

ENVIRONMENTAL RESPONSE TRUST AGREEMENT

(Nevada)

BY AND AMONG

**TRONOX, INCORPORATED,
TRONOX LLC,
TRONOX FINANCE CORP.,
TRONOX HOLDINGS, INC.,
TRONOX LUXEMBOURG S.AR.L,
TRONOX PIGMENTS (SAVANNAH), INC.,
TRONOX WORLDWIDE, LLC,
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,
and
CIMARRON CORPORATION.
As Settlers,**

**Le Petomane XXVII, Inc.
not individually but solely in its representative capacity
as Nevada Trustee,**

AND

**THE UNITED STATES OF AMERICA and
the STATE of NEVADA
as Beneficiaries**

As of February 14, 2011

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ENVIRONMENTAL RESPONSE TRUST AGREEMENT

(Nevada)

This Environmental Response Trust Agreement (the “Agreement”) is made this 14th day of February, 2011, by and among TRONOX, INCORPORATED (“Tronox”) and its wholly owned subsidiaries, TRONOX LLC, TRONOX FINANCE CORP., TRONOX HOLDINGS, INC., TRONOX LUXEMBOURG S.AR.L, TRONOX PIGMENTS (SAVANNAH), INC., TRONOX WORLDWIDE, LLC, 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, and CIMARRON CORPORATION, as debtors and debtors in possession in the Bankruptcy Cases (defined below) (collectively, “Settlors”) and Le Petomane XXVII, Inc, not individually but solely in its representative capacity as Nevada Trustee (defined herein) of the Nevada Environmental Response Trust (defined herein) established hereby, and the Beneficiaries (defined herein).

RECITALS:

WHEREAS, on January 12, 2009, Settlors filed voluntary petitions for relief in the Bankruptcy Court under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.*, as amended (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (“Bankruptcy Court”), which cases have been jointly administered under Case No. 09-10156 (the “Bankruptcy Cases”);

WHEREAS, the Settlors, the United States, the State of Nevada, and certain other parties have entered into that certain Consent Decree and Environmental Settlement Agreement lodged with the Court on November 23, 2010 (the “Settlement Agreement”);

WHEREAS, the Settlement Agreement provides for the transfer of the Henderson Property (defined below) to the Nevada Trust (defined below) to be administered by the Nevada Trustee (defined below) pursuant to the Agreement and the Settlement Agreement;

WHEREAS, the Settlement Agreement provides for the creation of four additional trusts, which include the Cimarron Trust, the Multistate Trust, the Savannah Trust, and the West Chicago Trust, the transfer to those trusts of the Cimarron Site, the Multistate Owned Sites, the Savannah Facility, and the West Chicago Owned Sites, respectively, and the administration of each of those trusts by the Cimarron Trustee, the Multistate Trustee, the Savannah Trustee, and the West Chicago Trustee/Licensee, respectively, pursuant to the Environmental Response Trust Agreement for each trust and the Settlement Agreement;

WHEREAS, the Settlement Agreement provides for the creation of a litigation trust (“Anadarko Litigation Trust”) pursuant to the Litigation Trust Agreement (defined below);

WHEREAS, in accordance with Article VIII of the Settlement Agreement, the Nevada Trust is established for the purposes of owning the Henderson Property for the purposes of implementing the Settlement Agreement, carrying out administrative and property management functions related to the Henderson Property, managing and/or funding implementation of future Environmental Actions for the Henderson Legacy Conditions that are approved by the Lead Agency and paying certain future oversight costs of the Lead Agency and Non-Lead Agency, acting as legal successor to Settlor under the Henderson Chartis Policy, and any other insurance policies, including but not limited to the BMI Chartis Policy, for the sole purpose of pursuing and securing claims, proceeds, and recoveries under the insurance policies, acting as landlord under the Henderson Facility Lease, and acting as substituted party for Tronox LLC under the 2006 Henderson Consent Decree, as more specifically provided in such 2006 Henderson Consent Decree, Paragraph 73 of the Settlement Agreement, and the 2006 Henderson Consent Decree Substitution and Clarification Agreement, including the receipt of such payments as may in the future be due to the Nevada Trust pursuant to the 2006 Henderson Consent Decree, and fulfilling other obligations as set forth in the Settlement Agreement.

WHEREAS, the Nevada Trust is to be funded in the amount set forth in the Settlement Agreement;

WHEREAS, the Agreement and the Settlement Agreement govern the Nevada Trust, which is created pursuant to section 1.468B-1 *et seq.* of the Treasury Regulations promulgated under section 468B of the Internal Revenue Code (the “QSF Regulations”);

WHEREAS, the Southern Nevada Water Authority, the Metropolitan Water District of Southern California, and the Central Arizona Project/Central Arizona Water Conservation District (collectively, the “Colorado River Authorities”) are state agencies, authorities, or political subdivisions charged with the management of water supplies taken from, among other sources, the Colorado River and, as such, desire to remain apprised and, in the sole discretion of each respective Colorado River Authority, to participate in an advisory capacity with respect to the progress of Environmental Actions and the administration of the Nevada Trust;

WHEREAS, presuming that the Nevada Trust qualifies as a “qualified settlement fund” within the meaning of the QSF Regulations, to the extent permitted by law, the Settlers intend to elect to treat the Nevada Trust as a grantor trust pursuant to the QSF Regulations; and

WHEREAS, the Nevada Trust shall be the exclusive holder of the assets described herein for purposes of the Settlement Agreement, this Agreement and 31 U.S.C. § 3713(b);

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein and in the Settlement Agreement the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions.

The following terms as used in the Agreement shall have the definitions given below:

1.1.1 “Agreement” has the meaning as given in the preamble.

1.1.2 “Anadarko Litigation Trust” shall have the meaning given in the recitals to the Agreement.

1.1.3 “Anadarko Litigation Proceeds” are eighty-eight percent (88%) of the net recovery in the Anadarko Litigation, which net recovery shall be determined by subtracting from the total gross recovery in the Anadarko Litigation (1) all outstanding and anticipated payments to lead counsel of the Anadarko Litigation Trust pursuant to a separate Special Fee Arrangement; (2) all outstanding and anticipated costs and fees of the Anadarko Litigation Trust and Trustee (including but not limited to attorneys’ fees and Trustee fees), as set forth in the Anadarko Litigation Trust Agreement referred to in Paragraph 119 of the Settlement Agreement; and (3) the amount of the distribution referred to in Paragraph 122 of the Settlement Agreement as amended by the First Amendment to the Consent Decree and Environmental Settlement Agreement, and which shall be allocated to the Governments and the Environmental Response Trusts pursuant to the Plan of Reorganization and the Settlement Agreement.

1.1.4 “Bankruptcy Cases” shall have the meaning given in the recitals to the Agreement.

1.1.5 “Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.

1.1.6 “Beneficiaries” means the United States and the State of Nevada.

1.1.7 “BMI Chartis Policy” means the BMI, et al., Pollution Clean-Up and Legal Liability Manuscript Policy, Policy Number 267-9176.

1.1.8 “BMI/Landwell Assets” means the Settlers’ interests in Basic Management, Inc. and The Landwell Company, LP.

1.1.9 “CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, as amended.

1.1.10 “Colorado River Authorities” shall have the meaning provided in the recitals to the Agreement.

1.1.11 “Court” means the Bankruptcy Court or if the Bankruptcy Court abstains from exercising jurisdiction or is otherwise without jurisdiction over any matter arising out of the Agreement, a United States District Court having competent jurisdiction with respect to such matters.

1.1.12 “Effective Date” means the Effective Date as defined in the Settlement Agreement.

1.1.13 “Environmental Actions” means any and all environmental activities authorized or required under Environmental Law that occur after the Effective Date and that are related to the Henderson Property, 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 Henderson Property. For the avoidance of doubt, “Environmental Actions” shall not include natural resource assessment or restoration.

1.1.14 “Environmental Information” means environmental reports, audits, analyses, records, studies and other documents containing information prepared by or otherwise in the possession, custody or control of Settlers or their technical consultants that are based on or otherwise reflect information related to environmental activities.

1.1.15 “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, Clean Water Act (“CWA”), Clean Air Act (“CAA”), Emergency Planning and Community Right-to-Know Act (“EPCRA”), Federal Insecticide, Fungicide, and Rodenticide Act (“FIFRA”), Resource Conservation and Recovery Act (“RCRA”), Safe Drinking Water Act (“SDWA”), Toxic Substances Control Act (“TSCA”), and any tribal, state or local equivalents.

1.1.16 “Existing Leases” means (i) the Lease Agreement dated May 6, 2005, by and between Tronox LLC f/k/a Kerr-McGee Chemical LLC, as lessor, and Pronto Constructors, Inc., as lessee, as amended by the First Amendment to Lease Agreement dated May 1, 2007 and (ii) Lease Agreement dated August 31, 2006, by and between Tronox LLC, as landlord, and Industrial Supply Co, Inc., as tenant.

1.1.17 “Funding” shall have the meaning given in Section 2.1.6.1 hereof.

1.1.18 “Henderson Chartis Policy” means the Kerr-McGee Henderson Pollution Clean-Up and Legal Liability Manuscript Policy, Policy Number 619-0315.

1.1.19 “Henderson Deed” means the quitclaim deed transferring the Henderson Property from the Settlers to the Nevada Trust.

1.1.20 “Henderson Facility Lease” means the triple net lease between Tronox LLC or its assigns and the Nevada Trust for the Henderson Leased Facility and which is referred to in Paragraph 71 of the Settlement Agreement.

1.1.21 “Henderson Leased Facility” means the portion of the Henderson Property described under the caption “Leased Premises” in the Lease Term Sheet annexed as Attachment G to the Settlement Agreement.

