeds to the United States Treasury in full satisfaction of its penalty claim with respect to the Facility, to be transferred pursuant to the instructions set forth in Paragraph 129.

e. Soda Springs Site (Idaho): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(vi) above, a distribution of 2% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

f. Madison Site (Illinois): The Multistate Trust shall receive, in addition to the distributions to the Multistate Environmental Cost Accounts described in Subparagraph 10(f)(vii) above, a distribution of 0.15% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the

Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

g. Sauget Site (Illinois): The Multistate Trust shall receive, in addition to the distributions to the Multistate Environmental Cost Accounts described in Subparagraph 10(f)(viii) above, a distribution of 0.1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

h. Indiana Wood Treating Site (Indiana): The Multistate Trust shall receive, in addition to the distributions to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(ix) above, a distribution of 0.05% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

i. Rushville Site (Indiana): The Multistate Trust shall receive, in addition to the distributions to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(x) above, a distribution of 0.001% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

j. Bossier City Site (Louisiana): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xi) above, a distribution of 0.5% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The State of Louisiana shall also receive a distribution of 0.00017% of the Anadarko Litigation Proceeds for past costs incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Subparagraph 131(d).

k. Calhoun Gas Plant (Louisiana): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xii) above, a distribution of 0.25% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Plant, to be retained and used to conduct or finance Environmental Actions at or in connection with the Plant. The State of Louisiana shall also receive a distribution of 0.00017% of the Anadarko Litigation Proceeds for past costs incurred in connection with the Plant, to be transferred pursuant to the instructions set forth in Subparagraph 131(d).

l. Columbus Site (Mississippi):

i. The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xiii) above, a distribution of 1.5% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The United States on behalf of US EPA shall also receive a distribution of 0.003% of the Anadarko Litigation Proceeds for past response costs incurred in connection with the Site. The payment to the United States on behalf of US EPA shall be made pursuant to the instructions set forth in Paragraph 129.

ii. If the Columbus Site is added to the National Priorities List, the Multistate Trustee will segregate any funds distributed pursuant to this Subparagraph (or such amount thereof as remains unspent at that time) (the "Columbus Anadarko Amount") into a separate account that shall be reserved unspent until US EPA and the State of Mississippi thereafter notify the Multistate Trustee how the Columbus Anadarko Amount will be equitably allocated between operation and maintenance and other response action/response costs. At that time, the Multistate Trustee shall divide the Columbus Anadarko Amount into separate subaccounts within the Multistate Trust Environmental Cost Account for the Columbus Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 12(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Mississippi may jointly authorize the Multistate Trustee to release any or all of the Columbus Anadarko Amount for use consistent with a budget approved pursuant to Subparagraph 12(a) hereof without waiting for the allocation process described above.

m. Meridian Site (Mississippi):

i. The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xiv) above, a distribution of 0.5% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

ii. If the Meridian Site is added to the National Priorities List, the Multistate Trustee will segregate any funds distributed pursuant to this Subparagraph (or such amount thereof as remains unspent at that time) (the "Meridian Anadarko Amount") into a separate account that shall be reserved unspent until US EPA and the State of Mississippi thereafter notify the Multistate Trustee how the Meridian Anadarko Amount will be equitably allocated between operation and maintenance and other response action/response costs. At that time, the Multistate Trustee shall divide the Meridian Anadarko Amount into separate subaccounts within the Multistate Trust

Environmental Cost Account for the Meridian Site for operation and maintenance and other response action/response costs in accordance with the notice provided, and may thereafter release those funds for use (to the extent otherwise consistent with a budget approved pursuant to Subparagraph 12(a) hereof) for the purposes of the respective accounts. Notwithstanding anything to the contrary in this paragraph, at any time US EPA and the State of Mississippi may jointly authorize the Multistate Trustee to release any or all of the Meridian Anadarko Amount for use consistent with a budget approved pursuant to Subparagraph 12(a) hereof without waiting for the allocation process described above;

n. Kansas City Site (Missouri): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xv) above, a distribution of 0.5% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The State of Missouri shall also receive a distribution of 0.033% of the Anadarko Litigation Proceeds for NRD incurred in connection with the Site. The payment to the State of Missouri shall be made pursuant to the instructions set forth in Paragraph 131(g).

o. Springfield Site (Missouri): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xvi) above, a distribution of 0.5% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Accounts for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The State of Missouri shall also receive a distribution of 0.117% of the Anadarko Litigation Proceeds for NRD incurred in connection with the Site. The payment to the State of Missouri shall be made pursuant to the instructions set forth in Paragraph 131(g).

p. Henderson Property (Nevada): The Henderson Trust shall receive, in addition to the distribution to the Henderson Trust Environmental Cost Accounts described in Paragraph 80 above, a distribution of 23.75% of the Anadarko Litigation Proceeds, to be deposited in the Henderson Trust Environmental Account to be retained and used to conduct or finance Environmental Actions at or in connection with the Henderson Property. Notwithstanding the foregoing sentence:

i. BMI/Landwell Offset In General. If the Anadarko Litigation Proceeds are greater than $150 million (the amount by which the Anadarko Litigation Proceeds exceed $150 million, the "Excess Anadarko Proceeds"), then the amount otherwise distributable to the Henderson Trust in respect of the Excess Anadarko Proceeds pursuant to the first sentence of this Subparagraph 124(p) may be reduced by an amount ("BMI/Landwell Offset"), which may be $0, determined by the remainder of this Subparagraph 124(p). The amount of any BMI/Landwell Offset shall be redistributed to the other recipients of distributions under Paragraph 124 (excluding the Henderson Trust), in proportion to the percentages contained in Paragraph 124.

ii. BMI/Landwell Offset if No Sale Event. If no Sale Event has occurred prior to the distribution of the Anadarko Litigation Proceeds, then the amount of the BMI/Landwell Offset shall be equal to the lesser of (x) 25% of the Excess Anadarko Proceeds, and (y) 65% of the value of BMI/Landwell Assets. For this purpose, the United States and the State of Nevada shall provide the Anadarko Litigation Trustee with a joint written notification of the value of the BMI/Landwell Assets. This joint written notification shall conclusively set the value of the BMI/Landwell Assets for the purpose of the BMI/Landwell Offset. The United States and State of Nevada shall jointly agree on a mechanism for determining the value of the BMI/Landwell Assets. For the purpose of this Subparagraph, the value of the BMI/Landwell Assets shall be adjusted by (i) subtracting the amount of any Carrying Costs (defined in Subparagraph 70(d) above), and (ii) adding the amount of any profits realized by the Henderson Trust on the BMI/Landwell Assets, to the extent not already included in the valuation.

iii. Offset Under Certain Circumstances if Sale Event Occurred. If a Sale Event has occurred prior to the distribution of the Anadarko Litigation Proceeds, the amount of the BMI/Landwell Offset shall be the lesser of (x) 25% of the Excess Anadarko Proceeds and (y) 65% of $20 million.

iv. BMI/Landwell Offset if BMI/Landwell Optional Transfer. Notwithstanding anything to the contrary in Subparagraphs 124(p)(i)-(iii), if, before the distribution of the Anadarko Litigation Proceeds, (i) a BMI/Landwell Optional Transfer has occurred or (ii) the Henderson Trustee provides written notice to the Anadarko Litigation Trustee that it shall make a BMI/Landwell Optional Transfer, then the amount of the BMI/Landwell Offset shall be $0.00. The Anadarko Litigation Trustee shall be entitled to withhold an amount equal to the amount of the BMI/Landwell Offset that would otherwise have been payable (the "Withheld BMI/Landwell Amount") pending the closing of such BMI/Landwell Optional Transfer. Upon such closing, the Withheld BMI/Landwell Amount shall promptly be paid to the Henderson Trust.

q. Bristol Mine Site (Nevada): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xvii) above, a distribution of 0.003% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with that Site.

r. Caselton Mine Site (Nevada): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xviii) above, a distribution of 0.15% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The United States on behalf of BLM shall also receive a distribution of 0.01% of the Anadarko Litigation Proceeds for past costs incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Paragraph 129.

s. Rome Site (New York): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xix) above, a distribution of 0.4% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with that Site. The State of New York shall also receive a distribution of 0.002% of the Anadarko Litigation Proceeds for past costs incurred in connection with the Site, and a distribution of 0.003% for NRD incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Subparagraph 131(i).

t. Navassa Site – Non-NRD Claims (North Carolina): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xx) above, a distribution of 2% of the Anadarko Litigation Proceeds for the United States' claim on behalf of US EPA and for North Carolina's claim, to be deposited in the Multistate Trust Environmental Cost Account for the Site to be retained and used to conduct or finance Environmental Actions at or in connection with the Site, or to be transferred by US EPA to the Superfund. Based on the final response action selected for the Navassa Site, US EPA and the State of North Carolina shall notify the Multistate Trustee as to how the distribution of the Anadarko Litigation Proceeds set forth this Subparagraph will be equitably allocated between operation and maintenance and other response action/response costs. The Multistate Trustee shall thereafter allocate the total distribution of the Anadarko Litigation Proceeds for the Navassa Site in separate subaccounts within the Multistate Trust Environmental Cost Account for the Navassa Site for operation and maintenance and other response action/response costs in accordance with the notice provided. The United States on behalf of US EPA shall also receive a distribution of 0.003% of the Anadarko Litigation Proceeds for past costs incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Paragraph 129.

u. Navassa Site – NRD Claims (North Carolina): The Joint Navassa Claimants shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xx) above, an allocated distribution of 0.5% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129, to be subsequently deposited into the DOI NRDAR Fund pursuant to payment instructions to be provided. These funds, and any interest earned thereon, shall be jointly managed by the Joint Navassa Claimants.

v. Cimarron Site (Oklahoma): The Cimarron Trust shall receive, in addition to the distributions to the Cimarron Trust Environmental Cost Account described in Subparagraph 55(e) above, a distribution of 1.75% of the Anadarko Litigation Proceeds, to be allocated as follows: (i) 1.5% for the United States' claim, and (ii) 0.25% for the State of Oklahoma's claim. The distribution for the United States' claim under this Subparagraph shall be deposited in the Cimarron Trust Federal Environmental Cost Account to decommission and remediate the Cimarron Site. The distribution for Oklahoma's claim under this Subparagraph shall be deposited in the

Cimarron Trust State Environmental Cost Account to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

w. Cleveland Site (Oklahoma): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xxi) above, a distribution of 1% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance response Environmental Actions at or in connection with the Site. The State of Oklahoma shall also receive a distribution of 0.16% of the Anadarko Litigation Proceeds for NRD incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Subparagraph 131(k).

x. Cushing Site (Oklahoma): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xxii) above, a distribution of 2% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site. The State of Oklahoma shall also receive a distribution of 0.06% of the Anadarko Litigation Proceeds for NRD incurred in connection with the Site, to be transferred pursuant to the instructions set forth in Subparagraph 131(k).

y. Texarkana Facility – non-NRD Claims (Texas): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account described in Subparagraph 10(f)(xxvi) above, a distribution of 0.5% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Facility to be retained and used to conduct or finance Environmental Actions at or in connection with the Facility.