1.1.22 “Henderson Legacy Conditions” has the meaning provided in Paragraph 75(b) of the Settlement Agreement.

1.1.23 “Henderson Property” means all of Settlers’ right, title, and interest in and to, including, without limitation, all of their fee ownership in that certain real property comprising all of the real property currently owned by Settlers and located in Clark County, Nevada (including, without limitation, the tax assessor parcels described in Attachment D annexed to the Settlement Agreement and the real property described by the legal description set forth in Attachment E annexed to the Settlement Agreement, 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 Nevada 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 Settlers 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.

1.1.24 “Henderson Remediation System” means all of Settlers’ 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.

1.1.25 “Internal Revenue Code” means the Internal Revenue Code of 1986, as amended.

1.1.26 “Lead Agency” shall be the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection.

1.1.27 “Litigation Trust Agreement” means the agreement establishing the Anadarko Litigation Trust.

1.1.28 “Nevada Administrative Costs” means real estate taxes except as otherwise provided under the Henderson Facility Lease, insurance, and other administrative costs incurred in administering the Nevada Trust other than the administrative expenses to be paid by Tronox LLC and any approved assigns to the leasehold interest pursuant to the Henderson Facility Lease.

1.1.29 “Nevada Trust” means the trust established pursuant to the Agreement, and shall have the same meaning as the Henderson Trust in the Settlement Agreement.

1.1.30 “Nevada Trust Account” shall have the meaning given in Section 2.1.10 hereof.

1.1.31 “Nevada Trust Administrative Account” means the Nevada Trust Account established pursuant to Section 2.1.10 to fund the payment of Nevada Administrative Costs.

1.1.32 “Nevada Trust Assets” means (a) those assets and properties, including the Funding, the Henderson Property, the Henderson Remediation System, the Settlor's rights, title and interest in and to the Henderson and BMI Chartis Policies, the Anadarko Litigation Proceeds (defined herein), the BMI/Landwell Assets (defined herein) and the right to receive any payments due under the 2006 Henderson Consent Decree and (b) such other assets acquired, earned, or held by the Nevada Trust from time to time pursuant to the Agreement, the Settlement Agreement, or an order of the Court.

1.1.33 “Nevada Trust Environmental Cost Account” shall have the meaning given in Section 2.1.10.

1.1.34 “Nevada Trust Parties” means, collectively, the Nevada Trust, the Nevada Trustee, and the Nevada 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 Nevada Trust or Nevada Trustee; provided however, that any contractors or consultants retained to perform or oversee Environmental Actions of the Nevada Trust (for the avoidance of

doubt, other than the Nevada Trustee and its shareholders, officers, directors and employees) shall not be Nevada Trust Parties.

1.1.35 “Nevada Trust Proceeds” means the net proceeds of any liquidation, sale, lease, recovery or other disposition of or other proceeds in respect of the Nevada Trust Assets.

1.1.36 “Nevada Trustee” means the trustee of the Nevada Trust.

1.1.37 “Net Sale Proceeds” shall mean an amount equal to the purchase price paid as a result of a sale by the Nevada Trust of the BMI/Landwell Assets, whether by right of first refusal or otherwise, plus any profits earned by the Nevada Trust on the BMI/Landwell Assets prior to the sale, minus (a) any litigation, valuation, or transaction costs reasonably incurred by the Nevada Trust in connection with the sale but excluding any costs that otherwise would have been expended by the Nevada Trust in the absence of the exercise of a sale and (b) any carrying costs reasonably incurred by the Nevada Trust as owner of the BMI/Landwell Assets but excluding any costs that otherwise would have been expended by the Nevada Trust in the absence of its ownership of the BMI/Landwell Assets.

1.1.38 “Non-Lead Agency” shall be the US EPA.

1.1.39 “Parties” means the Settlor, the Nevada Trustee, and the Beneficiaries.

1.1.40 “Person” means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, charitable foundation, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

1.1.41 “Plan of Reorganization” shall mean the First Amended Joint Plan of Reorganization of Tronox Incorporated et al. pursuant to Chapter 11 of the Bankruptcy Code dated November 5, 2010, as amended.

1.1.42 “Real Property Information” shall have the meaning in the Settlement Agreement.

1.1.43 “Reorganized Tronox” means Tronox Incorporated, Tronox Worldwide LLC, Tronox LLC, non-Settlor foreign subsidiaries of the Settlor and such other Settlor and/or one or more newly organized successors, or any successor thereto, by merger, consolidation or otherwise, on or after the effective date of the Plan of Reorganization.

1.1.44 “Settlement Agreement” shall have the meaning given in the recitals.

1.1.45 “Settlor” shall have the meaning given in the preamble.

1.1.46 “Superfund” means 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.

1.1.47 “Tenant” shall mean the tenant of the Henderson Facility Lease.

1.1.48 “Title Insurer” shall mean Chicago Title Insurance Company.

1.1.49 “United States” means the United States of America on behalf of agencies and departments named in the Settlement Agreement.

1.1.50 “US EPA” means the United States Environmental Protection Agency and any successor departments or agencies of the United States.

All Capitalized terms not defined above shall have the meanings provided in the Settlement Agreement.

ARTICLE II THE NEVADA TRUST

2.1 Creation of and Transfer of Assets to the Nevada Trust

2.1.1 Pursuant to the Settlement Agreement, the Parties hereby establish, on behalf of the Beneficiaries named herein, and Tronox Worldwide LLC hereby transfers, assigns, and delivers, by quitclaim deed and other appropriate instruments, to, the Nevada Trust, or to the Nevada Trustee, not individually but solely in its representative capacity as Nevada Trustee, if the law of the state in which the property to be transferred is situated prohibits a trust entity from holding such title, on behalf of the Beneficiaries, all of Settlor’s right, title and interest in and to the Henderson Property. Settlor shall retain no ownership or other residual interest whatsoever with respect to the Nevada Trust, the Henderson Property or the Henderson Remediation System, but as of the Effective Date, Tronox LLC and any assigns approved in accordance with the terms of the Henderson Facility Lease shall have all rights and obligations as Tenant as set forth in the Henderson Facility Lease. To the extent owned by Settlor, 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 or 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. The transfer of ownership by Tronox Worldwide LLC of the Henderson Property shall be a transfer of all of the Settlor’s right, title and interests therein, and the transfer 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 Settlor, 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 Existing Leases, which Existing Leases shall not be assigned to or assumed by the Nevada Trust, but will continue as subleases between Tenant and the tenants under the Existing Leases, subject and subordinate to the Henderson Facility Lease; (iv) subject to any rights of the United States and the State of Nevada under the 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 Settlers and the Nevada Trustee. The grantee for each such deed and personal property bill of sale shall be the Nevada Trust by and through Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Nevada Trustee, or if the law of the state in which the property to be transferred is situated prohibits a trust entity from holding such title, Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Nevada Trustee. Settlers and Reorganized Tronox, as applicable, will cooperate with the United States, the State of Nevada and the Nevada 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 Nevada 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 Nevada 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 Settlers' or Reorganized Tronox's obligations nor its cooperation with the Nevada Trust or its Title Insurer (as the case may be) shall in any way be construed to impose a duty on Settlers or Reorganized Tronox to provide title insurance to the Nevada Trust for the Henderson Property and the issuance of a title insurance policy for the Henderson Property shall not be deemed a condition precedent to the transfer of the Henderson Property to the Nevada Trust. Settlers shall pay the recording costs to the title company relating to the title transfers. Settlers shall pay all real property taxes relating to the Henderson Property prorated through the Effective Date. As of the Effective Date, the Nevada 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 after the Effective Date. On or before the Effective Date, Settlers shall execute, or cause to be executed, and record, if necessary, all necessary releases of any liens or security interests held by any Settlers against the Henderson Property. The Nevada Trust hereby accepts and agrees to hold the Nevada Trust Assets in the Nevada Trust for the benefit of the Beneficiaries for the purposes described in Section 2.2 below, subject to the terms of the Settlement Agreement, the Agreement, and any applicable orders of the Court.

2.1.2 BMI/Landwell Assets

- 2.1.2.1 Transfer to Nevada Trust. On the Effective Date, Tronox Worldwide LLC will transfer the BMI/Landwell Assets to the Nevada Trust or, at the direction of the Nevada Trust, to an entity in which the Nevada Trust has an interest, in either case on terms and conditions to be reasonably agreed upon by Settlers, the Nevada Trustee, the State of Nevada, and the United States.
- 2.1.2.2 Optional Transfer of Interest to Other Trusts. At any time prior to any sale by the Nevada Trust of the BMI/Landwell Assets, whether by right of first refusal or otherwise, and prior to a distribution by the Anadarko Litigation Trust, the Nevada 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.
- 2.1.2.3 Distribution of Net Sale Proceeds. If at any time any person or entity purchases the BMI/Landwell Assets from the Nevada Trust, whether by right of first refusal or otherwise, the Net Sale Proceeds shall be distributed as follows: (x) the first \$20 million, to the Nevada Trust Environmental Cost Account and/or Nevada Trust 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 Nevada Trust Environmental Cost Account and/or Nevada Trust 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, Nevada 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 (each as defined in the Settlement Agreement) in those Trusts and a need for additional trust funding; (ii) second, to any Non-Owned Site (as defined in the Settlement Agreement), 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 Subsection is intended to preclude or limit any transfers of funds from any other accounts established in the Settlement Agreement to the Nevada Trust Environmental Cost Account or Nevada

Trust Administrative Account pursuant to the terms of any applicable funds transfer provision in the 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.