z. Texarkana Facility – NRD Claims (Texas):

i. The United States on behalf of DOI shall receive a distribution of 0.006% of the Anadarko Litigation Proceeds for past costs with respect to the Texarkana Facility. This distribution shall be transferred pursuant to the instructions set forth in Paragraph 129, to be deposited into the DOI NRDAR Fund pursuant to payment instructions to be provided.

ii. The Joint Texarkana Claimants shall receive a distribution of 0.3% of the Anadarko Litigation Proceeds for NRD with respect to the Texarkana Facility. This distribution shall be transferred pursuant to the instructions set forth in Paragraph 129, to be deposited into the DOI NRDAR Fund pursuant to payment instructions to be provided.

iii. The State of Texas Trustees shall receive a distribution of 0.16% of the Anadarko Litigation Proceeds for NRD and past costs with respect to the Texarkana Facility to be transferred pursuant to the instructions set forth in Subparagraph 131(l).

aa. Beaumont Site (Texas): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Accounts described in Subparagraph 10(f)(xxiv) above, a distribution of 0.5% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Environmental Cost Account for the Site, to be retained and used to conduct or finance Environmental Actions at or in connection with the Site.

bb. Owned Service Stations (Multiple States): The Multistate Trust shall receive, in addition to the distribution to the Multistate Trust Environmental Cost Account for Service Stations described in Subparagraph 10(f)(xxvii) above, a distribution of 0.15% of the Anadarko Litigation Proceeds, to be deposited in the jointly managed Multistate Trust Environmental Cost Account for Owned Service Stations, to be retained and used to conduct or finance Environmental Actions at or in connection with the Owned Service Stations.

cc. Environmental Response Trusts

i. The Multistate Trust shall receive a distribution of 1.155% of the Anadarko Litigation Proceeds, to be deposited in the Multistate Trust Administrative Account.

ii. The Savannah Trust shall receive a distribution of 0.285% of the Anadarko Litigation Proceeds, to be deposited in the Savannah Trust Administrative Account.

iii. The Cimarron Trust shall receive a distribution of 0.089% of the Anadarko Litigation Proceeds, to be deposited in the Cimarron Trust Administrative Account.

iv. The Henderson Trust shall receive a distribution of 1.25% of the Anadarko Litigation Proceeds, to be deposited in the Henderson Trust Administrative Account.

125. Distributions of Anadarko Litigation Proceeds With Respect to Certain Non-Owned Sites

a. Anniston Terminal (Alabama): The State of Alabama shall receive, in addition to the distribution described in Subparagraph 117(a) above, a distribution of 0.01% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(a).

b. Birmingham Terminal (Alabama): The State of Alabama on shall receive, in addition to the distribution described in Subparagraph 117(b) above, receive a distribution of 0.1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(a).

c. Mansfield Canyon Site (Arizona): The United States on behalf of the Forest Service shall receive, in addition to the distribution described in Subparagraph 117(c) above, a distribution of 0.15% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

d. Juniper Mine Site (California): The United States on behalf of the Forest Service shall receive, in addition to the distribution described in Subparagraph 117(d) above, the following distributions of the Anadarko Litigation Proceeds: (i) 0.25% for response actions to be performed in connection with the Site; and (ii) 0.053% for pre-petition response action costs incurred in relation to the Site. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

e. Brunswick Site (Georgia): The State of Georgia shall receive, in addition to the distribution described in Subparagraph 117(e) above, a distribution of 0.001% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(b).

f. Lindsay Light Removal Sites – US EPA Claim (Illinois): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 117(f) above, a distribution of 1.55% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

g. Streeterville Rights-of-Way – US EPA and City of Chicago Claims (Illinois): In connection with claims filed by the United States on behalf of US EPA and the City of Chicago, the United States on behalf of US EPA shall receive, in addition to the distribution described in Subparagraph 117(g) above, a distribution of 1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129, to be transferred to a special account within the Superfund to be retained and used to conduct or finance response actions at or in connection with the Streeterville Rights-of-Way after the Effective Date. US EPA shall make funds received in accordance with this Subparagraph available to the City of Chicago for work conducted under a US EPA-approved workplan and pursuant to a cooperative agreement entered into by US EPA and the City of Chicago for the Streeterville Rights-of-Way, including rights-of-way subsequently acquired by the City of Chicago.

h. DuSable Park – US EPA and Chicago Park District Claims (Illinois): In connection with the claims filed by the United States on behalf of US EPA and the Chicago Park District, the United States on behalf of US EPA shall receive, in addition to the distributions described in Subparagraph 117(h) above, a distribution of 0.15% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129, to be transferred to a special account within the Superfund to be retained and used to

conduct or finance response actions at or in connection with DuSable Park after the Effective Date. US EPA shall make funds received in accordance with this Subparagraph available to the Chicago Park District for work conducted under a US EPA-approved work plan and pursuant to a cooperative agreement entered into by US EPA and the Chicago Park District for DuSable Park.

i. Kerr-McGee West Chicago NPL Sites (Illinois): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 104(f) above, a distribution of 0.1% of the Anadarko Litigation Proceeds for past costs incurred by the US EPA at the Kerr-McGee West Chicago NPL Sites, and a distribution of 0.1% for future oversight costs to be incurred by US EPA at the Non-Owned RAS Properties and Kress Creek. The State of Illinois shall also receive a distribution of 0.001% of the Anadarko Litigation Proceeds for NRD at Kress Creek. Distributions to the United States on behalf of the US EPA under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129, and distributions to the State of Illinois under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(c).

j. Decatur and Mount Vernon Sites (Illinois): The State of Illinois shall receive, in addition to the distributions described in Subparagraphs 117(i) and (j) above, a distribution of 0.151% of the Anadarko Litigation Proceeds, to be allocated as follows: (i) 0.001% for the Decatur Site, and (ii) 0.15% for the Mount Vernon Site. Distributions received by the State of Illinois under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(c).

k. Dubach Gas Site (Louisiana): The State of Louisiana shall receive, in addition to the distribution described in Subparagraph 117(l) above, a distribution of 0.00366% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(d).

l. Fireworks Site (Massachusetts): The Commonwealth of Massachusetts shall receive the following distributions of the Anadarko Litigation Proceeds: (i) 1.5% for response actions to be performed in connection with the Fireworks Site; (ii) 0.003% for reimbursement of the Commonwealth of Massachusetts for pre-petition response action costs incurred in relation to the Fireworks Site; and (iii) 0.15% for NRD (including assessment costs) incurred or to be incurred in relation to the Fireworks Site. Distributions required under this Subparagraph shall be made pursuant to the instructions set forth in Subparagraphs 131(e)(i), (ii) and (iii), respectively.

m. Hattiesburg Site (Mississippi): The State of Mississippi shall receive, in addition to the distribution described in Subparagraph 117(n) above, a distribution of 0.1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(f).

n. Manville Site (New Jersey): The United States on behalf of the US EPA shall receive a distribution of 4.85% of the Anadarko Litigation Proceeds for its pre-petition response costs, and the State of New Jersey shall receive a distribution of 0.625% of the Anadarko Litigation Proceeds for its pre-petition response costs. The State of New Jersey shall also receive a distribution of 0.1% of the Anadarko Litigation Proceeds for NRD incurred or to be incurred in connection with the Site. The distribution received by the United States on behalf of the US EPA under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129. The distribution received by the State of New Jersey for its pre-petition response costs under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(h). The distribution received by the State of New Jersey for NRD under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(h).

o. Navajo Area Uranium Mines (Multiple States): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 117(p) above, a distribution of 20% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129. The total amount to be received by US EPA pursuant to this Subparagraph shall be transferred by US EPA to one or more special accounts with respect to the Navajo Area Uranium Mines within the Superfund to be retained and used to conduct or finance response actions at or in connection with the Navajo Area Uranium Mines, or to the Superfund, if there is no remaining work at the Navajo Area Uranium Mines.

p. Welsbach Site (New Jersey): The United States on behalf of the US EPA shall receive a distribution of 5% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

q. Quivira Mine Site (New Mexico): In connection with claims filed by the Navajo Nation and the United States on behalf of US EPA, the United States on behalf of US EPA shall receive, in addition to the distribution set forth in Subparagraph 117(r) above, a distribution of 2% of the Anadarko Litigation Proceeds for the Sites. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129. The total amount to be received by US EPA pursuant to this Subparagraph shall be transferred by US EPA to one or more special accounts with respect to the Quivira Mine Site within the Superfund to be retained and used to conduct or finance response actions at or in connection with the Quivira Mine Site, or transferred to the Superfund, if there is no remaining work at the Quivira Mine Site.

r. Shiprock Mill Site (New Mexico): The Navajo Nation shall receive, in addition to the distribution described in Subparagraph 117(s) above, a distribution of 1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 130.

s. Toledo Tie Site (Ohio): The United States on behalf of the US EPA shall receive a distribution of 0.113% of the Anadarko Litigation Proceeds, and the State of Ohio shall receive a distribution of 0.102% of the Anadarko Litigation Proceeds. The distribution received by the United States on behalf of the US EPA under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129. The distribution received by the State of Ohio under this Subparagraph shall be transferred pursuant to the instructions set forth in Subparagraph 131(j).

t. Gore Site, Kriner/Stigler Site and Wynnewood Site (Oklahoma): The State of Oklahoma shall receive, in addition to the distribution described in Subparagraph 117(u) above, a distribution of 0.15% of the Anadarko Litigation Proceeds for any and all NRD-related costs and damages incurred or to be incurred in connection with these Sites. Distributions received by the State of Oklahoma under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 131(k).

u. White King/Lucky Lass Site (Oregon): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 117(v) above, a distribution of 0.25% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129, to be transferred to one or more accounts as directed by the United States**.**

v. Riley Pass Site (South Dakota): The United States on behalf of the US EPA and the Forest Service shall receive, in addition to the distributions described in Subparagraph 117(w) above, the following distributions from the Anadarko Litigation Proceeds: (i) 0.06% for the claim on behalf of the US EPA, and (ii) 4.053% for the claim on behalf of the Forest Service. The distributions received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

w. Flat Top Mine (South Dakota): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 117(x) above, a distribution of 1% of the Anadarko Litigation Proceeds. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

x. Non-Owned Portion of the Moss American NPL Site (Wisconsin): The United States on behalf of the US EPA shall receive, in addition to the distribution described in Subparagraph 117(y) above, a distribution of 0.41% of the total Anadarko Litigation. The distribution received under this Subparagraph shall be transferred pursuant to the instructions set forth in Paragraph 129.

y. Non-Owned Service Stations (Multiple States): The Multistate Trust shall receive a distribution of 0.5% of the Anadarko Litigation Proceeds. The distributions received under this Subparagraph shall be deposited in the jointly managed Multistate Trust Environmental Work Account for Non-Owned Service Stations, to be

retained and used to conduct or finance response actions at or in connection with the Non-Owned Service Stations.

126. Distributions of Anadarko Litigation Proceeds with Respect to Other Sites for Which the United States and States have Provided Covenants Not to Sue (Multiple States):

a. The Multistate Trust shall receive a distribution of 3% of the Anadarko Litigation Proceeds for Sites identified in Attachments A-3 and B as Other Sites ("Other Sites") to be deposited in a segregated trust account within the Multistate Trust ("Other Sites Account"); provided that if pursuant to Subparagraph 117(p), above, a mine or exploration mining site is a Navajo Area Uranium Mine, then such Site shall not constitute an Other Site, notwithstanding its identification as such in Attachment B. The Multistate Trust shall promptly provide the United States and those States which have provided covenants not to sue or releases for such Other Sites pursuant to Paragraph 137 below, with written notice that the distribution required under this Subparagraph has been transferred to the Other Sites Account.

b. Within 90 days following receiving notice from the Multistate Trustee pursuant to Subparagraph 126(a) above, the United States and the relevant States may submit to the Multistate Trustee requests for funding of Environmental Actions to be performed by the Multistate Trustee with respect to a specified Other Site or for reimbursement of Environmental Actions performed or to be performed by the United States or the States with respect to such Other Site, with certifications that (a) such funds were and/or will be used only for Environmental Actions performed in connection with the Other Site and (b) the amounts sought to be distributed do not exceed the Debtors' allocable share at that Site. The Multistate Trustee may request additional supporting documentation from the United States and the relevant States to make disbursement determinations pursuant to this Subparagraph. Upon review of the requests, and upon a determination that the certifications are accurate, the Multistate Trustee shall disburse the funds in the Other Sites Account as set forth in Subparagraphs 126(c) and (d) below. To the extent that an Other Site is owned by the Multistate Trust, the Multistate Trustee may provide for funding of Environmental Actions at that Site, pursuant to a workplan approved by either US EPA or the State, from the Other Sites Account on the same terms that the United States or a State would be able to request funding if the United States or a State had given a covenant not to sue for such Other Site.

c. If the total amount of approved requests under Subparagraph 126(b) is less than or equivalent to the total amount in the Other Sites Account, the Multistate Trustee shall make disbursements from the Other Sites Account to fund or reimburse Environmental Actions. If, two years after the distributions for the Other Sites are made under this Subparagraph, any funds remain in the Other Sites Account, the Multistate Trustee shall distribute 10% of the remaining funds to the Multistate Trust Administrative Account, and distribute the remaining 90% among the Owned Funded Sites and Non-Owned Sites (except for the Other Sites) pursuant to the Anadarko Litigation allocations set forth in Paragraphs 124 and 125.

d. If the total amount of approved requests under Subparagraph 126(b) is more than the total amount in the Other Sites Fund, disbursements shall be prorated among approved requests, provided, however, that disbursements for requests for past costs incurred by the United States and the relevant States before the Effective Date shall not exceed more than 10% of the funds in the Other Sites Account, and the Multistate Trustee shall promptly provide notice to the United States and the States that no further requests are being taken.

127. With respect to the claims of the United States on behalf of the US EPA, Forest Service, DOI, NOAA, and NRC, of the Navajo Nation, of the States, and of the Local Governments, only the amount of cash received respectively by each such agency, tribal government, each such State, or each such Local Government for such claims (and net cash received by each such agency, tribal government, or each such State on account of any non-cash distributions) in the Bankruptcy Cases, and not the total amount of the claims asserted in the Governments' Proofs of Claim, shall be credited by each such agency, tribal government, each such State, or each such Local Government to its account for a particular Site, which credit shall reduce the liability to such agency, tribal government, State, or Local Government of non-settling potentially responsible parties (or responsible parties that have only partially settled their liability) for the particular Site by the amount of the credit.

XIII. SATISFACTION OF DOD CONTRIBUTION CLAIM

128. The payments from Debtors and the distributions from the Anadarko Litigation Trust as paid and distributed to the Commonwealth of Massachusetts pursuant to Subparagraphs 117(m) and 125(l), and the covenant not to sue the United States with respect to the Fireworks Site provided by Debtors and Reorganized Tronox as set forth in Paragraph 148 below, shall be in settlement and full satisfaction of DOD's claims against Debtors and Reorganized Tronox with respect to the

Fireworks Site (including, but not limited to the Fireworks I Site portion of the Proof of Claim brought by the United States on behalf of DOD).

XIV. DISTRIBUTION INSTRUCTIONS

129. Cash payments to the United States required in this Settlement Agreement shall be made by FedWire Electronic Funds Transfer ("EFT") to the United States Department of Justice in accordance with written instructions to be provided by the Financial Litigation Unit of the United States Attorney's Office for the Southern District of New York, 86 Chambers Street, New York, New York 10007. At the time of payment a copy of the EFT authorization form and the EFT transaction record, together with a transmittal letter — which shall state that the payment is pursuant to the Settlement Agreement in *In re Tronox, Inc.*, No. 09-10156 (Bankr. S.D.N.Y.) (ALG), and shall refer to the civil action number and the United States Department of Justice Case Number 90-11-3-09688 — shall be sent by first-class mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

United States Attorney's Office
Attn: Financial Litigation Unit
86 Chambers Street, Third Floor
New York, New York 10007

United States Department of Justice
Environment and Natural Resources Division
Attn: Chief, Environmental Enforcement Section
P.O. Box 7611
Ben Franklin Station
Washington, DC 20044

Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20004

Fund Manager
Natural Resource Damage Assessment and Restoration Fund
Department of the Interior
Office of Natural Resource Restoration
1849 C Street, NW
Mailstop 3548
Washington, DC 20240

Fund Manager
Central Materials Hazardous Fund
Department of the Interior
1849 C. Street, NW
Washington, DC 20240

130. Cash payments to the Navajo Nation required in this Settlement Agreement shall be made to the Navajo Nation Environmental Protection Agency for deposit in the Hazardous Substances Fund, with additional routing instructions to be provided by the Navajo Nation at the time of transfer.

131. Distributions to the States

a. Cash payments to the State of Alabama shall be made by electronic funds transfer as follows:

ACH	062-0000-80
Fed. Wire	111-025-013
Wachovia Account	21 000 3 00 00 282

b. Cash payments to the State of Georgia shall be made pursuant to routing or other instructions to be provided by the State of Georgia prior to transfer.

c. Cash payments to the State of Illinois shall be made as follows:

i. For past costs claims, payment shall be made by certified check or money order payable to the Illinois Environmental Protection Agency for deposit into the Hazardous Waste Fund. The payment shall be sent by first class mail

and delivered to: Illinois Environmental Protection Agency, Fiscal Services, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, IL 62794-9276. The name, case number and the Debtor's federal tax identification number shall appear on the face of the certified check or money order. A copy of each certified check or money order and any transmittal letter shall be sent to the Illinois Attorney General at: Environmental Bureau, Illinois Attorney General's Office, 500 South Second Street, Springfield, IL 62706.

ii. For NRD costs, payment shall be made by certified check or money order to the Illinois Department of Natural Resources, Office of Realty & Environmental Planning, One Natural Resources Way, Springfield, IL 62702-1271, for Invoice # 8170-0901.

d. Cash payments to the State of Louisiana shall be made pursuant to routing or other instructions to be provided by the State of Louisiana prior to transfer.

e. Cash payments to the Commonwealth of Massachusetts shall be made as follows:

i. Distributions for post-petition or future response costs received by the Commonwealth of Massachusetts pursuant to Subparagraphs 117(m)(i) and 125(l)(i) for the Fireworks Site shall be paid in the form of a certified or cashier's check payable to the Commonwealth of Massachusetts and referencing Tronox Bankruptcy Settlement – Fireworks Site, Hanover MA (post-petition or future Response Costs). Payment shall be sent to: Cost Recovery, Fees and Revenue Section, Bureau for Waste Site Cleanup, Massachusetts Department of Environmental Protection, One Winter Street, Boston, MA 02108 (Attn: Marc Collins, Branch Chief). Copies of the check shall be sent to: the Office of the Attorney General, Environmental Protection Division, One Ashburton Place, 18th Floor, Boston, MA 02108 (Attn: Carol Iancu), and to the Massachusetts Department of Environmental Protection, Office of General Counsel, One Winter Street, Boston, MA 02108 (Attn: Jennifer Davis). The Commonwealth of Massachusetts shall deposit such distributions in an Expendable Trust established pursuant to Mass. Gen. Laws ch. 6A, § 6, and 801 C.M.R. §§ 50.00, *et seq.*, to be retained and used to conduct or finance response actions at or in connection with the Fireworks Site.

ii. Distributions for pre-petition response costs received by the Commonwealth of Massachusetts pursuant to Subparagraphs 117(m)(ii) and 125(l)(ii) for the Fireworks Site shall be paid in the form of a certified or cashier's check payable to the Commonwealth of Massachusetts and referencing Tronox Bankruptcy Settlement – Fireworks Site, Hanover, MA (pre-petition response costs). Payment shall be sent to the Office of the Attorney General, Environmental Protection Division, One Ashburton Place, 18th Floor, Boston, MA 02108 (Attn: Carol Iancu).

Copies of the check shall be sent to: Cost Recovery, Fees and Revenue Section, Bureau for Waste Site Cleanup, Massachusetts Department of Environmental Protection, One Winter Street, Boston, MA 02108 (Attn: Marc Collins, Branch Chief), and to the Massachusetts Department of Environmental Protection, Office of General Counsel, One Winter Street, Boston, MA 02108 (Attn: Jennifer Davis).

iii. Distributions for NRD received by the Commonwealth of Massachusetts pursuant to Subparagraphs 117(m)(iii) and 125(l)(iii) for the Fireworks Site shall be paid in the form of a certified check payable to the Commonwealth of Massachusetts, with a reference to Natural Resource Damages Trust – Account 2000-6020, related to Tronox Bankruptcy Settlement. Payment shall be sent to: Executive Office of Energy and Environmental Affairs, 100 Cambridge Street, Suite 900, Boston, MA 02114 (Attn: Chief Financial Officer). Copies of the check shall be sent to: Massachusetts Department of Environmental Protection, NRD Program, One Winter Street, 8th Floor, Boston, MA 02108 (Attn: Karen Pelto), and Office of the Attorney General, Environmental Protection Division, One Ashburton Place, 18th Floor, Boston, MA 02108 (Attn: Carol Iancu).

f. Cash payments to the State of Mississippi shall be made by electronic funds transfer to Regions Bank, ABA Routing Number 065305436, Account Number 5000023780, with notification to mbishop@treasury.state.ms.us**.**

g. Cash payments to the State of Missouri for NRD shall be made by check payable to "State of Missouri, Natural Resource Protection Fund," and sent to the Collection Specialist, Financial Services Unit, Missouri Attorney General, P.O. Box 899, Jefferson City, Missouri.

h. Cash payments to the State of New Jersey shall be made by check payable to "Treasurer, State of New Jersey" and sent to Richard F. Engel, Deputy Attorney General, Office of the Attorney General, Division of Law, Cost Recovery/Natural Resources Section, Richard J. Hughes Justice Complex, 25 Market Street, P.O. Box 093, Trenton, New Jersey 08625-0093.

i. Cash payments to the State of New York shall be made pursuant to routing or other instructions to be provided by the State of New York prior to transfer.

j. Cash payments to the State of Ohio shall be made by personal check payable to the "State of Ohio." The payment should be delivered to: Ohio Attorney General, Environmental Protection Agency, 30 East Broad Street, 2^{5th} Floor, Columbus, Ohio 43215, Attn: Karen Pierson.

k. Cash payments for NRD to the State of Oklahoma shall be made by certified funds check payable to the "State of Oklahoma" and should clearly state either on the certified funds check or in accompanying documentation that such payment is for the State of Oklahoma's NRD claims in the Tronox bankruptcy. The payment should be delivered to: Oklahoma Office of Attorney General, Attn: Clayton Eubanks, Assistant Attorney General, Environmental Protection Unit, 313 N.E. 21st Street, Oklahoma City, Oklahoma, 73105.

l. Cash payments to the State of Texas for NRD shall be paid in the form of a certified check made payable to the State of Texas and referencing "Tronox NRD" and the identifying number "AG#072484017." The check shall be submitted to: Chief, EPAL, Texas Attorney General's Office, P.O. Box 12548, Austin, Texas, 78711.