2.1.3 The 2006 Henderson Consent Decree. The United States, the State of Nevada, the Nevada Trust and Tronox LLC (but only with respect to its consent to the substitution) shall also enter into, and the United States shall file with the Bankruptcy Court, 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, and the United States shall seek an order from the United States District Court for the District of Columbia adopting and approving all clarifications of and stipulations concerning the 2006 Henderson Consent Decree that are set forth in the 2006 Henderson Consent Decree Substitution and Clarification Agreement, all as provided in the Settlement Agreement and the 2006 Henderson Consent Decree Substitution and Clarification Agreement.

2.1.4 The Henderson Facility Lease. On the Effective Date, the Nevada Trust shall enter into the Henderson Facility Lease and Tronox Incorporated shall execute and deliver to the Henderson Trust an irrevocable and unconditional guaranty of the observance and performance of Tenant's obligations under (i) the Henderson Facility Lease and (ii) the Settlement Agreement as its obligations pertain to the Henderson Leased Facility, in form and substance reasonably satisfactory to Tronox Incorporated and the Henderson Trust.

2.1.5 The Henderson Remediation Power Agreement. On the Effective Date, the Nevada Trustee and Tenant shall enter into an agreement, described in and complying with the terms of the Settlement Agreement, under which Tenant shall provide to the Nevada 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 and as further described in Paragraph 79 of the Settlement Agreement.

2.1.6 Transfer of Funding and Consideration to the Nevada Trustee

2.1.6.1 The Funding. On the Effective Date, the Settlers shall cause to be transferred to or at the direction of the Nevada Trustee cash in the amount of \$81,020,018 which constitutes the "Funding."

2.1.6.2 Insurance. On the Effective Date, the Nevada Trust shall become the legal successor-in-interest to certain rights under the Henderson Chartis Policy and the BMI Chartis Policy and shall succeed to all of Settlers' right, title and

interest in claims, proceeds, and recoveries against the Henderson Chartis Policy and the BMI Chartis Policy. For the sole purpose of securing recovery to the Nevada Trust, the Nevada Trust shall succeed to the liabilities of Settlers with respect to the Henderson Property. Proceeds and recoveries from the Henderson Chartis Policy through the Effective Date shall be placed in the Nevada Trust Environmental Cost Account for the Henderson Property, excluding reimbursements for funds expended by Settlers on the Henderson Property prior to the Effective Date, provided that insurance claims for such funds expended by Settlers are or were submitted timely as provided by the Henderson Chartis Policy and are for costs incurred before the Effective Date. Settlers shall provide the Nevada Trust with copies of such claims at the time they are submitted. To the extent applicable, any other available insurance policies and other rights to reimbursement or contribution for response actions (whether contractual or otherwise) held by the Settlers as of the Effective Date shall be transferred to the Nevada Trust. (The Funding and Insurance shall be collectively referred to as the “Funding and Consideration”.)

2.1.7 Anadarko Litigation Proceeds. The Anadarko Litigation Trust, which shall receive all of Settlers’ right to receive the Anadarko Litigation Proceeds, shall transfer 23.75% of the Anadarko Litigation Proceeds to the Nevada Trust pursuant to the terms of the Plan of Reorganization, the Litigation Trust Agreement, and the Settlement Agreement. Such funds shall be retained and used to conduct or finance Environmental Actions at or in connection with the Henderson Property, except as otherwise expressly provided in this Agreement. Additionally, the Nevada Trust shall receive 1.25% of the Anadarko Litigation Proceeds, to be deposited in the Nevada Trust Administrative Account.

2.1.8 Colorado River Authorities. The Nevada Trustee shall (a) consult with the Colorado River Authorities to keep the Colorado River Authorities reasonably apprised of any material developments with respect to the progress of Environmental Actions and the administration of the Nevada Trust and (b) provide to the Colorado River Authorities (which may be expanded or curtailed by each Colorado River Authority from time to time in its discretion) (at the address(es) specified below, or as amended from time to time by written notice to the Nevada Trustee from each respective Colorado River Authority) for their review and comment copies of all work plans concerning proposed Environmental Actions at or relating to the Henderson Property, reports, budgets, annual balance statements, and other documents that the Nevada Trustee is required to submit to the Lead Agency, the Non-Lead Agency, or a Beneficiary under this Agreement and at the same time such document is provided to the Lead Agency, the Non-Lead Agency, or a Beneficiary for their review or approval, as applicable. Notwithstanding the foregoing, nothing in this Agreement shall in any way be construed to impose an obligation or

liability on the Colorado River Authorities under this Agreement or otherwise with respect to the Henderson Property.

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2.1.9 Upon transfer of the Henderson Property, the Henderson Remediation System, the BMI/Landwell Assets, and the Funding and Consideration on the Effective Date, the Settlers shall have no interest in, or with respect to, any Nevada Trust Assets, other than the Henderson Facility Lease, and neither the Settlers, Reorganized Tronox, nor any successors thereto, shall have any further obligation to provide funding to the Nevada Trust.

2.1.10 Creation of the trust accounts. Upon receipt of the Henderson Property and the Funding and Consideration, the Nevada Trustee shall create a segregated Nevada Trust Environmental Cost Account for the Henderson Property. The purpose of the Nevada 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 Non-Lead Agency with respect to the Henderson Property. Funding for the Nevada 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 in Section 2.4.3 below. The initial funding of the Nevada Environmental Response Trust Account shall be a total of \$72,417,165.00. The Nevada Trustee shall also create a segregated Nevada Trust Administrative Account which shall be funded with \$8,602,853.00, and which shall fund the Nevada Administrative Costs. The separate accounts are referred to in the Agreement individually as a "Nevada Trust Account" and collectively as the "Nevada Trust Accounts." Subject to 2.5, the income and gains from any investment of the Nevada Trust Assets shall be allocated, paid and credited to such Nevada Trust Account.

2.1.11 Each Nevada Trust Account may be divided into such number of trust subaccounts dedicated for specific uses as may be deemed necessary in the sole discretion of the Nevada Trustee (each, a “Trust Subaccount”) to comply with the terms of, and implement, the Settlement Agreement and the Agreement.

2.1.12 For all federal income tax purposes, the Nevada Trustee and Settlers shall treat the transfer of the Nevada Trust Assets by Tronox Worldwide LLC to the Nevada Trust as a transfer to a qualified settlement fund pursuant to section 468B of the Internal Revenue Code and the QSF Regulations. The Nevada Trustee shall at all times seek to have the Nevada Trust treated as a “qualified settlement fund” as that term is defined in the QSF Regulations. The Court shall retain continuing jurisdiction over the Nevada Trust and Nevada Trust Accounts sufficient to satisfy the requirements of the QSF Regulations. The Nevada Trustee shall cause any taxes imposed on the earnings of the Nevada Trust to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Nevada Trust under applicable tax laws. The Nevada Trustee shall be the “administrator” of the Nevada Trust pursuant to Treasury Regulation section 1.468B-2(k)(3). To the extent Tronox elects to treat the Nevada Trust as a grantor trust pursuant to Treasury Regulation section 1.468B-1(k)(1), the Nevada Trustee will reasonably cooperate with such election.

2.1.13 The Nevada 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 Nevada Trustee shall consult with Tenant to keep Tenant reasonably apprised of any major developments with respect to such Environmental Actions.

2.1.14 The Nevada Trustee shall be provided with Environmental Information and Real Property Information in accordance with Section XIX of the Settlement Agreement.

2.2 Objective and Purpose

2.2.1 The exclusive purposes and functions of the Nevada Trust are to: (i) own the Henderson Property for purposes of implementing the 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 Lead Agency, and pay future oversight costs of the Lead Agency and Non-Lead Agency, as applicable; (iv) act as legal successor to Settlers under the Henderson and BMI Chartis Policies for the sole purpose of pursuing and securing claims, proceeds, and recoveries under the Henderson and BMI Chartis Policies; (v) act as landlord under the Henderson Facility Lease; (vi) act as substituted party for Tronox LLC under the 2006 Henderson Consent Decree, as more specifically provided in such 2006 Henderson Consent Decree, Paragraph 73 of the Settlement Agreement, and the 2006 Henderson Consent Decree Substitution and

Clarification Agreement, including the receipt of such payments as may in the future be due to the Nevada Trust pursuant to the 2006 Henderson Consent Decree, including the right to receive any payments due under the 2006 Henderson Consent Decree; and (vii) to receive and use 25% of the Anadarko Litigation Proceeds consistent with the Agreement and the Settlement Agreement and such other assets acquired, earned, or held by the Nevada Trust from time to time pursuant to the Agreement, the Settlement Agreement, or an order of the Court. The performance by the Nevada Trustee of its duties under the Agreement, including but not limited to the sale, lease or other disposition of some or all of the Henderson Property or BMI/Landwell Assets, shall not be considered to be the Nevada Trustee engaging in a trade or business.

2.2.2 The Nevada Trust is established pursuant to the Agreement and the Settlement Agreement and approved by the Court for the purpose of resolving claims asserting environmental liabilities of Settlers with respect to the Henderson Property and the Henderson Legacy Conditions. The Court shall retain continuing jurisdiction over the Nevada Trust. The Nevada Trust satisfies all the requirements of, and is intended by the Parties to be classified as, a qualified settlement fund pursuant to the QSF Regulations.

2.3 Holder of Nevada Trust Assets

The Nevada Trust shall be the exclusive holder of the Nevada Trust Assets and Nevada Trust Accounts described herein for purposes of the Agreement, the Settlement Agreement, 31 U.S.C. § 3713(b).

2.4 Management of Nevada Trust Assets

2.4.1 As required by the Agreement and the Settlement Agreement, the Nevada Trustee shall use the Nevada Trust Environmental Cost Account to fund future Environmental Actions associated with the Henderson Legacy Conditions and certain future oversight costs approved by the Lead Agency with respect to the Henderson Property. The Nevada Trustee shall use the Nevada Trust Administrative Account to fund the Nevada Administrative Costs that have been approved by the Lead Agency after consultation with the Non-Lead Agency.