132. Cash payments to the Environmental Response Trusts and the Anadarko Litigation Trust under this Settlement Agreement shall be made pursuant to instructions to be provided by the Environmental Response Trustees and the Anadarko Litigation Trustee to Debtors prior to the Effective Date.

XV. OUTSTANDING OBLIGATIONS

133. All obligations of Debtors to perform work pursuant to any outstanding Consent Decree, Consent Order, Unilateral Administrative Order, Agreed Order, Administrative Order on Consent, Administrative Order, or any other order, decree or agreement regarding investigation, remediation, cleanup or oversight with respect to any of the Owned Sites and the Non-Owned Sites, and any statutory, stipulated, or other penalties allegedly due from Debtors as of the Effective Date related to such orders, decrees, or agreements are fully resolved and satisfied, and Debtors shall be removed as a party to such orders or decrees pursuant to the terms hereof on the Effective Date; provided, however, that: (a) all requirements to retain records, Real Property Information and Environmental Information shall remain in full force and effect in accordance with the requirements of Paragraph 163; (b) all covenants not to sue or releases provided by Debtors in such orders, decrees, or agreements shall remain in full effect, and Debtors and Reorganized Tronox shall continue to be bound thereby; (c) with respect to the Consent Decree for the Moss American Site, *United States v. Kerr-McGee Chemical Corp.*, Civil Actions Nos. 01-C-1396/92-C-6 (E.D. Wi.), the United States and Tronox will file papers with the District Court for the District of Wisconsin to modify the Consent Decree to conform to this Settlement Agreement and remove Kerr-McGee Chemical Corp., predecessor in interest to Tronox, as a party to the Consent Decree after the Effective Date; (d) with respect to the Consent Decree for the White King/Lucky Lass Site, *United States v. Kerr-McGee Chemical Worldwide LLC*, Civil Action No. 04-CV-00032 (D. Or.), the United States and Tronox will file papers with the District Court for the District of Oregon to modify the Consent Decree to conform to this Settlement

Agreement and remove Kerr-McGee Chemical Worldwide LLC, predecessor in interest to Tronox, as a party to the Consent Decree after the Effective Date; (e) with respect to the Consent Decree for the Soda Springs Site, *United States v. Kerr-McGee Chemical Company*, Civil Action No. 97-0121-E-BLW (D. Id.), the United States and Tronox will file papers with the District Court for the District of Idaho to modify the Consent Decree to conform to this Settlement Agreement and remove Kerr-McGee Chemical Company, predecessor in interest to Tronox, as a party to the Consent Decree after the Effective Date; and (f) with respect to the 2006 Henderson Consent Decree, the United States and Tronox will file papers with the United States District Court for the District of Columbia to modify the Consent Decree consistent with Paragraph 73, above.

134. The Governments may not impose any statutory, stipulated, or other penalties allegedly due from Debtors for Debtors' conduct occurring between the date hereof and the Effective Date with respect to the Owned Sites and Non-Owned Sites unless it has given notice to the Debtors and the Official Committee of Unsecured Creditors of the terms of any potentially applicable statutory, stipulated, or other civil penalties, and in the event the Governments seek to impose any such penalties, the amount of the penalty and circumstances under which it is imposed shall be negotiated before the penalty is applied. Nothing in this Paragraph shall be construed to modify any existing consent decrees or administrative orders.

135. As of the Effective Date, the Environmental Response Trusts shall become beneficiaries of all insurance policies applicable to past, present or future occurrences at the Sites. Debtors agree to take such reasonable steps as are appropriate to effectuate this Paragraph.

XVI. COVENANTS NOT TO SUE OR RELEASES FROM LIABILITY

136. With respect to the Owned Sites and except as specifically provided in Section XVII (Reservation of Rights), upon the Effective Date and Debtors' full payment of the payments required for the Multistate, Savannah, Henderson, Cimarron, and West Chicago Trust Accounts as set forth in Paragraphs 10, 38, 55, 80, and 104 of this Settlement Agreement and the establishment and full funding of the Anadarko Litigation Trust under Paragraph 121: (i) the United States on behalf of the US EPA, Forest Service, and NRC (except for DOI and NOAA, whose covenants not to sue are set forth respectively in Paragraphs 139 and 140 below), the Navajo Nation, the States (except for the State of North Carolina, whose release and agreement not to sue is set forth in Paragraph 142 below) and the Local Governments covenant not to sue or assert any civil claims or causes of action against Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties and the Multistate Trust Parties pursuant to CERCLA, RCRA, CWA, CAA, and the Atomic Energy Act; any applicable tribal or state Environmental Laws; and for any environmental liabilities or obligations asserted in the United States', the Navajo Nation's, the States' and the Local Governments' respective Proofs of Claim; and (ii) the Governments agree not to seek and covenant not to sue or assert any administrative or other civil claims or causes of action against Debtors, Reorganized Tronox, the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties and the Multistate Trust Parties with respect to any financial assurance required under any applicable Environmental Laws relating to the Owned Sites.

137. With respect to the Non-Owned Sites identified on Attachment B hereto, to the extent made applicable to each respective Government by inclusion on the separate sub-table for that Government within Attachment B, and except as specifically provided in Section XVII (Reservation of Rights), upon the Effective Date and Debtors' full payment of the payments required under Paragraph 117 of this Settlement Agreement and the establishment and full funding of the Anadarko Litigation Trust under Paragraph 121: (i) the United States on behalf of the US EPA, Forest Service, and NRC (except for DOI and NOAA, whose covenants not to sue are set forth respectively in Paragraphs 139 and 140 below), the Navajo Nation, the States (except for the Commonwealth of Massachusetts, whose covenant not to sue is set forth in Paragraph 141 below, and except for the State of North Carolina, whose release and agreement not to sue are set forth in Paragraph 142 below) and the Local Governments covenant not to sue or assert any civil claims or causes of action against Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties and the Multistate Trust Parties pursuant to CERCLA, RCRA, CWA, CAA, and the Atomic Energy Act; any applicable tribal or state Environmental Laws; and for any environmental liabilities or obligations asserted in the United States', the Navajo Nation's, the States' and the Local Governments' respective Proofs of Claim; and (ii) the Governments agree not to seek and covenant not to sue or assert any administrative or other civil claims or causes of action against Debtors, Reorganized Tronox, the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties and the Multistate Trust Parties with respect to any financial assurance required under Environmental Laws relating to the Non-Owned Sites. For

avoidance of doubt, each Government providing a covenant contained in this Paragraph is providing such covenant only with respect to sites appearing on the separate sub-table for that Government within Attachment B; provided, that the covenants provided by the United States on behalf of DOI and NOAA and the Commonwealth of Massachusetts, and releases provided by the State of North Carolina, are governed by Paragraphs 139 to 142, below.

138. Except as provided in Section XVII (Reservation of Rights) below, the United States, on behalf of DOD, covenants not to sue Debtors or Reorganized Tronox for any and all costs of response incurred or to be incurred in connection with the Fireworks Site (including but not limited to the matters addressed in the Fireworks I Site section of the United States' Proof of Claim). This covenant extends only to Debtors and Reorganized Tronox and does not extend to any third parties or claims that are not addressed by this Settlement Agreement, including the claims of the National Coatings Company and the Massachusetts Institute of Technology. The United States on behalf of DOD specifically reserves any and all rights it may have to bring actions against potentially responsible parties other than Debtors or Reorganized Tronox, as well as any defenses it may have with respect to any claims and causes of action brought against it.

139. The United States on behalf of DOI covenants not to file a civil action or to take any administrative or other civil action against the Debtors or Reorganized Tronox or the Multistate Trust Parties pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607, with respect to (i) NRD, including assessment and restoration costs, at the Texarkana Site and the Navassa Site and (ii) response costs at the Bristol Mine Site, the Caselton Mine Site, and the Spencer Mine Site in McKinley, New Mexico; provided

that with respect to the five sites specified in this sentence, NRD or response costs, as applicable, include those relating to releases of hazardous substances from any portion of the Sites and all areas affected by migration of such substances from the Sites. With respect to all Owned Sites and Non-Owned Sites (including releases of hazardous substances from any portion of the Owned Sites and the Non-Owned Sites, and all areas affected by migration of such substances from the Owned Sites and Non-Owned Sites), all liabilities and obligations of the Debtors or Reorganized Tronox to the United States on behalf of DOI under Section 107 of CERCLA, 42 U.S.C. § 9607, arising from pre-petition acts, omissions, or conduct of the Debtors or their predecessors shall be discharged under Section 1141 of the Bankruptcy Code by the Effective Date of the Plan of Reorganization. The United States on behalf of DOI agrees that the liabilities and obligations referred to in this Paragraph are dischargeable claims under the Bankruptcy Code in this case.

140. The United States on behalf of NOAA covenants not to file a civil action or to take any administrative or other civil action against the Debtors, Reorganized Tronox, or the Multistate Trust Parties pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607, with respect to the Navassa Site (including releases of hazardous substances from any portion of the Site, and all areas affected by migration of such substances from the Site). With respect to all other Owned Sites and Non-Owned Sites (including releases of hazardous substances from any portion of the Owned Sites and the Non-Owned Sites, and all areas affected by migration of such substances from the Owned Sites and Non-Owned Sites), all liabilities and obligations of the Debtors and Reorganized Tronox to the United States on behalf of NOAA under Section 107 of CERCLA, 42 U.S.C. § 9607, arising

from pre-petition acts, omissions, or conduct of the Debtors or their predecessors shall be discharged under Section 1141 of the Bankruptcy Code by the Effective Date of the Plan of Reorganization. The United States on behalf of NOAA agrees that the liabilities and obligations referred to in this Paragraph are dischargeable claims under the Bankruptcy Code.

141. The Massachusetts Department of Environmental Protection covenants not to sue or assert any civil claims or causes of action against Debtors and Reorganized Tronox with respect to the Fireworks Site pursuant to CERCLA, RCRA, CWA, CAA, and the Atomic Energy Act; any applicable state Environmental Laws; and for any environmental liabilities or obligations asserted in Massachusetts' Proof of Claim.

142. The State of North Carolina releases and agrees not to sue or take administrative action with respect to the Navassa Site, the Potter's Septic Tank Service Pits Superfund Site in Sandy Creek, North Carolina, and the Big "O" Jamboree Site in Williamston, North Carolina, against Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties, and the Multistate Trust Parties pursuant to CERCLA, RCRA and the Inactive Hazardous Sites Response Act of 1987, N.C.G.S. 130A-310 *et seq.*, and any similar state law for any liabilities or obligations asserted in North Carolina's Proofs of Claim.

143. To the extent necessary, the Governments' Proofs of Claim are deemed amended to be consistent with this Settlement Agreement.

144. This Settlement Agreement in no way impairs the scope and effect of Debtors' discharge under Section 1141 of the Bankruptcy Code as to any third parties

or as to any claims as defined in Section 101(5) of the Bankruptcy Code that are not addressed by this Settlement Agreement. Furthermore, as regards those Non-Owned Sites for which there is no covenant not to sue protection from certain of the Governments, no negative inferences regarding whether a claim has been discharged shall be drawn from the lack of covenant not to sue protection, and the Debtors, Reorganized Tronox and the Governments reserve all rights and defenses with respect to the applicability of the discharge to any and all claims related to such Non-Owned Sites, including the right to assert or dispute that Debtors have provided notice of such claims to the Governments by identifying such Sites in Attachment B.

145. Without in any way limiting the covenants not to sue or releases set forth in Paragraphs 136 to 142, and notwithstanding any other provision of this Settlement Agreement, such covenants not to sue or releases shall also apply to Debtors' and Reorganized Tronox's successors, assigns, directors, officers, managers, members, employees, lenders to the Debtors' exit credit facility, and trustees, but only to the extent that the alleged liability of the successor, assign, director, officer, manager, member, employee, lender to the Debtors' exit credit facility or trustee of Debtors or Reorganized Tronox is based solely on its status as and in its capacity as a successor, assign, director, officer, manager, member, employee, lender to the Debtors' exit credit facility or trustee of Debtors or Reorganized Tronox. For the avoidance of doubt, all references to "successors" and "assigns" in this Paragraph shall include successor subsidiaries or successor affiliated entities, and assignee subsidiaries or assignee affiliated entities.

146. The covenants not to sue (and in the case of North Carolina, the release and agreement not to sue) in this Settlement Agreement extend only to Debtors,

Reorganized Tronox, Multistate Trust Parties, Savannah Trust Parties, Henderson Trust Parties, Cimarron Trust Parties, West Chicago Trust Parties, and the persons described in Paragraph 145 above and do not extend to any other person. The covenant not to sue for the Commonwealth of Massachusetts, set forth in Paragraph 141, extends only to Debtors, Reorganized Tronox, and the persons described in Paragraph 145 above. The covenants not to sue for the United States on behalf of DOI and NOAA, set forth in Paragraphs 139 and 140 respectively, extend only to Debtors, Reorganized Tronox, the Multistate Trustee Parties and the persons described in Paragraph 145 above. Nothing in this Settlement Agreement is intended as a covenant not to sue or a release from liability for any person or entity other than Debtors, Reorganized Tronox, the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties, the Multistate Trust Parties, the United States, the Navajo Nation, the States, the Local Governments and the persons described in Paragraph 145.

147. Notwithstanding any other provision in this Settlement Agreement, none of the covenants not to sue or releases from liability set forth herein shall apply to or be for the benefit of the following parties: Lehman Brothers Holdings Inc., Ernst & Young LLP, Kerr-McGee Corporation and Anadarko Petroleum Corporation (including their respective subsidiaries, affiliates or other related entities, except for the Debtors or Reorganized Tronox) and their respective officers, directors, employees, advisors, attorneys, professionals, accountants, investment bankers, consultants, agents and other representatives (including their respective officers, directors, employees, members and professionals), or any individuals who were former directors or officers of the Debtors or their subsidiaries and also were or currently are directors or officers of Kerr-McGee

Corporation and/or Anadarko Petroleum Corporation.

148. Debtors, Reorganized Tronox, the Henderson Trustee, the Cimarron Trustee, the West Chicago Trustee, the Savannah Trustee and the Multistate Trustee covenant not to sue and agree not to assert claims or causes of action against the United States, the Navajo Nation, the States or the Local Governments, and Debtors and Reorganized Tronox covenant not to sue, and agree not to assert claims or causes of action against the Henderson, Cimarron, West Chicago, Savannah, and Multistate Trust Parties, and the Henderson, Cimarron, West Chicago, Savannah, and Multistate Trust Parties covenant not to sue, and agree not to assert claims or causes of action against the Debtors and Reorganized Tronox and the persons identified in Paragraph 145, with respect to the Owned Sites and the Non-Owned Sites, including but not limited to any direct or indirect claim for reimbursement from the Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through CERCLA Sections 106(b)(2), 107, 111, 112, 113, 42 U.S.C. §§ 9606(b), 9607, 9611, 9612, 9613, RCRA, or any other provision of law; any claims and causes of action against the United States, the Navajo Nation, States or the Local Governments, including any of their departments, agencies or instrumentalities pursuant to Section 107 or 113 of CERCLA, 42 U.S.C. §§ 9607, 9613, or other applicable state Environmental Laws; and any claims and causes of action arising out of the response activities at the Owned Sites or the Non-Owned Sites. Nothing in this Settlement Agreement shall be construed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611 or 40 C.F.R. § 300.700(d). For avoidance of doubt, the parties state that pursuant to Paragraphs 137 and 138 above, the United States on behalf of DOD and US EPA covenants not to sue

with respect to any claim against Debtors or Reorganized Tronox for any and all post-petition or future costs of response incurred, or to be incurred, in connection with the Fireworks Site, and pursuant to this Paragraph, Debtors and Reorganized Tronox release, and covenant not to sue with respect to, any claim against the United States for any and all post-petition or future costs of response incurred, or to be incurred, in connection with the Fireworks Site.

149. In the event that the Henderson Trust Parties, Cimarron Trust Parties, West Chicago Trust Parties, Savannah Trust Parties, or Multistate Trust Parties assert a claim or cause of action that is not reserved in Section XVII, Reservation of Rights, against the United States, the Navajo Nation, the States, the Local Governments, the Debtors, or Reorganized Tronox, then the covenant not to sue as to the party that has asserted the claim or cause of action shall be null and void and have no effect.

XVII. RESERVATION OF RIGHTS

150. The covenants not to sue and releases from liability set forth in Section XVI do not pertain to any matters other than those expressly specified therein. The United States, the Navajo Nation, the States, and the Local Governments reserve, and this Settlement Agreement is without prejudice to, all rights against Debtors, Reorganized Tronox, or other persons with respect to all matters other than those set forth in Paragraphs 136 to 142 above. The United States, the Navajo Nation, the States, and the Local Governments also specifically reserve, and this Settlement Agreement is without prejudice to: (a) criminal liability; (b) any action to enforce the terms of this Settlement Agreement; and (c) liability for response costs, natural resource damages (including natural resource damage assessment costs), civil penalties, and injunctive

relief under CERCLA, RCRA, CAA, CWA, the Atomic Energy Act, and tribal or state laws for Debtors' or Reorganized Tronox's future acts creating liability under CERCLA and other federal, tribal or state Environmental Laws that occur after the Effective Date. Debtors' or Reorganized Tronox's future acts creating liability under CERCLA and other federal, tribal or state Environmental Laws shall not be deemed to include continuing releases at the Owned Sites or Non-Owned Sites or continuing releases related to Debtors' conduct prior to the Effective Date, except to the extent that Debtors' or Reorganized Tronox's future acts exacerbate existing contamination or existing releases. The United States, the Navajo Nation, the States, and the Local Governments also reserve, and this Settlement Agreement is without prejudice to any liability of Debtors' and Reorganized Tronox's successors, assigns, officers, directors, employees, and trustees for response costs, penalties, and injunctive relief under federal, tribal or state Environmental Laws for any acts occurring after the Effective Date by any such entity creating liability under federal, tribal or state Environmental Laws. With respect to the Henderson Property, the United States and the State of Nevada also reserve their rights under Paragraph 75.

151. The United States, the Navajo Nation, the States, and the Local Governments also reserve all rights against Debtors until the Effective Date.

152. Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties and the Multistate Trust Parties reserve, and this Settlement Agreement is without prejudice to all rights against the United States, the Navajo Nation, the States, the Local Governments, and Debtors and Reorganized Tronox with respect to (a) all matters other

than those set forth in Paragraph 148, and (b) any action to enforce their rights under the terms of this Settlement Agreement. In addition, Debtors' and Reorganized Tronox's covenant not to sue under Paragraph 148 shall not apply in the event that the United States, the Navajo Nation, a State, or a Local Government brings a cause of action or issues an order pursuant to the reservations set forth in Paragraph 150, but only to the extent that Debtors' or Reorganized Tronox's claims and causes of action arise from the same response action, response costs, damages, or other relief that the United States, the Navajo Nation, a State, or a Local Government is seeking pursuant to the applicable reservations. Reorganized Tronox and the other parties to the Line of Credit Agreement set forth in Subparagraph 28(c) reserve all rights to enforce the Line of Credit Agreement. Tronox LLC reserves all of its rights to enforce the Henderson Facility Lease. Tronox Incorporated reserves all of its rights under the Guaranty. Furthermore, the Henderson Trustee reserves its rights to enforce the 2006 Henderson Consent Decree against the United States. With respect to the Henderson Property, the Henderson Trustee reserves all of its rights under Paragraph 75 and under the Henderson Facility Lease.

153. Nothing in this Settlement Agreement shall release, nullify or preclude any liability, if any, of the United States to the State of Nevada under applicable Environmental Laws as a potentially responsible or liable party with respect to any Henderson Legacy Conditions.

154. The United States, the Navajo Nation, the States, the Local Governments, Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties, and

the Multistate Trust Parties expressly reserve all claims, demands, and causes of action either judicial or administrative, past, present or future, in law or equity, which the United States, the Navajo Nation, the States, the Local Governments, or Debtors, Reorganized Tronox, the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties, and the Multistate Trust Parties may have against all other persons, firms, corporations or entities for any matter arising at or relating in any manner to the Owned Sites, the Non-Owned Sites, and/or claims addressed herein.

155. Nothing in this Settlement Agreement shall be deemed to limit the authority of the United States, the Navajo Nation, the States and the Local Governments to take response or natural resource assessment action under Section 104 of CERCLA, 42 U.S.C. § 9604, or any other applicable federal, tribal, or state Environmental Laws, or to alter the applicable legal principles governing judicial review of any action taken by the United States, the Navajo Nation, the States and the Local Governments pursuant to that authority. Nothing in this Settlement Agreement shall be deemed to limit the information-gathering authority of the United States, the Navajo Nation or the States under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, or any other applicable federal, tribal or state Environmental Laws, or to excuse Debtors or Reorganized Tronox or the Henderson, Savannah, Cimarron, West Chicago, and Multistate Trustees from any disclosure or notification requirements imposed by CERCLA or any other applicable federal, tribal or state Environmental Laws.