2.4.2 The Nevada Trustee may enter into a consent decree or consent order with the United States and/or Nevada, and may perform work pursuant to unilateral administrative orders issued by the Lead Agency or Non-Lead Agency, to facilitate implementation of this Section with respect to the Henderson Property, to the extent of available funds.

2.4.3 After the Lead Agency and the Non-Lead Agency have confirmed to the Nevada Trustee that all final actions have been completed, including the sale of parcels comprising the Henderson Property, and disbursements have been made for all final costs and expenses for the Henderson Property, any funds remaining in the Nevada Trust Environmental Cost Account shall be transferred in the following order: (i) first, the Nevada 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 Nevada

Trust, including taxes and holding costs; (ii) second, in accordance with instructions to be provided by the United States Department of Justice (“DOJ”), 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 Accounts established under the 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 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 from the Anadarko Litigation Proceeds in accordance with instructions provided by the United States after consultation with Nevada; 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 Nevada 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 Subsection.

2.4.4 Annually, beginning with the first year after the Effective Date, the Nevada Trustee shall provide the Lead Agency and the Non-Lead Agency with an update of anticipated future Administrative Costs of the Nevada 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 Nevada Trustee that any conservatively projected surplus funding in the Nevada Trust Administrative Account be transferred to the Nevada Trust Environmental Cost Account established under the Agreement and the 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 Subsection. The Lead Agency and the Non-Lead Agency may also instruct in writing after consultation with the Nevada Trustee that, if there is an anticipated shortfall in the Nevada Trust Administrative Account based on anticipated future Administrative Costs of the Nevada Trust, funds from the Nevada Trust Environmental Cost Account may be transferred to the Nevada Trust Administrative Account.

2.5 Investment and Safekeeping of Nevada Trust Assets

2.5.1 The Nevada Trust Assets, until sold as provided herein and in the Settlement Agreement, shall be held in trust and segregated. All interest earned in a Nevada Trust Account shall be retained in the respective Nevada Trust Account and used only for the same purposes as the principal in that account as provided in the Agreement and the Settlement Agreement, subject to any reallocation approved by the Lead Agency or Non-Lead Agency in accordance with the terms of the Agreement and the Settlement Agreement. The Nevada Trustee shall be under no liability for interest or producing income on any monies received by the Nevada Trust hereunder and held for distribution or payment as provided in the Agreement, except as such interest shall actually be received by the Nevada Trust. Investments of any monies held by the Nevada Trust shall be administered in a manner consistent with the standards and requirements applicable to

a trustee in connection with a Chapter 7 liquidation; provided, however, that the right and power of the Nevada Trust to invest the Nevada Trust Assets, the Nevada Trust Proceeds, or any income earned by the Nevada Trust, shall be limited to the right and power to invest such assets (pending periodic distributions in accordance with Article III hereof) in demand and time deposits, such as certificates of deposit, in banks or other savings institutions whose deposits are federally insured, or other liquid investments, such as Treasury bills; and provided further, that the scope of any such permissible investments shall be limited to include only those investments, or shall be expanded to include any additional types of investments as permitted by the State of Nevada, with the concurrence of the DOJ, and these additional types of investments shall be specifically detailed in writing including a directive that the Nevada Trust is authorized to make such additional types of investments, in each case, such investments that a liquidating trust, within the meaning of Treasury Regulation section 301.7701-4(d), may be permitted to hold, pursuant to Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise (although the Parties acknowledge and agree that the Nevada Trust is properly characterized for federal tax purposes as a qualified settlement fund within the meaning of Section 1.468B-1 of the Treasury Regulations, and not as a liquidating trust under Section 301.7701-4(d) of the Treasury Regulations).

2.5.2 The Nevada Trustee is expressly prohibited from holding any or all of the Nevada Trust Assets in a common, commingled or collective trust fund with the assets of any other entity.

2.5.3 Nothing in this Section shall be construed as authorizing the Nevada Trustee to cause the Nevada Trust to carry on any business or to divide the gains therefrom, including without limitation, the business of an investment company, a company “controlled” by an “investment company,” required to register as such under the Investment Company Act of 1940, as amended. The sole purpose of this Section 2.5 is to authorize the investment of the funds in the Nevada Trust Accounts or any portions thereof as may be reasonably prudent pending use of the proceeds for the purposes of the Nevada Trust.

2.5.4 The Nevada Trust Parties shall not incur any liability for following any written direction or order to act (or to refrain to act) from any Beneficiary so long as such written direction is not inconsistent with the Agreement and the Settlement Agreement.

2.6 Insurance Policy to Cover Future Response Actions

Only at the direction of the United States and Nevada, shall the Nevada Trustee investigate the possible purchase of an insurance policy to cover future Environmental Actions at the Henderson Property. If, and only if, the United States and Nevada both direct the Nevada Trustee in writing to purchase such insurance, shall the Nevada Trustee use Nevada Trust Assets to purchase such insurance. In addition, the Nevada Trustee shall obtain general liability policy insurance as appropriate through the administrative expense budget process under Section 3.2.1 of this Agreement.

2.7 Access and Deed Restrictions

The Nevada Trustee shall provide the United States and Nevada and their representatives and contractors access to the Henderson Property at all reasonable times for the purposes of conducting Environmental Actions at or near the Henderson Property. The Nevada Trustee shall implement any institutional controls or deed restrictions requested by the United States and Nevada or required under applicable Environmental Laws with respect to the Henderson Property. The Nevada Trustee shall execute and record with the appropriate recorder's office any easements or deed restrictions requested by the United States and Nevada for restrictions on use of the Henderson Property 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 Henderson Property prior to the Effective Date of the Settlement Agreement shall survive the Settlement Agreement. The Nevada Trustee shall abide by the terms of any institutional controls or deed restrictions in place or of record as to the Henderson Property.

2.8 Accounting

The Nevada Trustee shall maintain proper books, records, and accounts relating to all transactions pertaining to the Nevada Trust, and the assets and liabilities of the Nevada Trust in such detail and for such period of time as may be necessary to enable the Nevada Trustee to make full and proper accounting in respect thereof in accordance with Article VI below and to comply with applicable provisions of law and good accounting practices. Except as otherwise provided herein or by the Settlement Agreement, the Nevada Trustee shall not be required to file any accounting or seek approval of the Court with respect to the administration of the Nevada Trust, or as a condition for making any payment or distribution out of the Nevada Trust Assets. In addition, the Nevada Trustee shall have no accounting obligation once an account has no funds and a final accounting, for that account, has been made by the Nevada Trustee. Beneficiaries shall have the right upon fourteen (14) days prior written notice delivered to the Nevada Trustee to inspect such books and records.

2.9 Termination

Consistent with the terms of the Settlement Agreement, the Nevada Trustee shall not unduly prolong the duration of the Nevada Trust and shall at all times endeavor to resolve, settle, or otherwise dispose of all claims against Nevada Trust Assets and to effect the distribution of Nevada Trust Assets and other receipts relating thereto to the Beneficiaries and the others who receive distributions hereunder in accordance with the terms hereof, and to terminate the Nevada Trust as soon as practicable consistent with the Agreement and the Settlement Agreement.

2.10 Property Disposition

2.10.1 The Nevada Trustee may, at any time, seek the approval of the Lead Agency and the 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 Lead Agency and the Non-Lead Agency, the Nevada 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 Nevada Trust Environmental Cost Account and/or the Nevada 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 Section, any net proceeds from the sale or lease or other disposition shall be paid to the Nevada Trust Environmental Cost Account and/or the Nevada Trust Administrative Account in a proportion approved by the Lead Agency and the Non-Lead Agency in writing. The disposition of the BMI/Landwell Assets shall be effectuated consistent with the above procedure and Section 2.1.2. 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 Nevada Trust.

2.10.2 The Parties agree that the rule against perpetuities does not apply to the Nevada Trust, but to the extent that any rule against perpetuities or a rule governing or limiting vesting, accumulations, the suspension of alienation, or the like shall be deemed applicable, the Nevada Trust shall automatically terminate on the date 90 days after the date on which 21 years less 91 days pass after the death of the last survivor of all of the descendants of the late Joseph P. Kennedy, Sr., father of the late President John F. Kennedy, living on the date hereof, and provided further that if the Nevada Trust owns real property located in any jurisdiction that sets a maximum duration for interests in real property located in such jurisdiction held in trust under a rule against perpetuities or a rule governing or limiting vesting, accumulations, the suspension of alienation, or the like, that for the Nevada Trust is shorter than the date 90 days after the date on which 21 years less 91 days pass after the death of the last survivor of all of the descendants of the late Joseph P. Kennedy, Sr., father of the late President John F. Kennedy, living on the date hereof, the Nevada Trust shall automatically terminate as to such Property upon the expiration of the maximum period authorized pursuant to the laws of such jurisdiction. If the Nevada Trust is terminated in whole or in part pursuant to this Subsection, title to the relevant Property or Properties as to which the Nevada Trust is terminated shall be transferred outright and free of trust to or at the direction of the United States in consultation with any of the States in which the relevant Property or Properties are located, provided, however, that the disposition of all relevant Property or Properties shall be governed by applicable state and federal law, or by agreement of the Nevada Trustee, the United States, and the applicable State, or by order of the Court, and further provided that neither the United States or any State will be required to accept an ownership interest in the relevant Property or Properties as to which the Nevada Trust is terminated.