156. The United States and the States shall retain the right to issue, obtain, or enforce an order against the respective Environmental Response Trusts to perform Environmental Actions at an Owned Site, an Owned or Non-Owned Service

Station, a Non-Owned RAS Property, or Kress Creek under applicable law, including an administrative order, provided that funding necessary to implement such order remains subject to the approval of the Lead Agency and the availability of such funding. The Environmental Response Trusts may enter into a consent decree or consent order with the United States and the respective State in which an Owned Site, an Owned or Non-Owned Service Station, a Non-Owned RAS Property, or Kress Creek is located, and may perform work pursuant to administrative orders issued unilaterally by the United States or the respective State under applicable law, to facilitate or conduct Environmental Actions at an Owned Site, an Owned or Non-Owned Service Station, a Non-Owned RAS Property, or Kress Creek, provided that funding necessary to implement such consent decree, consent order, administrative order, or any action required in response to an enforcement action remains subject to the approval of the Lead Agency and the availability of such funding.

157. Notwithstanding any other provision in this Settlement Agreement, none of the covenants not to sue or releases from liability set forth herein shall release, nullify, or preclude any liability of Reorganized Tronox as the owner or operator of a property of Reorganized Tronox with respect to any properties owned or operated by Reorganized Tronox after the Effective Date, including but not limited to, the Hamilton, Mississippi facility and the Oklahoma City Technical Center in Oklahoma, provided however, Tenant's responsibilities for the Henderson Leased Facility shall be in accordance with Paragraph 75. Moreover, all liabilities or obligations of the Debtors or Reorganized Tronox to the United States on behalf of US EPA, Forest Service, NRC, DOI and NOAA, the Navajo Nation, the States, and the Local Governments under

CERCLA, RCRA, CWA, CAA, and the Atomic Energy Act, any applicable tribal or state Environmental Laws or regulations, and any environmental liabilities or obligations asserted in the Governments' respective Proofs of Claim with respect to any properties owned or operated by Reorganized Tronox after the Effective Date (including but not limited to, the Hamilton, Mississippi facility and the Oklahoma City Technical Center in Oklahoma), shall not be discharged under bankruptcy law; provided however, Tenant's responsibilities for the Henderson Leased Facility shall be in accordance with Paragraph 75.

158. Except to the extent expressly set forth herein, nothing in this Settlement Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Settlement Agreement.

XVIII. CONTRIBUTION PROTECTION

159. The parties hereto agree that, as of the Effective Date, Debtors, Reorganized Tronox, and the Henderson Trust Parties, the Cimarron Trust Parties, the West Chicago Trust Parties, the Savannah Trust Parties, and Multistate Trust Parties are entitled to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), or as otherwise provided by law, including any state laws (except as set forth in Paragraph 160 with respect to Mass. Gen. Laws ch. 21E, § 3A(j)(2)), for matters addressed in this Settlement Agreement, subject to the covenants not to sue and releases and reservations of rights set forth in Sections XVI and XVII herein. The Debtors and Reorganized Tronox contend that the contribution protection provided under this Settlement Agreement applies to actions brought under Section 107 of CERCLA, and as such, the Debtors and Reorganized Tronox reserve the right to argue

that this Settlement Agreement and Section 113(f)(2) of CERCLA protect against claims for contribution brought under Section 107 of CERCLA. The matters addressed in this Settlement Agreement include all costs of Environmental Actions, including oversight costs, incurred or to be incurred by the United States, the Navajo Nation, the States, the Local Governments, or any other person relating to or in connection with the Owned Sites and the Non-Owned Sites, including releases of hazardous substances from any portion of the Owned Sites and the Non-Owned Sites (except for contribution protection under state law with respect to the Fireworks Site, which is set forth in Paragraph 160 below), and all areas affected by migration of such substances from such Sites. Matters addressed in this Settlement Agreement include NRD claims, including restoration and assessment costs, asserted by the United States on behalf of DOI and NOAA at the Texarkana Facility and the Navassa Site. Matters addressed in this Settlement Agreement also include NRD claims asserted by the States, including restoration and assessment costs relating to or in connection with the Owned Sites and the Non-Owned Sites (except for contribution protection under state law with respect to the Fireworks Site, which is set forth in Paragraph 160 below). Matters addressed in this Settlement Agreement do not include any matters that are the subject of the reservations of rights set forth in Section XVII herein.

160. With respect to contribution protection under state law with respect to the Fireworks Site, Massachusetts and Debtors hereby agree, and by approving this Settlement Agreement this Court finds, that pursuant to Mass. Gen. Laws ch. 21E, § 3A(j)(2), the Debtors and Reorganized Tronox are entitled to protection from claims brought pursuant to Mass. Gen. Laws ch. 21E regarding matters addressed in

Massachusetts' Proofs of Claim in the Bankruptcy Cases for the Fireworks Site, for cost recovery, contribution, and equitable share as to those persons receiving notice and an opportunity to comment on this Settlement Agreement in accordance with Mass. Gen. Laws ch. 21E, § 3A(j)(2), as of the date of filing of a notice by the Commonwealth of Massachusetts indicating that it received no comments disclosing facts or considerations showing that the Settlement Agreement would unfairly terminate the rights of third parties. As of the date of such notice, this Settlement Agreement constitutes a "judicially approved settlement" for purposes of Mass. Gen. Laws ch. 21E, § 3A(j)(2). For purposes of this Paragraph, "matters addressed" shall be response action costs incurred or to be incurred by the Commonwealth of Massachusetts, work performed or to be performed, and natural resource damages (including restoration and assessment costs) with respect to the Fireworks Site, but shall not include any matters that are the subject of the reservations of rights set forth in Section XVII herein. The 90-day comment period required under Mass. Gen. Laws ch. 21E, § 3A(j)(2) shall commence 30 days after Massachusetts executes this Settlement Agreement.

XIX. TRANSFERS OF REAL PROPERTY INFORMATION AND ENVIRONMENTAL INFORMATION

161. Owned Sites

a. Electronic Files. Debtors shall provide to the Environmental Response Trustees, at Debtors' expense, within 30 days before the Effective Date, a hard drive(s) containing electronic files of Environmental Information and Real Property Information related to the Owned Sites; provided, however, that in the event that Debtors determine that any such provision of Environmental Information or Real Property Information violates any law or legal proceeding or waives any applicable

privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine, Debtors shall take all reasonable measures to provide such Environmental Information or Real Property Information in a manner that avoids any such harm or consequence, including retention of the specific electronic files. If any of the Environmental Response Trustees need specific electronic files of Environmental Information or Real Property Information before such Trustee's receipt of the hard drive(s), then as soon as reasonably practicable upon written request, Debtors shall provide the Environmental Response Trustees with such specific electronic files of Environmental Information or Real Property Information, at Debtors' expense.

b. Hard Copy Files

i. Hard Copy Files Stored On-Site: Hard copy files of Environmental Information and Real Property Information located at any of the Owned Sites before the Effective Date shall remain on-Site after the Effective Date and shall thereafter remain in the possession, custody, and control of the relevant Environmental Response Trustee for such Owned Site.

ii. Hard Copy Files of Real Property Information Located in Oklahoma City: Debtors shall provide to the Environmental Response Trustees, at Debtors' expense, within thirty days before the Effective Date, copies of hard copy files of Real Property Information related to the Owned Sites and located at Debtors' offices in Oklahoma City, Oklahoma; provided, however, that if Debtors determine that any such provision of Real Property Information violates any law or legal proceeding or waives any applicable privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine, Debtors shall take all reasonable measures to provide such Real Property Information in a manner that avoids any such harm or consequence, including retention of the specific hard copy files. In the event the Environmental Response Trustees need specific hard copy files of Real Property Information located at Debtors' offices in Oklahoma City, Oklahoma, prior to such Trustee's receipt of the hard copy files, then as soon as reasonably practicable after written request, Debtors shall provide the Environmental Response Trustees with such specific hard copy files of Real Property Information, at Debtors' expense.

iii. Hard Copy Files Stored Off-Site: Debtors shall provide to the Environmental Response Trustees, at any time and as soon as reasonably practicable after written request, copies of hard copy files of Environmental Information or Real Property Information related to an Owned Site that are stored at Debtors' off-site facility, Underground Vault Storage, located in Oklahoma City, Oklahoma ("Off-Site

Facility")*;* provided, however, that if Debtors determine that any such provision of Environmental Information or Real Property Information violates any law or legal proceeding, or waives any applicable privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine, Debtors shall take all reasonable measures to provide access in a manner that avoids any such harm or consequence, including retention of the specific hard copy files. With respect to preparing copies of any hard copy files of Environmental Information or Real Property Information located at the Off-Site Facility, the cost of retrieving, copying and shipping the files, including any cost incurred to ensure that the state and condition of the files is not impaired by the shipping or copying effort, will be borne by the Environmental Response Trustees, subject to the Schedule of Costs attached as Attachment H.

162. "Other Sites"

a. Electronic Files. The Multistate Trustee, at the request of any of the Governments which have provided covenants not to sue or releases from liability for the "Other Sites" identified in Attachment B pursuant to Paragraph 137 above, shall ask Debtors to provide, at Debtors' expense, a hard drive(s) containing electronic files of Environmental Information related to such Other Site(s); provided, however, that in the event that the Debtors determine that any such provision of Environmental Information violates any law or legal proceeding or waives any applicable privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine, Debtors shall take all reasonable measures to provide such Environmental Information in a manner that avoids any such harm or consequence, including retention of the specific electronic files. Upon receipt, the Multistate Trustee shall promptly forward such hard drive(s) to the Government(s) making the request.

b. Hard Copy Files Stored Off-Site: The Governments which have provided covenants not to sue or releases from liability for the "Other Sites" identified in Attachment B pursuant to Paragraph 137 above, may ask the Multistate Trustee to request from Debtors hard copy files of Environmental Information related to such Other Site(s) that are located at the Off-Site Facility. As soon as practicable upon

receipt of such request from the Multistate Trustee, Debtors shall provide the Multistate Trustee with a written estimate of the cost of retrieving, copying and shipping the requested files, including any cost incurred to ensure that the state and condition of the files is not impaired by the shipping or copying effort, in accordance with the Schedule of Costs attached as Attachment H; provided that such estimate shall not be binding upon Debtors. However, Debtors shall provide notice upon knowledge that such cost will exceed the estimate by 50%. If the Multistate Trustee determines, in its discretion, that the estimated cost of obtaining such files will present an undue expense to the Multistate Trust, the Multistate Trustee may withdraw its request to Debtors and notify the relevant Government(s) making the request for such information. Otherwise, upon receiving the Multistate Trustee's written confirmation that the estimated cost is acceptable, Debtors shall provide to the Multistate Trustee all requested hard copy files of Environmental Information related to such Other Site(s) located at the Off-Site Facility, subject to the Schedule of Costs attached as Attachment H, with such costs to be borne by the Multistate Trustee; provided, however, that in the event that Debtors determine that any such provision of Environmental Information violates any law or legal proceeding or waives any applicable privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine, Debtors shall take all reasonable measures to provide access in a manner that avoids any such harm or consequence, including retention of the specific hard copy files. Upon receipt, the Multistate Trustee shall promptly forward such copies of the hard copy files to the Government(s) making the request.