2.11 Document Disposition.

In the event of a termination of the Nevada Trust, the Nevada Trustee shall provide to the Lead Agency, the Non-Lead Agency and the Colorado River Authorities reasonable advanced notice to enable such entities an opportunity to prepare and implement a protocol for the preservation of any books, records, reports, or other documents in the custody or control of the Nevada Trustee with respect to the BMI/Landwell Assets or the Henderson Property.

ARTICLE III
WORK AND DISTRIBUTIONS

3.1 Nevada Trust Accounts

The Nevada Trustee shall establish, maintain and hold trust accounts in accordance with the Settlement Agreement and Section 2.1 of the Agreement, to administer the Nevada Trust Assets and distributions therefrom. The Nevada Trustee shall also maintain a dedicated Nevada Trust Administrative Account for administrative funds, which shall be used solely to pay the costs of administering the Nevada Trust as set forth herein.

3.2 Payments by the Nevada Trust

On or before January 30 of each calendar year, the Nevada Trustee shall provide the United States and the Lead Agency with balance statements and proposed budgets as described in Sections 3.2.1 and 3.2.3 of the Agreement. The Nevada Trustee shall not pay any expense that has not been provided for in the applicable budget and approved by the Lead Agency except that claims by a governmental agency shall be paid in accordance with Section 3.2.4 and Paragraph 81(c)-(e) of the Settlement Agreement, except as expressly provided in Sections 3.2.1 and 3.2.3.

3.2.1 Administrative Expenses of the Nevada Trust

Within 90 days following the Effective Date in the first year and thereafter by January 30 of each year, the Nevada Trustee shall submit to the Lead Agency and Non-Lead Agency a balance statement and an annual budget of projected expenditures from the Nevada Trust Administrative Account for administration of the Nevada Trust for review and approval or disapproval by the Lead Agency after consultation with the Non-Lead Agency. If disapproved, such budget shall be revised and resubmitted as expeditiously as possible. No administrative expenses may be incurred or paid by the Nevada Trustee that are inconsistent with the approved budget, unless the Lead Agency, in consultation with the Non-Lead Agency, approves the request of the Nevada Trust for the authority to perform an administrative action, before the budget has been approved, or a revised budget. Each annual budget shall include a future year forecast of administrative expenditures, with annual details for at least the next three years (or such longer period as the United States and Nevada shall reasonably request). The Nevada Trust shall regularly, but not less often than annually, and otherwise upon the reasonable request of the United States or Nevada, provide documentation to the United States and Nevada to substantiate compliance with the applicable approved budget and application of Nevada Trust Assets consistently with the terms of the Agreement and the Settlement Agreement. The approved budget shall be funded by the transfer of the approved amount from Nevada Trust Assets.

3.2.2 Remuneration for Nevada Trustee's Start-Up Fees and Expenses

The Nevada Trustee shall be entitled to remuneration from the Nevada Trust Administrative Account of up to \$750,000 for its reasonable fees and expenses in connection with the formation of the Nevada Trust prior to the Effective Date. Where the Nevada Trustee, the United States, and the State of Nevada agree that the Nevada Trustee

accrued pre-Effective Date fees and expenses in furtherance of activities that post-Effective Date would constitute Environmental Actions, those pre-Effective Date fees and expenses shall be paid from the Nevada Trust Environmental Cost Account. After the Effective Date, the Nevada Trustee will submit detailed invoices reflecting its pre-Effective Date fees and expenses for approval by the State of Nevada and the United States.

3.2.3 Environmental Expenses of the Nevada Trust

The Nevada Trustee shall prepare balance statements and annual budgets of projected expenditures from the Nevada Trust Environmental Cost Account. The first budget for the remainder of the current calendar year and the next calendar year shall be submitted within ninety (90) days following the Effective Date and annual budgets shall be submitted thereafter on or before each January 30 during the term of the Nevada Trust. The Lead Agency shall have the authority to approve or disapprove the proposed budget for the Nevada Trust Environmental Cost Account after consultation with the Non-Lead Agency. If disapproved, a budget shall be revised and resubmitted as expeditiously as possible. No expenses may be incurred or paid by the Nevada Trustee that are inconsistent with an approved budget, unless the Lead Agency after consultation with the Non-Lead Agency approves emergency Environmental Actions or a revised budget; provided, however, that the Nevada Trustee may incur or pay ongoing or recurring expenses approved in the prior year's budget that occur between the time a proposed annual budget is submitted and the time it is approved. Further, by January 30 of each year during the term of the Nevada Trust and within nine (9) months after termination of the Nevada Trust, the Nevada Trustee shall prepare and submit to the Beneficiaries an annual report with respect to the Nevada Trust Environmental Cost Account. The annual report shall pertain to the prior calendar year, or if the report is a final report, such period from the most recent annual report to the termination of the Nevada Trust Environmental Cost Account.

3.2.4 Reimbursement of Agencies and Performance of Environmental Action by Trust

The Nevada Trustee shall pay funds from the Nevada Trust Environmental Cost Account to the Lead Agency making a written request for funds for reimbursement within 30 days of such request. Such written request shall: (i) be in accordance with the approved budget set forth in Section 3.2.3 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.

The Nevada Trustee shall also pay funds from the Nevada Trust Environmental Cost Account to the Non-Lead Agency making a written request for funds within 30 days of 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 Section 3.2.3 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 Henderson Property. At the request of the Non-Lead Agency, such payments to the Non-Lead Agency shall be deposited in the Henderson Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance Environmental Actions performed and/or oversight costs incurred after the Effective Date by the Non-Lead Agency. Notwithstanding any other provision of this Agreement, the Lead Agency and Non-Lead Agency may agree that the Nevada Trustee shall pay funds to the Henderson Special Account in accordance with the approved budget set forth in Section 3.2.3 above prior to the incurrence of such costs, to the extent deemed reasonably necessary to ensure the timely conduct of such Environmental Actions or oversight. Such funds may only be used for the purposes specified in the approved budget set forth in Section 3.2.3. In the event there are any such funds remaining after the performance of such Environmental Actions or oversight, the Lead Agency and Non-Lead Agency agree that the funds may be retained in the Henderson Special Account for future work in accordance with an approved budget under Section 3.2.3 above. On a quarterly basis, the Non-Lead Agency shall send the Nevada Trust a detailed summary of all payments made from the funds so advanced to determine the outstanding balance of unused funds.

In the case of requests by the Lead Agency to the Nevada Trustee to use the funds from the Nevada Trust Environmental Cost Account to perform Environmental Actions associated with the Henderson Legacy Conditions in accordance with the approved budget set forth in Section 3.2.3 above, the Nevada Trustee shall utilize the funds and interest earned thereon from the Nevada Trust Environmental Cost Account to undertake such work promptly and in accordance with any schedule approved by the Lead Agency.

The Nevada Trustee shall seek the approval of the Lead Agency of any contractor hired by the Nevada Trust and any work plans to be undertaken by the Nevada Trust under the oversight of the Lead Agency, unless the Lead Agency has provided a written waiver of such approval or requirements. The Nevada Trustee shall require the following minimum insurance coverages, naming the Nevada Trust, Nevada Trustee, Lead Agency and Non-Lead Agency as additional insureds, from each contractor hired by the Nevada Trust, except to the extent the Lead Agency has agreed to waive such requirement and, to the extent such work is to be performed at the Henderson Leased Facility, shall name Tenant as an additional insured under such policies:

(a) Commercial General Liability—Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

(b) Automobile Liability

Policy shall cover bodily injury and property damage for any owned, hired, and non-owned vehicles.

Combined Single Limit	\$1,000,000
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(c) Worker's Compensation and Employer's Liability	
Workers' Compensation	\$1,000,000
Employers' Liability	\$1,000,000

(d) Professional Liability (Errors and Omissions Liability)	
The Policy shall cover professional misconduct or lack of ordinary skill.	
Each claim	\$1,000,000
Annual Aggregate	\$5,000,000

The Nevada Trust will name Tenant as an additional insured under any liability insurance policy that it has related to the Henderson Property, to the extent commercially reasonable and does not cause a material increase in the premiums for such insurance coverage or diminish the coverage available to the Nevada Trust in any material respect. However, the coverage shall not include any of the Tenant's operations and Tenant's liability insurance shall be primary and non-contributory to the Nevada Trust's policy.

3.3 Liens by Government

Notwithstanding anything to the contrary in this Article III, the Nevada Trust hereby grants to the Nevada Trustee, the United States, and Nevada a first-priority lien on and security interest in the Nevada Trust Assets, except with respect to any real property, to secure the payment of all amounts owed to or accrued or reserved on account of the Nevada Trust or to be retained by the Nevada Trustee hereunder or otherwise due hereunder and to secure the performance of all Environmental Actions required under the Settlement Agreement. However, only the Nevada Trustee shall have a first-priority lien on and security interest in the Nevada Trust Administrative Account and only the United States and Nevada shall have a first-priority lien on and security interest in the Nevada Trust Environmental Cost Account. The Nevada Trust agrees to take appropriate actions and execute appropriate documents to perfect the Nevada Trustee's, United States', and Nevada's liens and security interest hereunder.

3.4 Manner of Payment

Cash payments made by the Nevada Trust pursuant to the Settlement Agreement and the Agreement shall be in United States dollars by checks drawn on a domestic bank whose deposits are federally insured selected by the Nevada Trustee, or by wire transfer from such a domestic bank, at the option of the Nevada Trustee.

ARTICLE IV THE NEVADA TRUSTEE

4.1 Appointment

4.1.1 Le Petomane XXVII, Inc, not individually but solely in its representative capacity as the Nevada Trustee, is appointed to serve as the Nevada Trustee to administer the Nevada Trust and the Nevada Trust Accounts, in accordance with the Settlement Agreement and the Agreement, and the Nevada Trustee hereby accepts such appointment and agrees to serve in such representative capacity, effective upon the Effective Date of the Agreement. Subject to the provisions of Section 4.1

herein, the term of the Nevada Trustee shall be for ten years, as long as Jay A. Steinberg is the President and sole shareholder and in control of the Nevada Trustee. If Jay A. Steinberg is no longer the President and sole shareholder, then the Beneficiaries shall propose a successor Nevada Trustee for appointment by the Bankruptcy Court in accordance with Section 4.11 of the Agreement. After the expiration of the initial ten year term, the Nevada Trustee may be re-appointed or terminated. Any successor Nevada Trustee shall be proposed by the Beneficiaries and appointed by the Court in accordance with Section 4.11 of the Agreement. If the Nevada Trustee is not reappointed and no successor Nevada Trustee is appointed by the expiration of the Nevada Trustee's term, the Court may reappoint the Nevada Trustee or appoint a successor Nevada Trustee.

4.1.2 After consultation with the United States and Nevada, the Nevada Trust is authorized to obtain the services of an environmental consultant to implement the future Environmental Actions (the "Consultant"). The Consultant shall obtain environmental, general and professional liability insurance in the sum of \$25,000,000 or such lesser amount as agreed to by the Nevada Trust after consultation with the Lead Agency and Non-Lead Agency. The beneficiary of the insurance policies shall be the Nevada Trust and shall cover negligence committed by the Consultant in implementing the future Environmental Actions or any other negligence committed by the Consultant. To the extent that such Environmental Actions are being performed at the Henderson Leased Facility, Tenant shall be named as an additional insured under such policies. The legal relationship of the Consultant to the Nevada Trust and Nevada Trustee is that of an independent contractor professional, not that of an entity employed by the Nevada Trust or the Nevada Trustee. The Consultant shall not be deemed a Nevada Trust Party.

4.2 Generally

The Nevada Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purposes of the Nevada Trust, the Settlement Agreement and this Agreement and not otherwise. The Nevada Trustee shall have the authority to bind the Nevada Trust, and any successor Nevada Trustee, or successor or assign of the Nevada Trust, but shall for all purposes hereunder be acting in its representative capacity as Nevada Trustee and not individually. Notwithstanding anything to the contrary contained herein, the Nevada Trustee shall not be required to take action or omit to take any action if, after the advice of counsel, the Nevada Trustee believes in good faith such action or omission is not consistent with the Nevada Trustee's fiduciary duties.

4.3 Powers

In connection with the administration of the Nevada Trust, except as otherwise set forth in the Agreement or the Settlement Agreement, the Nevada Trustee is authorized to perform any and all acts necessary to accomplish the purposes of the Nevada Trust. The powers of the Nevada Trust shall, without any further Court approval or order, include, without limitation, each of the following: (i) to receive, manage, invest, supervise and protect the Nevada Trust Assets, withdraw, make distributions and pay taxes and other obligations owed by the Nevada Trust or the Nevada Trust Accounts from funds held by the Nevada Trustee and/or the Nevada Trust (or the Nevada Trust Accounts) in accordance with the Agreement and the Settlement Agreement, and withhold and pay to the appropriate taxing authority any withholding taxes on distributions

from the Nevada Trust; (ii) to engage employees and professional Persons to assist the Nevada Trust and/or the Nevada Trustee with respect to the responsibilities described herein; (iii) to make distributions of the Nevada Trust Assets from the Nevada Trust Accounts for the purposes contemplated in and in accordance with the terms of the Agreement and the Settlement Agreement; and (iv) to effect all actions and execute all agreements, instruments and other documents necessary to implement the Agreement, including to exercise such other powers as may be vested in or assumed by the Nevada Trust and/or the Nevada Trustee pursuant to the Agreement and any order of the Court or as may be necessary and proper to carry out the provisions of the Agreement and the Settlement Agreement. No Person dealing with the Nevada Trust shall be obligated to inquire into the authority of the Nevada Trustee in connection with the protection, conservation or disposition of Nevada Trust Assets. The Nevada Trustee is authorized to execute and deliver all documents on behalf of the Nevada Trust to accomplish the purposes of the Agreement and the Settlement Agreement.

4.4 Other Professionals

After consultation with the United States and Nevada, the Nevada Trust is authorized to retain on behalf of the Nevada Trust and pay such third parties as the Nevada Trustee (in accordance with a budget approved pursuant to Section 3.2 above) may deem necessary or appropriate to assist the Nevada Trustee in carrying out its powers and duties under the Agreement and the Settlement Agreement, including, without limitation, (i) counsel to the Nevada Trust and/or Nevada Trustee, (ii) a public accounting firm to perform such reviews and/or audits of the financial books and records of the Nevada Trust as may be appropriate in the Nevada Trustee's reasonable discretion and to prepare and file any tax returns or informational returns for the Nevada Trust or the Nevada Trust Accounts as may be required, and (iii) environmental consultants, custodians, security personnel, engineers, surveyors, brokers, contractors, administrative assistants and clerks. The Nevada Trustee may pay all such Persons compensation for services rendered and expenses incurred in accordance with a budget approved as provided in Section 3.2.

4.5 Limitation of the Nevada Trustee's Authority

The Nevada Trust and the Nevada Trustee shall not and are not authorized to engage in any trade or business with respect to the Nevada Trust Assets or any proceeds therefrom except as and to the extent the same is deemed in good faith by the Nevada Trustee to be reasonably necessary or proper for the conservation or protection of the Nevada Trust Assets, or the fulfillment of the purposes of the Nevada Trust. The Nevada Trust and the Nevada Trustee shall not take any actions that would cause the Nevada Trust to fail to qualify as a qualified settlement fund under the QSF Regulations.

4.6 Reliance by the Nevada Trust Parties

Except as may otherwise be provided herein: (a) the Nevada Trust Parties may rely on, and shall be protected from liability 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 Nevada 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 dealing with the Nevada Trust Parties shall look only to the Nevada Trust Assets to satisfy any liability incurred by the Nevada Trust Parties to such person in carrying out the terms of the Agreement or any order of the Court, and the Nevada Trust Parties shall have no personal obligations to satisfy any such liability other than as provided in Section 4.9.1.

4.7 Compensation of the Nevada Trustee

The Nevada Trust shall pay its own reasonable and necessary costs and expenses, and shall reimburse the Nevada Trustee for the actual reasonable out-of-pocket fees and expenses to the extent incurred by the Nevada Trustee in connection with the Nevada Trustee's duties hereunder, including, without limitation, necessary travel, lodging, office rent (to be paid directly by the Nevada Trust), postage, photocopying, telephone and facsimile charges upon receipt of periodic billings, all in accordance with an annual budget or fee schedule approved by the Lead Agency after consultation with the Non-Lead Agency. The Nevada Trustee, and employees of the Nevada Trust and the Nevada Trustee, who perform services for the Nevada Trust shall be entitled to receive reasonable compensation for services rendered on behalf of the Nevada Trust in accordance with an annual budget or fee schedule approved by the Lead Agency after consultation with the Non-Lead Agency.

The Nevada Trust Assets shall be subject to the claims of the Nevada Trustee, and the Nevada Trustee shall be entitled to reimburse itself out of any available cash in the Nevada Trust Administrative Account, and the Nevada Trust shall be obligated to pay, for actual out-of-pocket expenses and for actual hours worked.

All compensation and other amounts payable to the Nevada Trustee shall be paid from the Nevada Trust Assets.

4.8 Liability of Nevada Trust Parties

4.8.1 In no event shall any of the Nevada Trust Parties be held liable to any third parties for any liability, action, or inaction of any other party, including Settlers or any other Nevada Trust Party. The Nevada Trust Parties shall, further, be indemnified and exculpated in accordance with Section 4.9 of the Agreement.

4.8.2 As provided in Sections XVI, XVII, XVIII of the Settlement Agreement, the Nevada Trust Parties are deemed to have resolved any civil liability under CERCLA and State Environmental Laws to the United States and States, and have protection from contribution actions or claims as provided by Sections 113(f)(2) of CERCLA, 42 U.S.C. Section 9613(f)(2) or similar state law for matters addressed in the Settlement Agreement. The Nevada Trust Parties shall have the benefits of the covenants not to sue as set forth in Section XVI of the Settlement Agreement, of contribution protection as set forth in Section XVIII of the Settlement Agreement and of the provisions as set forth in Section XVII of the Settlement Agreement.

4.9 Exculpation and Indemnification

The Nevada 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 the Nevada Trust Assets and the discharge of the powers and duties conferred upon the Nevada Trust and/or Trustee by the Settlement Agreement, the Agreement, or any order of court entered pursuant to or in furtherance of the Settlement Agreement, the 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 Nevada Trust Party for any claim against Settlers, for making payments in accordance with the Agreement, the Settlement Agreement, or any order of court, for claims or causes of action relating to the ownership of the Nevada Trust Assets or for implementing or non-implementing the provisions of the Agreement, the Settlement Agreement or any order of court. Nothing in this Section, the Agreement, or the Settlement Agreement shall preclude the United States or the State of Nevada from enforcing the terms of the Settlement Agreement or the Agreement against the Nevada Trust Parties.