163. Document Retention

a. Debtors shall at all times maintain ownership and control of the original form of the Environmental Information and Real Property Information, except for any hard copy files of Environmental Information or Real Property Information stored at any Owned Sites pursuant to Paragraph 161 above. As to those on-Site files, the Environmental Response Trustees shall provide access for review and copying to the Anadarko Litigation Trustee and Debtors at all reasonable times upon prior reasonable notice. Any copying expenses shall be borne by the party requesting such access.

b. Debtors will preserve the Environmental Information and Real Property Information that is the property of Debtors in its present state or condition. After the Effective Date, Reorganized Tronox shall use commercially reasonable efforts to retain all Environmental Information and Real Property Information in its possession or control as of the Effective Date in accordance with litigation document holds or preservation memoranda issued by Debtors or Reorganized Tronox or Reorganized Tronox's document retention or other policies as in effect on the Effective Date, or such document retention or other policies as may be reasonably adopted by Reorganized Tronox after the Effective Date; provided however, Reorganized Tronox shall retain all Environmental Information and Real Property Information until the Anadarko Litigation or other litigations or investigations requiring the preservation of such information have been resolved and all final appeals, if applicable, have been exhausted ("Preservation Date"). Reorganized Tronox shall provide written copies of all such litigation hold or preservation memoranda, and all document retention or other policies to the

Environmental Response Trustees and the Anadarko Litigation Trustee as soon as practicable after the Effective Date, except to the extent Reorganized Tronox determines that providing such memoranda or policies waives any applicable privilege, protection or immunity, including, without limitation, the attorney-client privilege or the work-product doctrine. Reorganized Tronox shall not destroy, or permit any members of its group to destroy, any Environmental Information or Real Property Information until the Preservation Date, that the Environmental Response Trustees, the Anadarko Litigation Trustee, the United States, the Navajo Nation, any relevant State, or any relevant Local Government may have the right to obtain pursuant to this Settlement Agreement, the Environmental Response Trust Agreements or the Anadarko Litigation Trust Agreement without first notifying, as applicable, the relevant Environmental Response Trustee, the Anadarko Litigation Trustee, the United States, the Navajo Nation, the relevant State, or relevant Local Government of the proposed destruction and giving, as applicable, the relevant Environmental Response Trustee, the Anadarko Litigation Trustee, the United States, the Navajo Nation, the relevant State, or relevant Local Government the opportunity to take possession or copy such Environmental Information or Real Property Information. If more than one of the aforementioned parties requests to take possession of the Environmental Information or Real Property Information, such parties shall reach an agreement as to which entity shall take possession of such Environmental Information or Real Property Information and notify Reorganized Tronox of same.

c. At any time after 60 days following the Preservation Date, Reorganized Tronox may elect to relinquish control and/or destroy archived Environmental Information or Real Property Information including such information

saved on computer servers to the extent permitted by litigation document hold or preservation memoranda issued by Debtors or Reorganized Tronox or Reorganized Tronox's document retention or other policies. Reorganized Tronox shall provide written notice, as applicable, to the relevant Environmental Response Trustee, the Anadarko Litigation Trustee, the United States, the Navajo Nation, the relevant State, or relevant Local Government that it will no longer maintain the Environmental Information or Real Property Information identified and provide the responding parties the opportunity to take possession of such Environmental Information or Real Property Information within 60 days following such notification. If more than one of the aforementioned parties requests to take possession of the documents, such parties shall reach an agreement as to which entity shall take possession of such Environmental Information or Real Property Information and notify Reorganized Tronox of same.

d. At any time after 365 days following the Effective Date, any of the Environmental Response Trustees may elect to relinquish control and/or destroy any Environmental Information, Real Property Information or other records located at any Owned Site. The Environmental Response Trustee shall provide written notice to Reorganized Tronox and the Anadarko Litigation Trustee that it will no longer maintain the Environmental Information, Real Property Information or other records identified and provide Reorganized Tronox and the Anadarko Litigation Trustee the opportunity to take possession of such Environmental Information, Real Property Information, or other records within 60 days following such notification. If both Reorganized Tronox and the Anadarko Litigation Trustee request to take possession of the documents, such parties shall reach an agreement as to which entity shall take possession of such Environmental

Information, Real Property Information, or other records and notify the relevant Environmental Response Trustee of same.

e. No Liability. No party shall have any liability to any other party if any Environmental Information or Real Property Information is destroyed after all reasonable efforts have been taken by such party to comply with the provisions of Subparagraphs 163(b), (c) and (d) above.

f. No Warranty. Neither Debtor nor Reorganized Tronox makes any warranty as to the completeness or accuracy of the Environmental Information or Real Property Information provided pursuant to Paragraphs 161, 162 and 163 above.

164. The United States, the Navajo Nation, the States, and the Local Governments reserve, and this Settlement Agreement is without prejudice to, all rights to obtain information regarding the Owned Sites and Other Sites from Debtors and Reorganized Tronox pursuant to their information-gathering authority under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, or any other applicable federal, tribal or state Environmental Laws.

XX. TAX COOPERATION

165. Notwithstanding any other provision of this Settlement Agreement, the Governments agree to reasonably cooperate with the Debtors to allow the Debtors to fund each Environmental Response Trust (as described elsewhere in this Settlement Agreement) via a single transferor, for the sole purpose of eligibility for a Grantor Trust Election.

XXI. PUBLIC COMMENT

166. This Settlement Agreement will be subject to a public comment period of 30 days following notice published in the Federal Register and notice under any applicable State or tribal law providing for public comment. The United States, the Navajo Nation and any State (except for the State of Georgia) soliciting or receiving public comment reserve the right to withdraw or withhold their consent if the public comments regarding the Settlement Agreement disclose facts or considerations that indicate that this Settlement Agreement is inappropriate, improper, or inadequate. The State of Georgia reserves the right to withdraw or withhold its consent if the public comments regarding the Settlement Agreement disclose facts or considerations that indicate that this Settlement Agreement should not be executed. At the conclusion of the public comment period, the United States, the Navajo Nation and any State taking public comment will provide the Court with copies of any public comments and their response thereto. With respect to the Commonwealth of Massachusetts, the right to withdraw or withhold consent to the Settlement Agreement shall exist until the date of Court approval of this Settlement Agreement; and, separate and apart from that right, the effectiveness of contribution protection under Massachusetts law shall be in accordance with the terms set forth in Paragraph 160, above.

XXII. JUDICIAL APPROVAL

167. The settlement reflected in this Settlement Agreement shall be subject to approval by the Court pursuant to Bankruptcy Rule 9019. Debtors shall move promptly for court approval of this Settlement Agreement and shall exercise commercially reasonable efforts to obtain such approval.

XXIII. RETENTION OF JURISDICTION

168. The Court shall retain jurisdiction over both the subject matter of this Settlement Agreement and the parties hereto, for the duration of the performance of the terms and provisions of this Settlement Agreement for the purpose of enabling any of the parties to apply to the Court at any time for such further order, direction and relief as may be necessary or appropriate for the construction or interpretation of this Settlement Agreement, or to effectuate or enforce compliance with its terms.

XXIV. EFFECTIVE DATE

169. Following a public comment process following notice published in the Federal Register and notice under any applicable State or tribal law providing for public comment, this Settlement Agreement shall be effective as of the effective date of the Plan of Reorganization. For the purpose of the preceding sentence, the Settlement Agreement shall become effective even if the comment period under Massachusetts law has not been completed, except that any contribution protection under Massachusetts law shall not become effective until the date of filing of a notice by the Commonwealth of Massachusetts as described in Paragraph 160. Debtors shall conform their Plan of Reorganization to incorporate the Settlement Agreement. This Settlement Agreement shall also be contingent on the execution of Environmental Response Trust Agreements that are materially consistent with the terms of this Settlement Agreement.

170. If for any reason (i) the Settlement Agreement is withdrawn by the United States, Navajo Nation, or any State as provided in Paragraph 166; (ii) the Settlement Agreement is not approved; or (iii) the Bankruptcy Cases are dismissed or converted to cases under Chapter 7 of the Bankruptcy Code before the Effective Date of

a Plan of Reorganization: (a) this Settlement Agreement shall be null and void and the parties shall not be bound hereunder or under any documents executed in connection herewith; (b) the parties shall have no liability to one another arising out of or in connection with this Settlement Agreement or under any documents executed in connection herewith; and (c) this Settlement Agreement and any documents prepared in connection herewith shall have no residual or probative effect or value, and it shall be as if they had never been executed.

XXV. PLAN OF REORGANIZATION

171. The Debtors shall incorporate this Settlement Agreement into the Plan by reference and approval of this Settlement Agreement shall be a condition precedent to confirmation of the Plan. Debtors shall not file a Plan or amend the Plan or the proposed order confirming the Plan in a manner inconsistent with the terms and provisions of this Settlement Agreement, take any other action in the Bankruptcy Cases that is inconsistent with the terms and provisions of this Settlement Agreement, or propose terms for any order confirming the Plan that are inconsistent with this Settlement Agreement. The Governments shall not oppose any term or provision of the Plan or an order confirming the Plan that is addressed by and is consistent with this Settlement Agreement. The Parties reserve all other rights or defenses that they may have with respect to the Plan. In the event of any inconsistency between the Plan, any order confirming the Plan, and this Settlement Agreement, the terms of this Settlement Agreement shall control.

XXVI. AMENDMENTS/INTEGRATION AND COUNTERPARTS

172. This Settlement Agreement and any other documents to be executed in connection herewith or referred to herein shall constitute the sole and complete agreement of the parties hereto with respect to the matters addressed herein. This Settlement Agreement may not be amended except by a writing signed by all the parties.

173. Notwithstanding Paragraph 172, at any time after the Effective Date, any modification of the provisions specific to any of the Environmental Response Trusts established under this Settlement Agreement can be amended by separate written agreement without Court approval among the applicable Trustee(s), the United States, the affected State(s) and Local Government(s), and Reorganized Tronox, except that the agreement of Reorganized Tronox is only required as to: (i) modifications to any provision regarding the transfer of Environmental Information and Real Property Information between Reorganized Tronox and the applicable Trust(s), (ii) modifications with respect to the line of credit to be made available by Reorganized Tronox to the Savannah Trust or the Savannah Trust-Owned Entity and any obligations under the Line of Credit Agreement set forth in Subparagraph 28(c). (iii) modifications to any provision regarding obligations in connection with the Henderson Leased Facility.

174. The signatories for the parties each certify that he or she is authorized to enter into the terms and conditions of this Settlement Agreement after the close of any applicable comment period(s) and provisions of comments by the Governments to the Court, and to execute and bind legally such party to this document.