4.9.1 Exculpation. None of the Nevada Trust Parties shall be personally liable except to the extent the Court, by a final order, not reversed on appeal, finds that it committed fraud or willful misconduct after the Effective Date in relation to such Nevada Trust Parties' duties or actions that are asserted as the basis for liability. There shall be an irrebuttable presumption that any action taken or not taken with the approval of the Court does not constitute a breach of the Nevada Trust Parties' fiduciary duties or an act of fraud or willful misconduct. For the avoidance of doubt, the term "approval of the Court" in this Section 4.9.1 shall not be construed to mean the Findings of Fact, Conclusions of Law and Order Confirming the First Amended Joint Plan of Reorganization of Tronox Incorporation, et al., pursuant to Chapter 11 of the Bankruptcy Code, any other order that has been entered to date by the Bankruptcy Court, or any future order approving this Agreement or the Anadarko Litigation Trust Agreement. Any judgment against a Nevada Trust Party and any costs of defense relating to any Nevada Trust Party shall be paid from and limited to funds from the Nevada Trust Environmental Cost Account for the Henderson Property or the Nevada Trust Administrative Account without the Nevada 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 Nevada Trust Party's duties that are asserted as the basis for liability.

4.9.2 Indemnification. The Nevada Trust shall indemnify, defend and hold harmless (without the Nevada Trust Parties having to first pay from their personal funds) the Nevada Trust Parties from and against any and all claims, causes of action, liabilities, obligations, losses, costs, judgments, damages or expenses (including attorneys' fees and expenses) and any other assertion of liability arising out of the ownership of Nevada Trust Assets, the Nevada Trust Parties' negligent action or inaction, or in connection with, the matters contained in the provisions of Section 4.9, to the fullest extent permitted by applicable law, provided that such indemnification shall be limited to funds in the Nevada Trust Environmental Cost Account for the Henderson Property. Without limiting the foregoing, any such judgment against a Nevada Trust Party and any such costs of defense relating to any Nevada Trust Party shall be paid by the Nevada Trust consistent with the terms and conditions of this Section 4.9.2. Notwithstanding the foregoing, to the extent fraud or willful misconduct of any Nevada Trust Party is alleged

and the Court finds, by a final order, not reversed on appeal, that such Nevada Trust Party committed fraud or willful misconduct after the Effective Date in relation to such Nevada Trust Party's duties or actions, that are asserted as the basis for liability, there shall be no indemnification, of that Nevada Trust Party, for any judgments arising from such allegations of fraud or willful misconduct. It shall be an irrebuttable presumption that any action taken, or inaction, consistent with Court approval shall not constitute willful misconduct or fraud. For the avoidance of doubt, the term "approval of the Court" in this Section 4.9.2 shall not be construed to mean the Findings of Fact, Conclusions of Law and Order Confirming the First Amended Joint Plan of Reorganization of Tronox Incorporation, et al., pursuant to Chapter 11 of the Bankruptcy Code, any other order that has been entered to date by the Bankruptcy Court, or any future order approving this Agreement or the Anadarko Litigation Trust Agreement.

4.10 Termination, Replacement, and Removal of the Nevada Trustee.

4.10.1 Termination

The duties, responsibilities and powers of the Nevada Trustee will terminate on the date the Nevada Trust is dissolved under applicable law in accordance with the Settlement Agreement, or by an order of the Court; provided that this Section and Sections 4.6, 4.8 and 4.9 above shall survive such termination, dissolution and entry. The Nevada Trustee may resign by giving not less than 120 days prior written notice thereof to the Court, the United States, and Nevada.

4.10.2 Replacement:

The Nevada Trustee may be replaced upon completion of any ten (10) year term; however, this Section and Sections 4.6, 4.8 and 4.9 above shall survive such replacement.

4.10.3 Removal

4.10.3.1 The Nevada Trustee may be removed upon entry of a final order by the Bankruptcy Court, not reversed on appeal, immediately upon notice of appointment of a temporary or permanent successor, finding that the Nevada Trustee committed fraud or willful misconduct after the Effective Date in relation to the Nevada Trustee's duties under the Nevada Trust.

4.10.3.2 The Nevada Trustee may be removed upon entry of a final order by the Bankruptcy Court, not reversed on appeal, finding that the Nevada Trustee (i) in any material respect, as a result of negligence, exacerbates hazardous conditions at the Henderson Property, (ii) is seriously or repeatedly deficient or late in performance of the work or violates the provisions of the Settlement Agreement, or (iii) has violated the provisions of the Agreement or other related

implementation agreements. The United States and Nevada may jointly direct that (A) the Nevada Trustee be replaced in accordance with the Nevada Trust Agreement or (B) all remaining funds and future recoveries in the Nevada Trust be paid to US EPA or to Nevada to be used in accordance with the terms of the Agreement or the Settlement Agreement. In the event the funds are so paid, so long as title to the Henderson Property remains in the name of the Nevada Trust or Nevada Trustee, funds deemed reasonably sufficient by the applicable beneficiaries to cover property taxes and other property management costs to be paid by the Nevada Trust for the Henderson Property shall be left in the Nevada Trust Administrative Account.

4.10.3.3 The provisions of this Section 4.10.3 and Section 4.6, 4.8 and 4.9 above shall survive the removal of the Nevada Trustee or transfer of funds.

4.11 Appointment of Successor Nevada Trustees

Any successor Nevada Trustee shall be proposed by the United States and Nevada and appointed by the Court. Any successor Nevada Trustee appointed hereunder shall execute an instrument accepting such appointment hereunder and shall file such acceptance with the Nevada Trust records. Thereupon, such successor Nevada Trustee shall, without any further act, become vested with all the estates, properties, rights, powers, trusts and duties of its predecessor in the Nevada Trust with like effect as if originally named herein; provided, however, that a removed or resigning Nevada Trustee shall, nevertheless, when requested in writing by the successor Nevada Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Nevada Trustee under the Nevada Trust all the estates, properties, rights, powers, and trusts of such predecessor Nevada Trustee.

4.12 No Bond

Notwithstanding any state law to the contrary, the Nevada Trustee, including any successor Nevada Trustee, shall be exempt from giving any bond or other security in any jurisdiction.

ARTICLE V BENEFICIARIES

5.1 Beneficiaries

Beneficial interests in the Nevada Trust shall be held by each of the Beneficiaries.

5.2 Identification of Beneficiaries

5.2.1 In order to determine the actual names and addresses of the authorized representatives of a Beneficiary, the Nevada Trust and the Nevada Trustee shall be entitled to rely conclusively on the name and address of the authorized

representative for such Beneficiary listed below in Section 5.2.2, who may from time to time provide additional or replacement names and addresses of authorized representatives, or listed in any written notice provided to the Nevada Trustee in the future by an authorized representative of such Beneficiary.

5.2.2 The Nevada Trustee shall send copies of all reports, budgets, annual balance statements, and other documents that the Nevada Trustee is required to submit to a Beneficiary under the Settlement Agreement and the Agreement, and related implementation documents including any unilateral administrative orders, consent decrees, or administrative orders on consent to the following person(s), as applicable:

As to the United States of America as beneficiary:

Authorized representative and party to receive all notices under 5.2.2:

Stephen F. Tyahla, P.E., CHMM
Project Manager, RCRA Correction Action Office
Waste Management Division
U.S. EPA Region IX
75 Hawthorne Street (WSR-5)
San Francisco, CA 94105
Phone: 415-972-3466
Email: tyahla.stephen@epa.gov

As to Nevada as beneficiary:

Authorized representative and party to receive all notices under 5.2.2:

NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
Attn: Jim Najima, Chief, Bureau of Corrective Actions
901 S. Stewart Street, Suite 4001
Carson City, NV 89701
Tel.: 775.687.9484
Fax : 775.687.8335
E-mail: jnajima@ndep.nv.gov

NEVADA ATTORNEY GENERAL
Attn: Carolyn E. Tanner, DAG
5420 Kietzke Lane, Suite 202
Reno, NV 89511
Tel.: 775.850.4101
Fax : 775.688.1822
E-mail: ctanner@ag.nv.gov

5.3 Non-Beneficiaries

Upon the Effective Date of the Agreement, except with respect to enforcement of the Henderson Leased Facility, the Settlor and Reorganized Tronox shall have no interests including, without limitation, any reversionary interest, in the Nevada Trust or any Nevada Trust Assets; provided, however, Tronox LLC shall have a leasehold interest in the Henderson Leased Facility as described in further detail in the Settlement Agreement and insurance reimbursement rights as described herein. The State of Nevada and the United States shall be the sole beneficiaries of the Nevada Trust Accounts and the other Nevada Trust Assets. Neither Settlor, Reorganized Tronox, nor Tenant shall have any rights or interest to the Nevada Trust Assets distributed to the Nevada Trust Accounts, nor to any funds remaining in any of the Nevada 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.

5.4 Transfer of Beneficial Interests

The interest of the Beneficiaries in the Nevada Trust, which are reflected only on the records of the Nevada Trust maintained by the Nevada Trust, are not negotiable and may be transferred only after written notice to the Nevada Trust, by order of the Court or by operation of law. The Nevada Trust shall not be required to record any transfer in favor of any transferee where, in the sole discretion of the Nevada Trust, such transfer is or might be construed to be ambiguous or to create uncertainty as to the holder of the interest in the Nevada Trust. Until a transfer is in fact recorded on the books and records maintained by the Nevada Trust for the purpose of identifying Beneficiaries, the Nevada Trust, whether or not in receipt of documents of transfer or other documents relating to the transfer, may nevertheless make distributions and send communications to Beneficiaries, as though it has no notice of any such transfer, and in so doing the Nevada Trust and Nevada Trustee shall be fully protected and incur no liability to any purported transferee or any other Person. Interests in the Nevada Trust may not be transferred to the Settlor, Reorganized Tronox, or any Persons related to any of the preceding (within the meaning of Section 468B(d)(3) of the Internal Revenue Code).

ARTICLE VI REPORTING AND TAXES

6.1 Reports

As soon as practicable after the end of each calendar quarter beginning with the quarter ended after assets are first received by the Nevada Trust and ending as soon as practicable upon termination of the Nevada Trust, the Nevada Trust shall submit to the Beneficiaries a written report, including: (a) financial statements of the Nevada Trust at the end of such calendar quarter or period and the receipts and disbursements of the Nevada Trust for such period; and (b) a description of any action taken by the Nevada Trust in the performance of its duties which, as determined by outside counsel, accountants or other professional advisors, materially and adversely affects the Nevada Trust and of which notice has not previously been given to the Beneficiaries. The Nevada Trust shall promptly submit additional reports to the Beneficiaries whenever, as determined by outside counsel, accountants or other professional advisors, an adverse material event or change occurs which affects either the Nevada Trust or the rights of the Persons receiving distributions (including, without limitation, the Beneficiaries) hereunder. The Nevada Trust shall also provide the reports or information required by Section 3.2 of the Agreement.

6.2 Other

The Nevada Trust shall also file (or cause to be filed) any other statements, returns or disclosures relating to the Nevada Trust, that are required by any applicable governmental unit.

6.3 Reports in Support of Insurance Claims

The Nevada Trust shall also file (or cause to be filed) reports and cost analyses in support of claims against insurance carriers at the request of the United States and the State of Nevada and shall provide the United States and the State of Nevada a copy of any such reports and cost analyses.

6.4 Taxes

The Nevada Trustee shall be the “administrator,” within the meaning of Treasury Regulation Section 1.468B-2(k)(3), of the Nevada Trust. Subject to definitive guidance from the Internal Revenue Service or a judicial decision to the contrary, the Nevada Trustee shall file tax returns and pay applicable taxes with respect to the Nevada Trust in a manner consistent with the provisions of the QSF Regulations. All such taxes shall be paid from the Nevada Trust Assets. Settlers may make an election to treat the Nevada Trust as a grantor trust pursuant to Treasury Regulation section 1.468B-1(k)(1). To the extent the Settlers make such an election, (a) the Nevada Trustee will provide reasonable cooperation to Settlers as needed to facilitate such election, (b) the Nevada Trustee will file any returns or reports required by the QSF Regulations or Treasury Regulation § 1.671-4, and (c) the Nevada Trustee will provide the Settlers, as transferors to the Nevada Trust, with any statements or reports required by the QSF Regulations or Treasury Regulation § 1.671-4, in order to enable the Settlers to calculate their share of the Nevada Trust’s tax obligations and attributes. 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 the Settlement Agreement or the Agreement.

ARTICLE VII MISCELLANEOUS PROVISIONS

7.1 Amendments and Waivers

Any provision of the Agreement may be amended or waived by mutual written consent of the Nevada Trust, the United States, and the State of Nevada; provided, however, that no change shall be made to the Agreement that would alter the provisions of Section 7.2 hereof or adversely affect the federal income tax status of the Nevada Trust as a “qualified settlement fund” (in accordance with Section 6.4 hereof), or, unless agreed to in writing by the affected Nevada Trustee, the rights of the Nevada Trustee. Technical amendments to the Agreement may be made as necessary, to clarify the Agreement or enable the Nevada Trustee to effectuate the terms of the Agreement, in a manner consistent with the Settlement Agreement with the mutual consent of the Nevada Trust, the United States, and the State of Nevada.

7.2 Tax Treatment

The Nevada Trust created by the Agreement is intended to be treated as a qualified settlement fund eligible to elect grantor trust classification pursuant to the QSF Regulations for

federal income tax purposes, and to the extent provided by law, the Agreement shall be governed and construed in all respects consistent with such intent.

7.3 Cooperation

7.3.1 The Nevada Trust and Nevada Trustee shall take such actions and execute such documents as are reasonably requested by Settlor with respect to effectuating the Settlement Agreement and the transactions contemplated thereby, provided that such actions are not inconsistent with the Agreement or the Settlement Agreement. To the extent that Settlor requests the Nevada Trust and/or the Nevada Trustee to take such an action, the Nevada Trust and Nevada Trustee shall do so at the sole expense of the Settlor.

7.3.2 Settlor and Reorganized Tronox shall take such actions and execute such documents as are reasonably requested by the Nevada Trust or the Nevada Trustee with respect to effectuating the Settlement Agreement and the transactions contemplated thereby, provided that such actions are not inconsistent with the Agreement or the Settlement Agreement. To the extent that the Nevada Trust or the Nevada Trustee requests Settlor or Reorganized Tronox to take such an action, Settlor or Reorganized Tronox shall do so at the sole expense of the Nevada Trust.

7.4 Situs of the Nevada Trust

The situs of the Nevada Trust herein established is Nevada, and, except to the extent the Bankruptcy Code or other federal law is applicable, the rights, duties, and obligations arising under this Nevada Trust Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nevada, without giving effect to the principles of conflict of law thereof.

7.5 Severability

If any provision of the Agreement or application thereof to any Person or circumstance shall be finally determined by the Court to be invalid or unenforceable to any extent, the remainder of the Agreement, or the application of such provision to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such provision of the Agreement shall be valid and enforced to the fullest extent permitted by law.

7.6 Sufficient Notice

Any notice or other communication hereunder shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if deposited, postage prepaid, in a post office or by commercial overnight mail courier service, addressed to the Person for whom such notice is intended, to the name and address set forth in the case of a Beneficiary in Section 5.2 of the Agreement or such other address provided in writing to the Nevada Trust by an authorized representative of the respective Beneficiary.

7.7 Headings

The section headings contained in the Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of the Agreement or any term or provision hereof.

7.8 Actions Taken on Other Than Business Day

If any payment or act under the Settlement Agreement or the Agreement is required to be made or performed on a date that is not a business day, then the making of such payment or the performance of such act may be completed on the next succeeding business day, but shall be deemed to have been completed as of the required date. For the purposes of the Agreement, a business day shall be any of the days Monday through Friday excluding national holidays.

7.9 Consistency of Agreements and Construction

To the extent reasonably possible, the provisions of the Agreement shall be interpreted in a manner consistent with the Settlement Agreement. Where the provisions of the Agreement are irreconcilable with the provisions of the Settlement Agreement, the provisions of the Settlement Agreement shall prevail, with the exception of Section 1.1.34, Section 2.5.1, Sections 3.2.1 through 3.2.4 and Article IV in its entirety, in which case the Agreement controls.

7.10 Compliance with Laws

Any and all distributions of Nevada Trust Assets shall be in compliance with applicable laws, including, but not limited to, applicable federal and state securities laws.

7.11 Preservation of Privilege.

In connection with the rights, claims, and causes of action that constitute the Nevada Trust Assets, any attorney-client privilege, work-product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Nevada Trust shall vest in the Nevada Trust and its representatives, and the Parties are authorized to take all necessary actions to effectuate the transfer of such privileges.

7.12 No Recourse to Beneficiaries.

In no event shall the Beneficiaries have any responsibility for paying any expenses, fees, and other obligations of the Nevada Trust, and in no event shall the Nevada Trust or the Nevada Trustee, or any of their agents, representatives, or professionals, have recourse to the Beneficiaries therefor.

7.13 Uniform Custodial Trust Act.

The Nevada Trust Agreement shall not be subject to any provision of the Uniform Custodial Trust Act as adopted by any state, now or in the future.

THE UNDERSIGNED PARTIES ENTER INTO THIS AGREEMENT

FOR THE UNITED STATES OF AMERICA

Date: 2/9/11

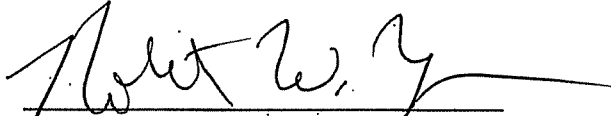


ROBERT G. DREHER
Acting Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20044

Date: 2/11/11

PREET BHARARA
United States Attorney for the
Southern District of New York

By:



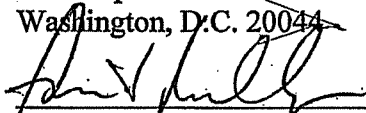
ROBERT WILLIAM YALEN
TOMOKO ONOZAWA
JOSEPH A. PANTOJA
Assistant United States Attorneys
86 Chambers Street
New York, New York 10007
Tel: (212) 637-2722
Fax: (212) 637-2686

Date: 2/10/11



ALAN S. TENENBAUM
National Bankruptcy Coordinator
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20044

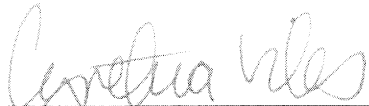
Date: 2/10/11




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: 1/14/11


By: 
CYNTHIA GILES
Assistant Administrator for Enforcement
and Compliance Assurance
U.S. Environmental Protection Agency

Date: 1/14/11

By: 
CRAIG KAUFMAN
Attorney-Advisor
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

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

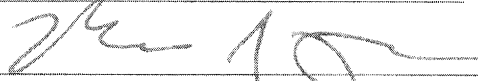
Date: _____

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.

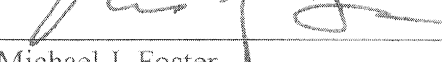
Date: _____

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 STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND
NATURAL RESOURCES,
DIVISION OF ENVIRONMENTAL
PROTECTION


Date: 2/11/11

By: 
COLLEEN CRIPPS, PhD.
Administrator

Approved as to form:

CATHERINE CORTEZ MASTO
Attorney General

Date: 2.11.11

By: 
CAROLYN E. TANNER
Deputy Attorney General

FOR THE NEVADA ENVIRONMENTAL RESPONSE TRUST

Date: 2/9/11

Le Petomane XXVII, Inc., not individually but solely in its representative capacity as the Nevada Environmental Response Trust Trustee

By: Jay A. Steinberg, not individually as President and

Jay A. Steinberg, not individually but solely in his representative capacity as President of the Nevada Environmental Response Trust Trustee