175. This Settlement Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same agreement.

THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT

FOR THE UNITED STATES OF AMERICA

Date: _____ _____

ROBERT G. DREHER
Acting Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20044

Date: _____ PREET BHARARA
United States Attorney for the
Southern District of New York

By: _____

ROBERT WILLIAM YALEN
TOMOKO ONOZAWA
JOSEPH A. PANTOJA
Assistant United States Attorneys
86 Chambers Street
New York, New York 10007
Tel: (212) 637-2722
Fax: (212) 637-2686

Date: _____ _____

ALAN S. TENENBAUM
National Bankruptcy Coordinator
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20044

Date: _____ _____

FREDERICK PHILLIPS, Attorney
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20044

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Date: _____ By: _____

CYNTHIA GILES
Assistant Administrator for Enforcement
and Compliance Assurance
U.S. Environmental Protection Agency

Date: _____ By: _____

CRAIG KAUFMAN
Attorney-Advisor
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

In re: Tronox, Inc., et al., Case No. 09-10156 (ALG)

FOR TRONOX LUXEMBOURG S.ar.L

Date: _____

By: _____
Michael J. Foster
Attorney-in-Fact

FOR TRONOX INCORPORATED

Date: _____

By: _____
Michael J. Foster
Vice President, General Counsel & Secretary

FOR CIMARRON CORPORATION

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR SOUTHWESTERN REFINING COMPANY, INC.

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRANSWORLD DRILLING COMPANY

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRIANGLE REFINERIES, INC.

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRIPLE S, INC.

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRIPLE S ENVIRONMENTAL MANAGEMENT CORPORATION

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRIPLE S MINERALS RESOURCES CORPORATION

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRIPLE S REFINING CORPORATION

Date: _____

By: _____

Michael J. Foster
Director, Vice President & Secretary

FOR TRONOX LLC

Date: _____

By: _____
Michael J. Foster
Manager, Vice President & Secretary

FOR TRONOX FINANCE CORP.

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRONOX HOLDINGS, INC.

Date: _____

By: _____
Michael J. Foster
Director
Vice President & Secretary

FOR TRONOX PIGMENTS (SAVANNAH) INC.

Date: _____

By: _____
Michael J. Foster
Director, Vice President & Secretary

FOR TRONOX WORLDWIDE LLC

Date: _____

By: _____
Michael J. Foster
Manager, Vice President & Secretary

FOR THE NAVAJO NATION

Date: _____ _____

Louis Denetsosie, Attorney General
NAVAJO NATION DEPARTMENT OF JUSTICE
P.O. Box 2010
Window Rock, AZ 86515

FOR THE STATE OF ALABAMA

TROY KING
Attorney General
State of Alabama

By: _____ Date: _____

FOR THE STATE OF FLORIDA

Date: _____ _____

FOR THE STATE OF GEORGIA

Date: _____

_____
Georgia Environmental Protection Division

FOR THE STATE OF IDAHO

Date: _____ _____

FOR THE STATE OF ILLINOIS

PEOPLE OF THE STATE OF ILLINOIS
ex rel. LISA MADIGAN
Attorney General of the State of Illinois

MATTHEW J. DUNN, Chief
Environmental Enforcement
Asbestos Litigation Division

BY: _____
ROSEMARIE CAZEAU, Chief
Assistant Attorney General
Environmental Bureau North

DATE: _____

BY: _____
THOMAS DAVIS, Chief
Assistant Attorney General
Environmental Bureau South

DATE: _____

ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY

DOUGLAS P. SCOTT, Director
Illinois Environmental Protection Agency

BY: _____
JOHN J. KIM
Chief Legal Counsel

DATE: _____

ILLINOIS DEPARTMENT OF
NATURAL RESOURCES

MARC MILLER, Director
Illinois Department of Natural
Resources

BY: _____
MITCHELL L. COHEN
Chief Legal Counsel

DATE: _____

ILLINOIS EMERGENCY MANAGEMENT AGENCY

JOSEPH KLINGER, Interim Director
Illinois Emergency Management Agency

BY: _____
MAUREEN CUNNINGHAM
General Counsel

DATE: _____

FOR THE STATE OF INDIANA

Indiana Department of
Environmental Management

By: _____

Thomas W. Easterly
Commissioner

Ind. Dept. of Environmental Mgmt
100 North Senate Avenue
MC 50-01, ICGN 1301
Indianapolis, IN 46204

Gregory F. Zoeller,
Attorney General of Indiana
Atty. No. 1958-98

By: _____

Timothy J. Junk
Deputy Attorney General
Atty. No. 5587-02

Office of the Attorney General
Indiana Government Center South, 5th Floor
302 West Washington Street
Indianapolis, IN 46204

Date: _____

FOR THE STATE OF IOWA

Date: _____ By: _____

Wayne Gieselman
Division Administrator
Iowa Department of Natural Resources

FOR THE STATE OF KANSAS

Date: _____ _____

FOR THE STATE OF LOUISIANA

Date: _____ _____

FOR THE MASSACHUSETTS DEPARTMENT OF ENVIRONMENTAL PROTECTION

MASSACHUSETTS DEPARTMENT OF ENVIRONMENTAL PROTECTION
By its attorney,

MARTHA COAKLEY,
ATTORNEY GENERAL

Date: _____ By: _____

Carol Iancu, MA BBO # 635626
Assistant Attorney General
Environmental Protection Division
Massachusetts Office of the Attorney General
One Ashburton Place, 18th Floor
Boston, MA 02108
(617) 963-2428
carol.iancu@state.ma.us

FOR THE STATE OF MISSISSIPPI

Date: _____ _____

FOR THE STATE OF MISSOURI

Date: _____ _____

CHRIS KOSTER
Attorney General for the State of Missouri

JOHN K. MCMANUS
Chief Counsel
Agriculture and Environment Division
P.O. Box 899
Jefferson City, Missouri 65102
Tel.: 573-751-8370
Fax: 573-781-8796
Email: jack.mcmanus@ago.mo.gov

Date: _____ _____

Leanne Tippett Mosby
Director
Division of Environmental Quality
Missouri Department of Natural Resources
P.O. Box 176
Jefferson City, Missouri 65102

FOR THE STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES,
DIVISION OF ENVIRONMENTAL PROTECTION

Date: _____ By: _____
LEO M. DROZDOFF, P.E.
Acting Director, DCNR

Approved as to form:

CATHERINE CORTEZ MASTO
Attorney General

Date: _____ By: _____
CAROLYN E. TANNER
Deputy Attorney General

FOR THE STATE OF NEW JERSEY

PAULA T. DOW
Attorney General of New Jersey

Date: _____ By: _____

Richard F. Engel
Deputy Attorney General
Richard J. Hughes Justice Complex
25 Market Street
P.O. Box 093
Trenton, NJ 08625-0093
Tel.: (609) 984-4863
Fax: (609) 341-5030

FOR THE STATE OF NEW YORK

Date: _____ _____

FOR THE STATE OF NORTH CAROLINA

Date: _____

_____

Dexter R. Matthews
Director, Division of Waste Management
Department of Environment and Natural Resources

FOR THE STATE OF OHIO
Date: _____ _____

FOR THE STATE OF OKLAHOMA

Date: _____ _____

J.D. STRONG
OKLAHOMA SECRETARY OF THE
ENVIRONMENT

Date: _____ _____

STEVEN A. THOMPSON
EXECUTIVE DIRECTOR
OKLAHOMA DEPARTMENT OF
ENVIRONMENTAL QUALITY

FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Date: _____ _____

Thomas M. Thompson, P.G.
Professional Geologist Manager
Environmental Cleanup Program

FOR THE STATE OF TENNESSEE

Date: _____ _____

FOR THE STATE OF TEXAS

Date: _____ _____

FOR THE STATE OF TEXAS NATURAL RESOURCE DAMAGE TRUSTEES

GREG ABBOTT
Attorney General of Texas

DANIEL T. HODGE
First Assistant Attorney General

BILL COBB
Deputy Attorney General for Civil Litigation

BARBARA B. DEANE
Chief, Environmental Protection and Administrative Law Division

DAVID PREISTER
Chief, Environmental Protection Section

Date: _____ By: _____

SARAH J. UTLEY
Assistant Attorney General
State Bar No. 24042075

FOR THE STATE OF WISCONSIN

MATTHEW J. FRANK
Secretary

Date: _____

_____
ALLEN K. SHEA
Deputy Secretary
Wisconsin Department of Natural Resources

Approved as to form:

J.B. VAN HOLLEN
Attorney General

Date: _____

_____
ANNE C. MURPHY
Assistant Attorney General
State Bar # 1031600
Attorneys for the State of Wisconsin

FOR THE CITY OF WARRENVILLE, ILLINOIS

Date: _____ _____

David L. Brummer
Mayor

FOR THE CITY OF WEST CHICAGO, ILLINOIS

Date: _____ _____

Michael B. Kwasman
Mayor

FOR THE FOREST PRESERVE DISTRICT OF DUPAGE COUNTY, ILLINOIS

Date: _____ _____

D. “Dewey” Pierotti, Jr.
President

FOR THE COUNTY OF DUPAGE, ILLINOIS

Date: _____ _____

Robert Schillerstrom
Chairman

FOR THE CITY OF CHICAGO, ILLINOIS

Date: _____ By: _____
SUZANNE MALEC-MCKENNA
Commissioner
Department of Environment

Date: _____ By: _____
MARA S. GEORGES
Corporation Counsel
Department of Law

FOR THE CHICAGO PARK DISTRICT, ILLINOIS

Date: _____ _____

FOR THE MULTISTATE TRUSTEE

Date: _____ _____

Greenfield Environmental Multistate Trust LLC
Not Individually But Solely In Its Representative Capacity
As Trustee for the Multistate Trust
By: Greenfield Environmental Trust Group, Inc., Member
By: Cynthia Brooks, President

FOR THE SAVANNAH TRUSTEE

Date: _____ _____

Greenfield Environmental Savannah Trust LLC
Not Individually But Solely In Its Representative Capacity
As Trustee for the Savannah Trust
By: Greenfield Environmental Trust Group, Inc., Member
By: Cynthia Brooks, President

FOR THE WEST CHICAGO TRUSTEE

WESTON SOLUTIONS, INC.,
NOT INDIVIDUALY BUT SOLELY
IN ITS REPRESENTATIVE CAPACITY AS
TRUSTEE OF THE WEST CHICAGO
ENVIRONMENTAL RESPONSE TRUST

Date: _____ By: _____

Peter A. Ceribelli
Chief Operating Officer

FOR THE CIMARRON TRUSTEE

The Cimarron Custodial Trustee By and through Environmental Properties Management, LLC, not individually but solely in the representative capacity as Trustee of the Cimarron Environmental Response Trust

Date:_____ By: _____

Stephen M. Linnemann, P.E,
not individually but solely in the representative capacity as President of the Trustee of the Custodial Trust

FOR THE HENDERSON TRUSTEE

The Henderson Trustee
By and through Le Petomane XXVII, Inc., not individually but solely as the Henderson Environmental Response Trust Trustee

Date: _____ By: _____

Jay A. Steinberg, not individually but solely in the representative capacity as President of the Trustee of the Henderson Environmental Response Trust